

# INTEGRATION AND INFORMAL SETTLEMENT UPGRADING: THE *ASHWAYAT* OF CAIRO, EGYPT

by

NOHA E. SEDKY

B.A. (Political Science) University of British Columbia, 1995

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF  
THE REQUIREMENTS FOR THE DEGREE OF  
MASTER OF ARTS

in

THE FACULTY OF GRADUATE STUDIES  
(School of Community and Regional Planning)

We accept this thesis as conforming  
to the required standard

THE UNIVERSITY OF BRITISH COLUMBIA

August, 2000

© Noha Effat Sedky, 2000

In presenting this thesis in partial fulfilment of the requirements for an advanced degree at the University of British Columbia, I agree that the Library shall make it freely available for reference and study. I further agree that permission for extensive copying of this thesis for scholarly purposes may be granted by the head of my department or by his or her representatives. It is understood that copying or publication of this thesis for financial gain shall not be allowed without my written permission.

~~Department of~~ School of Community and Regional Planning  
The University of British Columbia  
Vancouver, Canada

Date Sept 1st, 2000

## ABSTRACT

In developing countries, informal settlements play an integral part in each of the physical, economic, and institutional layers of the city. Using the case of Cairo, this study discusses how one policy approach has attempted to address this extended phenomenon. The policy of integrating the informal city into the modern structures of the formal state and related institutions has gained much interest by development practitioners and state authorities alike.

To assess the validity of this approach, this paper examines three interventions that attempt to enhance the linkages between the formal and informal city. In evaluating the upgrading projects, the following issues are considered: Have these upgrading interventions been able to adequately determine and address the needs of the residents? What was the level of user involvement in project implementation and design? Did they build upon and work with existing local institutions? Most importantly, have these initiatives been able to develop dynamic approaches to informal settlement development and change?

# TABLE OF CONTENTS

ABSTRACT .....	ii
LIST OF TABLES AND FIGURES.....	v
ABBREVIATIONS.....	vi
<b>I - INTRODUCTION.....</b>	<b>1</b>
1.1 BACKGROUND .....	1
1.2 RATIONALE .....	2
1.3 GOAL AND OBJECTIVES .....	3
1.4 RESEARCH QUESTIONS.....	3
1.5 RESEARCH METHODS .....	4
1.6 TERMS AND DEFINITIONS .....	6
1.7 CHAPTER OVERVIEW.....	7
<b>II – INTEGRATION AND UPGRADING OF INFORMAL SETTLEMENTS .....</b>	<b>9</b>
2.1 INTRODUCTION.....	9
2.1.1 <i>Defining Informal Settlements</i> .....	10
2.1.2 <i>Urban Fragmentation</i> .....	11
2.2 POLICY AND PERCEPTIONS .....	12
2.2.1 <i>Public Perception of Informal Settlements</i> .....	13
2.2.2 <i>Shifting Policy: From Demolition to Integration</i> .....	14
2.2.3 <i>Sites and Services and Upgrading Schemes</i> .....	16
2.3 UPGRADING INTERVENTIONS: THE INTEGRATION OF INFORMAL SETTLEMENTS .....	17
2.3.1 <i>Upgrading is Integration</i> .....	18
2.3.1 <i>Physical Integration</i> .....	20
2.3.2 <i>Economic Integration</i> .....	22
2.3.3 <i>Institutional Integration</i> .....	24
2.4 WHY INTEGRATION? .....	26
<b>III THE CAIRO CONTEXT.....</b>	<b>28</b>
3.1 HISTORICAL DEVELOPMENT OF CAIRO.....	28
3.1.1 <i>The Pharaonic Civilization</i> .....	29
3.1.2 <i>The Early Foreigners</i> .....	29
3.1.3 <i>The Islamic Era</i> .....	31
3.1.4 <i>Modern Egypt</i> .....	33
3.2 CONTEMPORARY CAIRO .....	36
3.2.1 <i>Nasser and Arab Socialism</i> .....	37
3.2.2 <i>Sadat and The Infitah</i> .....	38
3.2.3 <i>Mubarak and An Upgrading Policy</i> .....	41
3.2.4 <i>Foreign Influence</i> .....	42
3.3 BUREAUCRACY, LAWS AND ADMINISTRATION .....	43
3.4 CAIRO'S ASHWAYAT: INFORMAL SETTLEMENT DEVELOPMENT.....	46
3.4.1 <i>Land Development in Cairo</i> .....	49
3.5 THE FORMAL TO INFORMAL CITY RELATIONSHIP .....	52
<b>IV – PHYSICAL INTEGRATION: THE CASE OF MANSHIET NASSER.....</b>	<b>54</b>
4.1 THE STORY OF MANSHIET NASSER .....	54
4.2 THE INTERVENTIONS .....	57
4.2.1 <i>Upgrading with the World Bank</i> .....	57
4.2.2 <i>Upgrading with GTZ</i> .....	58



4.3 LAND, TENURE AND INFRASTRUCTURE DEVELOPMENT .....	61
4.3.1 <i>Spatial Integration</i> .....	61
4.3.2 <i>Tenure and Regularization</i> .....	62
4.3.3 <i>Physical Infrastructure Provision</i> .....	64
4.4 PHYSICAL INTEGRATION IN MANSHIET NASSER.....	66
<b>V – ECONOMIC INTEGRATION: THE CASE OF BOUFAQ EL DAKROUR .....</b>	<b>69</b>
5.1 BACKGROUND .....	69
5.2 THE INTERVENTION.....	72
5.2.1 <i>Project Design</i> .....	72
5.2.2 <i>Project Contradictions</i> .....	73
5.2.3 <i>Implementation of Employment Program</i> .....	74
5.2.3 <i>Project Constraints</i> .....	76
5.3 CAIRO'S INFORMAL ECONOMY.....	78
5.3.1 <i>Informal Employment: Jobs and Networks</i> .....	78
5.4 ECONOMIC INTEGRATION POLICY AND PRACTICE .....	82
<b>VI – SOCIO-POLITICAL INTEGRATION: THE CASE OF HIKR EL SAKAKINI.....</b>	<b>85</b>
6.1 BACKGROUND .....	85
6.2 THE INTERVENTION.....	87
6.2.1 <i>The Coptic Evangelical Organization for Social Services (CEOSS)</i> .....	87
6.2.2 <i>Institutional Capacity Building in El Hkr</i> .....	88
6.2.3 <i>Physical Upgrading</i> .....	90
6.2.4 <i>Socio-Economic Development Programs</i> .....	91
6.3 IN RESPONSE TO THE FORMAL CITY .....	92
6.3.1 <i>Political Representation</i> .....	93
6.3.3 <i>Other Forms of Participation</i> .....	95
6.4 INSTITUTIONAL INTEGRATION .....	96
6.4.1 <i>The Role of Intermediaries</i> .....	97
6.4.2 <i>Integration not Homogenization</i> .....	97
<b>VII – CONCLUSION .....</b>	<b>99</b>
7.1 URBANIZATION IN CAIRO .....	99
7.2 FINDINGS AND IMPLICATIONS.....	100
7.3 SUGGESTIONS FOR FURTHER RESEARCH .....	102
<b>GLOSSARY OF ARABIC TERMS .....</b>	<b>103</b>
<b>BIBLIOGRAPHY.....</b>	<b>105</b>

## LIST OF TABLES AND FIGURES

<i>Table</i>		<i>page #</i>
3-1	Informal Settlements in Egypt, Population and Density, by Governorate, 1993	48
3-2	Areas Projected for Clearance and Upgrading, Cairo and Giza Governorates, 1993	49
5-1	Small Loans Distribution Schemes in Giza	75
5-2	List of Required Documents, Boulaq el Dakrour, Giza	77

<i>Figure</i>		<i>Page #</i>
2-1	The Levels of Upgrading, Integration, and Change	18
2-2	Imposed and Mutual Integration	19
3-1	The Governorate Administration System in Egypt	45
3-2	Informal Settlements in Cairo Map	47
4-1	Informal Water-Selling, Giza	65
5-1	A Typical Subdivision, Boulaq el Dakrour, Giza	70
5-2	Sandwich Board Sign "Offers for Newlyweds, By Credit or Installments," Boulaq el Dakrour, Giza	81

## ABBREVIATIONS

<b>CBCA</b>	Cairo Beautification and Cleanliness Authority
<b>FIT</b>	Foundation for International Training
<b>GTZ</b>	German Technical Agency
<b>ILO</b>	International Labour Office
<b>IMF</b>	International Monetary Fund
<b>MOSA</b>	Ministry of Social Affairs
<b>NGO</b>	Non Governmental Organization
<b>YBA</b>	Young Businessmen Association
<b>YES (Giza)</b>	Youth Employment Scheme (Giza)
<b>SFD</b>	Social Fund for Development
<b>UNCHS</b>	United Nations Centre for Human Settlements

## I - INTRODUCTION

This research considers the integration process of informal settlement upgrading and whether it has been an effective strategy for guiding physical, economic, and institutional development and change. Using data compiled from upgrading processes from three communities in Cairo, Egypt, this thesis focuses on transformations that have taken place physically, economically, and socio-politically as a result of the formal interventions and the process of informal settlement upgrading.

### 1.1 Background

As in many developing countries, Egypt has been overwhelmed with the challenges that accompany rapid urbanization and population growth and change. The challenge for the formal public and private sectors lies in providing infrastructure, services, jobs, and housing to meet the demands of this growing and changing urban population. Thus far, formal sector activity has failed to keep pace with the momentum created by the needs of the city's inhabitants (Soliman 1995; Arandel & El Batran 1998). For this reason, the people themselves, particularly the poorest segments of society, sought alternative solutions to their urban problems including employment and social services. They have also resorted to informal land development and alternative housing options in what has come to be known as informal settlements or *ashwayat*. From a formal perspective, these areas are unplanned, illegal entities that suffer from a lack of adequate services and infrastructure. They are considered illegal because they do not conform to statutory rules and formal regulations, though they have de facto security because the threat of their removal is minimal.

Over the past few decades, policy-makers and community development practitioners alike have confronted the problems related to informal settlements by attempting to bring them into the public realm of statutory regulations, laws and titles. International experience has shown, however, that integrating informal settlements into the formal city in this way has had limited success at facilitating positive and lasting change. In fact, neither the formal nor informal set of actors have benefited from this mostly one-sided process.

The formal planning system has been unsuited, if not contradictory, to the informal rules of housing, land development, and community organization that characterize these informal communities. The current system of regulation and planning has undervalued the rules and institutions of informal settlements, often attempting to displace them with the so-called "modern" way. This form of integration does not recognize the values and effectiveness of the existing institutions and approaches to growth and change, and has thereby neglected the integral aspects of informal settlements. These include such elements as small-scale incremental development, widespread social networks, flexibility and dynamism in problem solving, and an impressive level of innovation and adaptability, all of which may function within the parameters of the formal system while effectively acting from outside of its control.

Traditionally, upgrading projects have attempted to superimpose formal frameworks of the city upon informally created communities. The policies are often dogmatic in their approach, unable to recognize the importance of local institutions and systems that have built these communities to date. They usually have a shallow understanding of the informal context and cannot recognize, or choose not to recognize, the positive aspects of the informal system. Consequently, this myopic and limited approach to planning and development has led to the failure of most upgrading projects attempting to apply formal institutions and approaches onto an existing informal context.

## **1.2 Rationale**

There are more than eight million people currently living in informal settlements throughout Cairo. Introducing the specific experience of informal settlements in Cairo facilitates a general discussion on the international practice of informal settlement upgrading. Using three case-study interventions in three communities provides a detailed look at the interaction between the two sets of forces at play in any urban setting — the *formal* and the *informal*. Through a critical examination of the different approaches to upgrading, the thesis discusses the validity of the informal sector as it relates to urban settlements and the range of approaches or policies that address them. The policy-making ideas to be considered here are those that lie between a bulldozer policy of demolition and

relocation, an integrative approach of in-situ upgrading, and a policy of informalization, or adaptation and accommodation by the state of the informal aspects of urban development.

### **1.3 Goal and Objectives**

The goal of this research is to examine the practice of informal settlement upgrading. In the face of a growing shortage of affordable housing and services, a new paradigm is needed to address the issues and problems of the 30 to 60 percent of people in developing countries currently living in informal settlements. In its recognition of the validity and dynamism of informal activities, this thesis seeks new policy directions for such informal or "self-planned" settlements.

The multiple objectives of this thesis are to:

- gain a better understanding of the nature and context of informal settlements by examining a) the political, legal, socio-economic, and physical context in which these communities develop, and b) the policies that set the parameters of informal settlement development;
- examine the integrative aspects of informal settlement interventions, specifically in terms of upgrading and urban development projects; and
- evaluate such approaches in terms of their ability to adequately determine and address the needs of the residents, effectively involve the people affected in project implementation and design, build upon and work with existing local institutions, and develop dynamic approaches to informal settlement development.

### **1.4 Research Questions**

How does Cairo's experience with upgrading inform current policy and planning approaches related to informal settlement development and change? Based on the goals and objectives outlined above, it is this question that this paper fundamentally seeks to answer.

The following four research questions form a structure for analyzing the different approaches to informal settlement development and the lessons that can be learned from these methods. These questions include:

- What are the current approaches, policies, and trends of urban upgrading being practiced worldwide?
- What is the historical, spatial, socio-economic, and political nature and context in which informal settlements are developing in Cairo? What are the state laws, policies, and institutions that set the parameters of informal settlement development?
- Which upgrading approaches are being implemented in Cairo? How have these projects attempted to integrate the respective communities physically, economically and institutionally?
- Given the national and local context, has integration through upgrading been a suitable or successful method for dealing with the informal city?

In answering these questions, the paper seeks a more dynamic approach to development and change — one that begins with a more comprehensive understanding of the informal context and attempts to work within this framework rather than superimpose formal frameworks of development upon these working communities.

## **1.5 Research Methods**

To address the research goals and objectives above, several research methods are employed. These approaches include a review of the literature pertaining to informal settlement upgrading and a detailed analysis of three case studies in Cairo.

The review of current literature grounds the topic of informal settlement development and upgrading within the contemporary context. Based on literature from the fields of both international and community development, the review considers prominent upgrading approaches and techniques. It also describes the experience and lessons learnt from this practice. Thus, international development theory and practice as they relate to informal settlement upgrading are reviewed as a backdrop by which to examine the case studies.

The second general approach is the case study. First, it is necessary to examine the socio-cultural, political, legal and economic setting within which these informal settlement communities have been developing. This involves a review of primary and secondary sources on the Egyptian national and city-level institutions and their relationship to informal settlements in Cairo.

Having found such a diversity of issues and circumstances that affect informal settlements in Cairo, a survey of three communities and related interventions is the best approach to understanding the city's experience with informal settlement upgrading. This survey approach is preferred to an in-depth case study of one community which could lead to a skewed vision of the situation being experienced in Cairo. Given the limited scope of this research, it would also be unreasonable to presume an in-depth understanding of the workings of informal communities. Therefore, a project-focused as opposed to community-focused study was intentionally selected. Three projects covering a wide range of experience and approaches related to informal settlement development and change were chosen based on their particular project focus; each sought to integrate the respective community physically, economically, and socio-politically.

In each of the communities, a combination of in-depth interviews, participant observation and transect walks were used to gain a deeper understanding of the place, the people, and the project at hand. Whenever possible, the walks and observation of activities were accompanied by a local informant. As for the interviews, they were conducted with representatives of the three organizations, with government representatives, as well as with community members. They were not recorded so as not to inhibit the interviewees, particularly the community members who may have been otherwise deterred by the academic or formal nature of a tape recorder or notebook. Notes were taken during the semi-structured interviews with government or agency representatives on site or at the project office while the informal interviews involved casual conversations with community members either in their homes or on the streets. All interviews were followed with additional notes and observations. Some interviews were followed up by a second or third meeting in order to clarify details and facts related specifically to project implementation.



A total of eight interviews were conducted with members of the three project implementation teams including the respective team leaders. Three interviews were conducted with government officials, three with academics, and numerous ones with members of the three communities. The interviews were carried out between May and August, 1999.

## 1.6 Terms and Definitions

*Informal settlements* are those communities otherwise known as unplanned, popular or irregular. The Arabic term, *ashwayat* literally means haphazard, spontaneous, and by extension "unplanned."<sup>1</sup> Such communities, however, are usually well-organized and well-established though they lie outside of the public planning framework. Hence the term *self-planned* better describes this situation and will be used interchangeably in this study to qualify settlements that occur outside the legal and statutory bounds of formal planning. Settlements here are understood to include not only the physical but also the social, economic, institutional, cultural, and political aspects of community. These encompass a range of residential environments and dwelling types — from private agricultural land to public state land, and from shack dwellings to five-storey walk-up apartments.

The *informal* is understood to be the economic, social, and political activities that rest outside the bounds or on the periphery of the formal market, planning regulations, and administration system. This definition recognizes that the informal development process is delineated by the parameters of the formal actors and agencies and their respective policies and initiatives. It should also be noted that informal activities are often in response to the neglect or inadequacy of the formal institutions, and that there is a constant interplay between the formal and informal systems.

*Integration* refers to the process of conforming an otherwise non-conforming entity, in this case self-planned settlements. Upgrading or urban development projects create a direct link between informal communities and the formal city, providing the mechanism by which to

---

<sup>1</sup> Ashwayat and other frequently-used Arabic words will be treated as English words and not italicized after their first occurrence in the paper.

integrate or bring a community to conform to the rest of the city's norms and standards. Most projects address the informal from a top-down perspective seeking to "modernize" or formalize informal settlements by imposing statutory rules, regulations and displacing local institutions and organizational structures. Integrative methods that create a space for the ashwayat to participate in local decision making without obstructing the positive elements of the informal or eliminating effective institutional processes are a much more favorable route to upgrading and development.

## 1.7 Chapter Overview

The thesis is organized into seven chapters. Following this introduction, **Chapter II** presents a review of the literature on the integrative nature of international development, particularly informal settlement upgrading. It describes current international trends and policies, the range of approaches and methods to project implementation, and the lessons learned from such experience. **Chapter III** compares the international experience of informal settlement policy and practice to the specific experience in Cairo, Egypt. It provides a historical overview of Cairo's development and outlines the national and provincial administration and policy context. Having set the parameters of change, the final section of this chapter briefly describes how the ashwayat have developed over the past 50 years and how their position in the city has changed throughout this period.

**Chapter IV** presents the findings from an intervention in eastern Cairo in a community called Manshiet Nasser. Here, the project emphasis is on the physical integration of the community to the urban fabric of the formal city. It focuses on aspects of street layout, infrastructure and tenure status. **Chapter V** considers the element of economic integration and how that has been incorporated into an urban development initiative in the Giza neighbourhood of Boulaq el Dakrou. Here, the economic aspects of this project in terms of job creation, access to credit, and skill training, are assessed. **Chapter VI** brings the third integrative aspect into the discussion, looking at the sociopolitical aspects of community development in Hikr el Sakakini, a community in south western Cairo. Through an emphasis on institutional capacity building, this intervention has been able to achieve many successes in the areas of physical, social and economic development.

Chapters IV to VI present three case-study interventions and approaches to informal settlement development; each of which are examined in terms of their success and suitability. They outline the upgrading approaches attempted in each of these three communities from a different location geographically, developmentally, and socially. The projects are at different stages of implementation and the respective projects present different sets of ideas, methods, and questions that contribute to a greater understanding of the local experience with informal settlement development and change. Therefore, this examination provides a set of lessons and perspectives that can better inform the internationally accepted approach to upgrading.

The **final chapter** translates the experience of the case studies into lessons or considerations for alternative approaches to informal settlement policy, planning, and practice. It presents a summary of the findings and analysis, discusses the overall implications of this study, and suggests directions for future policies and further research on upgrading informal settlements.

## II – INTEGRATION AND UPGRADING OF INFORMAL SETTLEMENTS

The urban masses are neither radical nor apathetic. Their behaviour, the attitudes that underlie it, and ultimately even their values have to be understood in terms of the economic, social, and political realities they face (Gilbert & Gugler 1992 179-80).

### 2.1 Introduction

By 1950, just over a fifth of the world's population were living in cities with over 20,000 inhabitants, and about an eighth in cities larger than 100,000 (Perlman 1976 3). In the past, rural-to-urban migration was credited to be the main cause of the phenomenon of rapid urbanization. However, natural increase is actually the greatest contributor to today's population growth. In developing countries, few countries have kept up with this pace of growth in terms of job opportunities, urban services, infrastructure facilities, and governmental capabilities.

Moreover, urban policies in developing countries have been greatly affected in the last three decades by a neo-liberal fiscal approach to development including structural adjustment and the introduction of market mechanisms. These changes have had a further impact on many aspects of urban development, contributing to a situation of high unemployment, a lack of affordable housing, and inadequate social services. The unprecedented levels of urbanization and related shortfalls by the state led to the development of informal settlements. City residents, particularly the poorest among them, sought alternative options in the areas of housing, economic activities, and social institutions. The informal city that ensued comprises activities and institutions that lie mostly outside the state's legal and statutory framework.

In order to better understand the reasons for this development form, several macro-level theories related to urban systems and structures are reviewed. This is enhanced by a more micro-level analysis of the external and internal factors at play in the development of informal settlements. Specifically, a working definition of informal settlements is considered followed by a review of international norms, general perceptions, and changing national policies and approaches towards informal settlements.

### *2.1.1 Defining Informal Settlements*

Informal settlements are those communities otherwise known as unplanned, informal, spontaneous, popular or irregular. Settlements, here, refer not only to the built environment, but also to the activities and institutions occurring within these communities. By the same token, the "informal" is understood to be the activities which rest outside the bounds or on the periphery of the formal market, planning regulations, and administration system. These may be physical, economic, social or political. This definition, however, does not preclude the issue that the informal development process is delineated by the parameters of the formal actors and agencies and their respective policies and initiatives. And while the informal processes are often in response to the neglect or inadequacy of the formal institutions, there is a constant interplay between the formal and informal systems.

A distinction must be made between the two city forms (formal/informal) in order to illustrate the complexity of urban systems today. However, it is important to be cautious of dualist models that divide the city into "traditional" and "modern" or "informal" and "formal." Such a dichotomy not only pits one sector or entity against the other, but also provides the rationale for a gradual integration or absorption of the "lesser" fragment by the more developed and more modern whole. This is also based on a wrongful assumption that the modern or formal structures of the city are the greater whole on which the informal parts depend. The prevalence, complexity, and persistence of informality within cities is proof that these parts are neither uniform, homogeneous, or powerless. The terms formal and informal are also deceptive in that they suggest a hierarchical relationship; they should perhaps be considered as opposite ends of a spectrum with the urban reality lying somewhere in between.

In defining the urban system, one approach is to consider the urban whole as made up of state and non-state factors and actors, and all the levels of formality and informality in between. This split is useful only if international norms and pressures are recognized as important players influencing the state; they reflect the influence that international donor agencies and global pressures may have in the formation of national policy on informal settlements.

Informality is not itself an attribute of individuals, groups, or activities, but rather, of social transactions and the rules and norms that govern them. What makes such social transactions informal is that they do not rely on standardized, bureaucratic rules and procedures for their execution and enforcement; thus, they are not legally recognized by the state. Instead, informal transactions are governed by normative frameworks in which the processes of establishing rules, securing compliance to these rules, and punishing rule breakers are internalized by the individuals involved (Assaad 1996 117). By this understanding, the informal realm consists of a large social network with implicit rules and sanctioning mechanisms. The rules of the informal sector are different from the formal city in that they are spontaneous and flexible, based on current beliefs, needs and values. These "de facto rules of the game" are differentiated from the "de jure" rules of the formal sector in that their legality is based upon circumstances of practice rather than written law (van Horen 1999 4).

Such dynamism and complexity is rarely recognized amongst policy-makers and development practitioners. The tendency is to slot aspects of informal settlements into conceptual categories which oversimplify reality, often negating the positive attributes within the informal elements. Such generalizing tendencies lead to overly simplified policy prescriptions which are often detrimental to the existing norms and institutions. For this reason, recognition of the intricacies and heterogeneity of informal settlements and the symbiosis between the formal and the informal is a prerequisite of sustainable development and change .

### *2.1.2 Urban Fragmentation*

Many theorists believe, and the process of informal development confirms, that people violate a system that does not accept or accommodate them. In this way, it appears that a second city has appeared and developed, rapidly growing larger than the planned one, for all those who cannot afford living in the latter. In order to survive, inhabitants in this informal city engage in activities that are not licensed or regulated by the state. Ironically, such practices though illegal, are neither criminal nor even anti-social in their illegality. They are activities designed to achieve essentially very legal ends, such as building a house, providing a community service, or developing a business.

Therefore, the state with its investments and laws, its power of exclusion and inclusion, is one of the main causes of urban differentiation. The state sets the standards of the formal urban system; it defines what is legal and what is not. Informality then thrives when the legal system imposes rules that exceed the needs and expectations of the urban residents as a whole, and when the state does not have sufficient coercive authority to control it (de Soto 1989 12). In the face of external pressures, economic hardship, and this overwhelming size of the informal city, the state has begun to consider a policy of retreat (Balbo 1993 23). At all levels of the urban system, the parallel structures of the informal city have reduced the span of state's influence and control.

While not necessarily articulated as such, many theorists have come to see this pattern of development as a form of city fragmentation where the urban system is not a unified, continuous whole, but rather a set of discontinuous segments (Balbo 1993; Gilbert and Gugler 1992). These parts are found within each layer of the urban structure: the **physical**, **economic**, and **institutional**. This is not to suggest that the city fragments are distinct entities in locked opposition to one another. While distinct in many regards, the formal and informal cities are also linked closely to one another through networks, overlapping duties, and interdependencies.

## **2.2 Policy and Perceptions**

Though informal activities and institutions are filling the vacuum of the ineffective state, the formal sector still hesitates to completely validate the informal sector's solutions to the city's problems of shortage and inequity. This is largely perpetuated by a negative public perception of informal settlements which tends to view such settlements as inferior and marginalized segments of a superior system. The reality of the informal settlement is much more complex than such perceptions portray and the marginality it faces is one that has been imposed by mainstream society (Perlman 1976 91). Over the years, this perception has changed to create a more favourable impression, one that emphasizes the societal contribution and efforts made by informal settlement dwellers and a different set of policies has arisen to reflect this increased acceptance and understanding.

### 2.2.1 *Public Perception of Informal Settlements*

The many ideologies and stereotypes associated with marginality affect the lives of millions of poor urban residents. This public perception not only influences general policy towards informal settlements but also the degree of integration of the city fragments. That is, if a group or community is viewed as under-productive economically, or naïve politically, and undesirable socially, then the policy that ensues will seek to integrate the wayward place and its people into the economic, political, and social ways of the city.

This type of integration is highly problematic in that it reflects a form of subjugation rather than unification of the different parts. These notions of marginality thus strengthen and perpetuate the views of policy makers who believe that the city and the informal city residents would be better off if such settlements did not exist. They consider it best to eradicate them, discourage migration, and strictly enforce housing and zoning laws. Justification is not needed, in this case, for the re-location of inhabitants to more remote areas with low land values to live in public housing of minimal standards.

A related myth is the presumption presented by Oscar Lewis that states that informal settlement dwellers are in a situation of deprivation which is the result of the socialization process he called the "culture of poverty." In such communities, the sense of despair leads to a cycle of fatalism where poverty is forever perpetuated. They then seldom invest in ways that could raise their future incomes or improve their lives (Perlman 1976 114).

Equally important is the theory of radicalism where squatters are seen to be potential revolutionaries who could behave in violent and socially disruptive ways. Their heightened disillusionment and frustration with surrounding affluence in the city and media supposedly leads to thwarted expectation and alienation from the system (Perlman 1976 123). There is also the belief that when rural migrants come to the city, their traditional values break down, which is bound to lead to radicalism and a heightened revolutionary consciousness. All these perceptions perpetuate a sense of deprivation and helplessness in informal settlements, and it is upon this basis that informal settlement policies were typically formed.



Over the last three decades, changing perceptions towards informal settlements have led to an increased acceptance of informal settlements and their ability to support themselves. The perceptions related to informal settlements gradually shifted from the marginal, radical, apathetic, and helpless to be replaced by the alternative, resilient, flexible, and resourceful. Similarly, the policies and projects related to informal settlements also shifted. No longer was the informal city seen to need help from those more fortunate through charity and welfare (health services or distribution of food and clothing), but rather improved capacities and access (training, information, or legalization).

### *2.2.2 Shifting Policy: From Demolition to Integration*

When viewed as an aberration to the urban order, local authorities deal with the situation of informality or irregularity through repressive means that attempt to eradicate it. Unable to keep pace with the demands of the city's inhabitants as a whole, state authorities have shifted in the last two decades to a less radical approach but one that still seeks to eliminate the unregulated nature of these areas. In fact, most policies and projects still address the informal city from a patriarchal perspective that seeks to "modernize" informal communities by imposing formal city rules and standards upon them.

Along these lines, many governments go through three basic responses to informal settlements: demolition and relocation, sites and services, and in-situ upgrading. All three policy responses have had limited success. The first of these, the bulldozer approach, was unable to eliminate the housing shortage or the re-appearance of informal housing. The relocated residents simply moved to other informal areas or erected shelters elsewhere. Sites and service schemes rarely reached their target groups. The new housing units were often priced too high for the poorest sectors of society; they were purchased by the middle class and either developed for their own occupancy or for the rental market. The last response, in-situ upgrading has had much more varied results and objectives although few attempts have been able to successfully integrate the informal communities into the formal urban system. These policy types and transitions have been experienced by most developing country governments.

In the 1970s, John Turner and others began to speak on behalf of informal settlement dwellers calling for the rights of residents to build housing for themselves. Turner described housing not only as the actual physical commodity, but also as a human activity. In addition, users make housing decisions that match their needs better than public housing can. Turner and Mangin demonstrate that the housing of the poor, so often denigrated as being no more than a shack without services, was the foundation upon which the more fortunate, better off or more innovative sought a way out of their poverty (Gilbert 1992 84). Over time, these poor families would consolidate their housing transforming the shack into walls, extra rooms, a solid roof, additional floors, and often reasonable services.

Each income group makes trade-offs in their housing decisions between security, identity, and opportunity. The poor segments of the population are likely to value proximity to unskilled jobs more than either ownership or high quality standards of shelter (Gilbert 1992 86). Hence, it is not of great value for poor people to live in housing units of high architectural standards that are located in areas distant from jobs and services; it would clearly not match their needs and incomes.

This understanding reflected a new perception towards the urban poor from the delinquency and apathy of the culture of poverty. In practice, the rejection of such myths resulted in a shift from the policy of demolition and relocation to public housing units (because the poor are incapable of helping themselves) to upgrading and sites and services initiatives. Subsequent to Turner's ideas, the World Bank and like-minded institutions became actively interested in social infrastructure; previously, investment in housing was seen to be unproductive and most funds were channelled into the growth-generating sectors of power, industry, transport, and agriculture (Gilbert 1992 97).

Thus, a paradigm shift came underway that turned housing policy upside down by claiming that the "problem" was the solution, that "housing was a verb," and that self-help and user participation were to be embraced rather than regulated or prohibited. They shifted their efforts from preventing urban growth towards planning for it, coping with it, and taking advantage of it. Many public officials moved from fighting the informal sector, to accepting it and finally, to actively promoting it (Perlman 1987 195).

### 2.2.3 *Sites and Services and Upgrading Schemes*

The shift led to the implementation of a string of sites and service schemes across the developing world. Serviced lots, and sometimes unfinished units, were provided to households upon which users could build their own homes. Policy makers traditionally objected to the increase of user control in housing because it was seen to be a submission to a lowering of public standards (Turner 1972 148). They were also not particularly good ribbon-cutting types of projects and were therefore unable to muster sufficient political support to carry the projects through. As it turned out, few of these housing experiments succeeded because gentrification occurred and they were unable to reach the poorest segments of the population.

Another approach was that of upgrading policies and programs. Contrary to the policies of the past, the goal of upgrading is to incorporate the informal settlement communities into the city and not to wipe them off the map. The new emphasis extends urban rights to residents in order to make them not only city-dwellers but also citizens. Through the extension of services, infrastructure, clarification of land tenure, and property taxation, informal settlement dwellers are expected to become full inhabitants of the formal city.

It is this approach to informal settlements, specifically through upgrading practices, which has gained the greatest attention by international housing specialists in recent years. De Soto and others have emphasized how the informal city should be integrated into the greater economic and legal system so that the entire population can make full use of its creative energies (de Soto 1989 246). Integration approaches would mean removing legal restrictions and incorporating everyone into the formal framework.

A slant on this policy is regularization which reflects specifically the legal aspects of informal integration. Providing full legalization is seen to be a necessary element in the improvement of existing housing situations and access to low-income housing. Such a transition from illegal to legal is a complex process conditioned by intricacies of land ownership and tenure legislation (Fernandes & Varley 1998 55). This is complicated by the fact that techno-bureaucrats have always tended to see informal settlements as city fragments that lie outside the legal framework of the state; they are often unable to

conceptualize informal settlements as city neighbourhoods that receive full benefits while maintaining their informal peculiarities. Nevertheless, this legalization approach to upgrading is growing in popularity amongst public authorities as well as development practitioners.

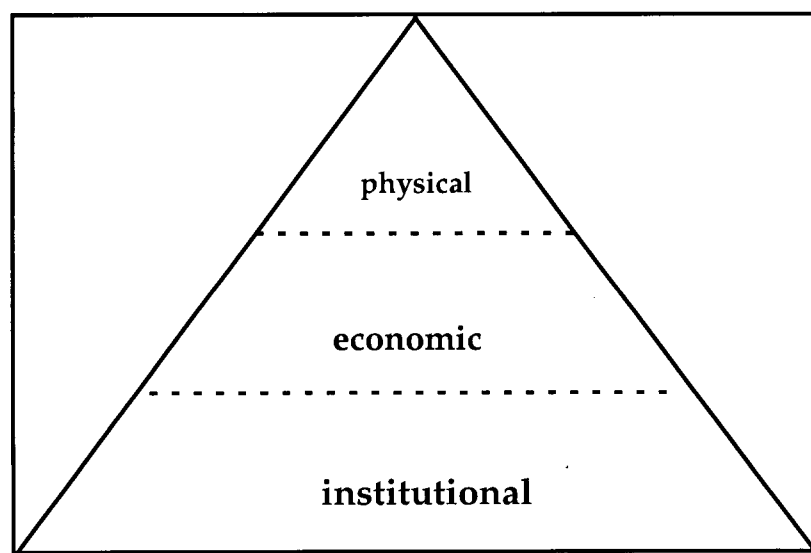
It is important to mention that this shift has taken place across most developing countries and that the influence of international pressures are a dominant factor in this. At the same time, however, these transitions are simplistic descriptions of complex processes. They cannot be seen as a developmental progression that occurs simultaneously or evenly across countries. This process of upgrading and integration will be discussed in more detail across each of the urban layers — the physical, economic, and institutional.

### 2.3 Upgrading Interventions: The Integration of Informal Settlements

Upgrading interventions are situated along a hierarchy of activity, depth, and effectiveness. Figure 2.1 is a simple diagram that visually presents the levels of change and development in any community. At the most common level, interventions promote the delivery of **physical** infrastructure and services such as water supply connections or solid waste management. The next level is a little less tangible and involves the **economic** development of a community. Thirdly, increased access to information, know-how, and resources can lead to capacity building and social advocacy by which a community can be upgraded at the **institutional** level.

Though all three levels of upgrading seek an improved quality of life for the inhabitants of informal settlements, the diagram suggests that in order to affect lasting and effective change, upgrading must begin at the base of the pyramid. In actual practice, however, the most basic intervention tends to be of a physical nature and as interventions grow in scope and complexity, the economic and institutional elements are incorporated within this. Rarely are community values and related structures considered as the root of the development process.

Figure 2.1      The Levels of Upgrading, Integration, and Change



### 2.3.1 *Upgrading is Integration*

There appears to be some “ideological confusion” related to the integrative aspect of upgrading (Craig 1998 2).<sup>2</sup> The proponents of upgrading understand the practice from two different perspectives. In line with the neo-liberal ethic, many developing countries are moving towards enlarged markets and minimal states with which such formalization or regularization of informal settlements is well suited (Chakravorty 1999 83). Upgrading policy is then seen as a justification for the reduction of social services and spending on the lives of the poorest segments of the city. On the other hand, it is argued that upgrading is a form of recognition of informal settlements which informalizes the formal city, freeing legal restrictions, and empowering the urban poor. Both forms of urban change and development are at the height of debate and discussion in international housing circles. But it is this second process, the formalization of the informal, which seems to be most dominant in current upgrading policies.

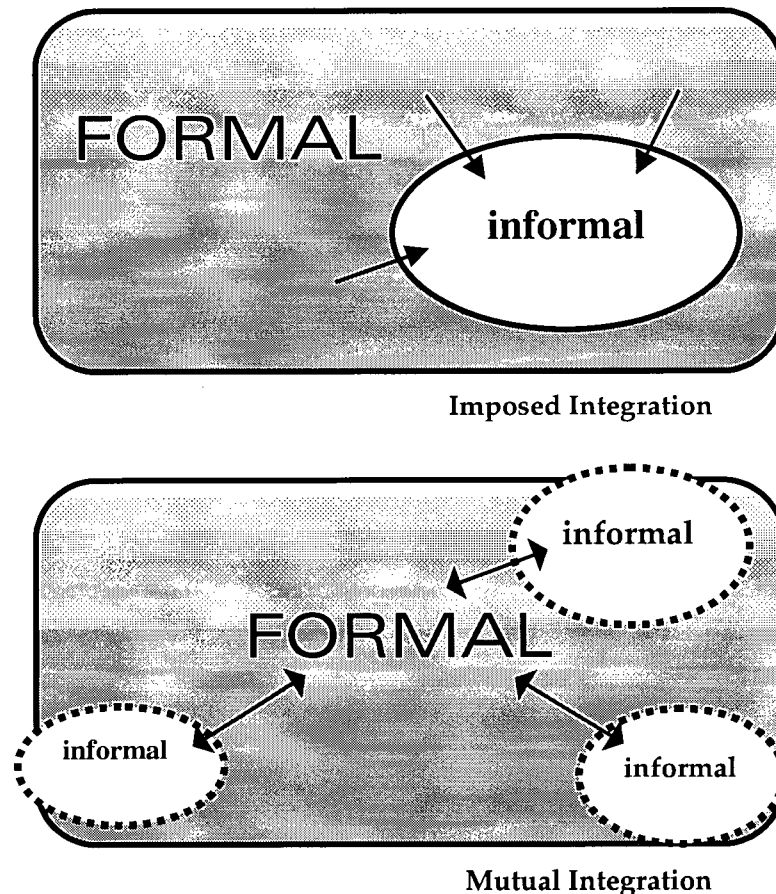
In this paper, integration is understood and presented to reflect both the process of formalization and informalization. Figure 2.2 provides a visual representation of the two

---

<sup>2</sup> Gary Craig discusses what he considers to be this ideological confusion with regard to the concept of community development. This confusion in the community development context underlies the motives behind upgrading policies and is reflected here in the concepts of upgrading and integration.

understandings. In the top diagram, informal parts of the city are viewed as closed systems which receive inputs from the formal structures but give nothing back to the urban system as a whole. Upon this perception of the formal-informal relationship, upgrading projects tend to be welfare-oriented; they provide infrastructure and services or pass on values and approaches to groups that are considered to be unknowledgeable or incapable. The integration that takes place is imposed onto the informal with little consideration of their existing knowledge and institutions.

**Figure 2.2**      **Imposed and Mutual Integration**



In the bottom diagram, the informal parts are seen as multiple and mixed, with a variety of needs and abilities. They are open-ended systems that are well-integrated into the urban system. Upgrading interventions that follow from this understanding build upon the assets of the informal city and work with the communities in planning and developing the changes

for the city. Here, the mutual integration that occurs is likely to involve a certain formalization of the informal and informalization of the formal.

### 2.3.1 *Physical Integration*

**Physically**, informal settlements appear to be in disarray. They are clearly distinct from the rest of the urban grid, demonstrating a tremendous degree of heterogeneity within the settlements. Yet, the ideology of urban planning has always looked at the city as a homogeneous entity where services and standards are established and distributed uniformly. The informal fragments contradict this norm by addressing the needs of urban residents even though they lay outside the bounds of the law and the city's formal structures. This spatial or physical fragmentation refers to three major aspects: the differences in **built environment** and spatial layout of a place, the levels of accessibility of **services and infrastructure**, and **land tenure** conditions or systems. Fragmentation is also related to a neighbourhood's degree of legality, the number of years since its construction, in other words, its permanence, and its relationship to the state (Balbo 1993 26).

A built environment of planned housing developments, building permits, and construction standards is very distinct from the city of informal settlements where housing is built incrementally and creatively using whatever resources are available. The formal city represents building norms and regulations for a "modern" housing type, but one that is inaccessible to a large segment or sometimes a majority of an urban population. The "city of the master plan" is made of finished products, while the informal city is a city in progress where very little is completed and everything is used in a way that is different from what it was originally designed for (Balbo 1993 28). In informal settlements, the various stages of traditional urban development are reversed. First, the informals occupy the land, then they build on it, next they install infrastructures, and only at the end do they acquire ownership; this is precisely the reverse of what happens in the formal world (de Soto 1989 17).

Infrastructure in the formal system is perceived as a series of networks (water, electricity, sewerage) that begins from a central point and permeates the whole city, serving each of its parts in the same way. The urban poor often cannot afford to have their own water, power, and sewerage connections which require such high standards, norms, and management

procedures. They adopt other types of solutions such as oil lamps and pit latrines and are, therefore, not acknowledged as citizens of the network city.

The dominant model for land tenure globally is individual title. Informally, however, there are many different arrangements such as squatting, de facto ownership, collective or intermediate types of tenure.<sup>3</sup> The degree of security that each system guarantees depends not only on its legality, but also on how long a settlement system has been in existence and its connections with the government or other formal institutions. Sometimes the fragments that abide by the modern law rank highest in security, but this is not always the case.

In upgrading informal settlements, the formal city seeks to spatially reorder the informal settlements by connecting their streets to surrounding city areas, furnish basic sanitation services at standards that can be maintained by government agencies, provide social services aimed at low-income segments of the population, and legalize land tenure. Institutional changes in land tenure arrangements usually attempt to replace indigenous, community-based property regimes with either centralized state-owned forms of tenure or individualized freehold private property. The rationale is that insecure or illegal land tenure hinders the implementation of upgrading; it inhibits the growth of emerging market economies because it cannot provide sufficient "security of tenure" to allow for substantial investment in land necessary for agricultural production or housing consolidation (Bassett & Jacobs 1997 215). Also, the formalization of land tenure is expected to be a source of revenue that may be used towards financing upgrading.

Physical integration of the informal city essentially means adopting a modern Western system of formalized urban planning and land tenure practices. This policy is unlikely to gain the institutional support of the community and informal households if it displaces indigenous property traditions and local resource control which has been functioning effectively over the years.

---

<sup>3</sup> Intermediate arrangements refer to when the formal land tenure system and land management institutions are adapted. For example, in Kenya, a common property form known as the Community Land Trust model was adopted as an experimental form of land tenure as part of an informal settlement upgrading initiative (Bassett & Jacobs 1997 217). This tenure relationship is an example of a negotiated readjustment of the tenure relationship as opposed to regularization to the formal city's fee simple land title approach.



### 2.3.2 *Economic Integration*

Fragmentation at the **economic level**, according to Gilbert and Gugler, is a reflection of the unequal development taking place at both the global level as well as within Third World societies. There are two levels of fragmentation within the economic layer of the urban system: the world economic and political system as well as the national level formal economy based on state control and/or market norms. It is these inequalities which contribute to the urban structures that emerge.

With the main economic urban centres more or less integrated into the world economic and political system, neo-liberal policies and the economic growth model have come to dominate third world economies. Large scale industrialization, for example, is seen to create investment capital and maximize Gross National Product (GNP) which is expected to generate new wealth and resources, develop the whole economy, and redistribute income throughout the society. Within this world view, unemployment and the informal sector were seen as temporary aberrations that economic growth would resolve. With the "increased assimilation of urban norms they would shift from their 'marginal' position towards 'integration', moving from peripheral occupations in the 'exaggerated' tertiary sector to industrial wage employment" (Moser 1984 140).

Patterns of growth, change and development occur within the framework of constraints set by the formal city and the contemporary economic structures related to modern capitalist production, distribution and consumption. The number of traditional formal sector jobs has declined due to the effects of technology, privatization, deregulation, and globalization. In fact, there are increasing numbers of self-employed entrepreneurs offering services on a contract-by-contract basis which reflects the changing nature of formal sector jobs. It is within this context and in response to the modern urban economy that informal economic activities have developed. The ensuing "unregulated dynamism" can also be seen to be part of a reaction to the rigidity of state regulations and the formal sector's inability to accommodate the needs of the urban poor (Castells & Portes 1989 12).

It is important to note that non-capitalist forms are usually tolerated, even though they may pre-date capitalism, because it is in the interest of the prevailing system to allow them to

continue (Armstrong & McGee 1985 54). When informal activities remain essentially invisible to the state, governments can exempt themselves from the legal obligation to enforce wage, hour and workplace protection laws. Governments have thus ignored or harassed large segments of the city population working in the informal economy under the pretext of lack of money, resources, pressure, or political incentive.

Initially, the informal economy was seen to be made up of small-scale activities escaping recognition, enumeration, regulation, or government protection. As with informal housing, a shift in perspective occurred around the 1970s when the informal sector began to be identified as the solution to the economic problems of Third World cities (Moser 1984 143). In 1972, the International Labour Office (ILO) reported that informal sector enterprises contained seven attributes: ease of entry, reliance on indigenous resources, family ownership of enterprises, small-scale operation, labour-intensive and adapted technology, skills acquired outside the formal school system, and unregulated and competitive markets (McGee 1977 263-4). The debate no longer questioned the existence but rather the capacity of the informal sector to generate growth and high levels of employment. Today, they are frequently seen as the most dynamic part of city economies of developing countries as well as the structural component which absorbs the large and expanding urban labour supply (Balbo 1993 28).

The relationship between these two sectors has been identified as two interacting and interlocking circuits of economic activity (McGee 1977 262). The informal/formal relationship does not then reflect a dualistic society where the two sectors are distinct, or in which the so-called "traditional" part functions independently of the "modern." The idea of small-scale commodity production of which the informal economy is most proficient is essentially capitalistic in its logic. Therefore, this so-called shadow economy is sometimes legitimated as an economic response or to some degree a subordinate or satellite activity dependent on the modern sector. Though this may be somewhat true, the informal sector is not a route or stage of development in the modern economy sense and its formalization would lead to the loss of its resilience and adaptability.

Finally, the question of employment has additional ramifications for policy. Capitalist development has polarizing tendencies on the labour market (Moser 1984 139). Potential

social unrest, as well as the welfare implications of unused labour power, has put the unemployment question high on the agenda of many policy makers. This is important as surplus labour is often seen as a problem by governments and international agencies.

### 2.3.3 *Institutional Integration*

In terms of institutional fragmentation, those who live in informal settlements are not fully recognized citizens and have limited access to services, information, and opportunities. In response, people develop their own set of institutional structures, such as social networks and patron-client relations, by which they could participate in the political system, make claims on the state, and meet their basic social needs. These institutions are largely invisible to the outside eye, particularly because they are so dissimilar from the formal institutions of Western traditions.

Institutions, as defined by North, are humanly devised constraints that shape human society; they serve as a guide to human interaction and provide a structure to everyday life (North 1990 3). Thus, institutions are understood as the rules of society that constrain or facilitate human interactions, be they formal or informal. In informal society, people largely govern themselves by local rules and institutions which develop over time to fit their own circumstances. In these urban fragments, the fact that institutions are locally-centred establishes and strengthens the network of linkages and mutual aid that is needed to promptly secure credit, raw materials, skilled labour, information, social support, and other services (Balbo 1993 28).

The dominant planning paradigm has recently begun to accept that planning is a “universal human activity,” and one that is not limited to the public sector. Informal planning activities may be identified as unofficial or illegal according to public standards but that does not make them non-institutionalized (Briassoulis 1997 105). The illegality of these settlements, however, automatically limits the political representativeness of their residents as well as their contractual power (Balbo 1993 32). Thus, informal bargaining, negotiation, or dispute settlement processes take place in the shadow of formal rules and cannot be understood in isolation of the public realm (Fernandes & Varley 1998 70).

Upgrading interventions often seek to integrate informal communities into the fold of formal planning approaches and dominant institutions. This method often fails because of the state's attempt to overlay the formal city's *de jure* rules of the game upon a pre-existing social formation with its particular set of *de facto* rules (van Horen 1999 9). Taking informal institutions and legalizing, in other words, making them abide by official/formal regulations and standards, will co-opt and likely eliminate the informal norms. These goals of integration fail to build upon the existing assets or affect change from the level of the informal community.

Planners and administrators, however, are not conventionally trained to have an understanding of these non-formal structures. Their inability to operate outside the framework of standard procedures and bureaucratic rules, makes government authorities ill-equipped to deal directly with the complex web of norms, rights, and obligations that characterize informal settlements (Assaad 1996 123). Many governments still believe that because the residents are just poor and uneducated, they would not really understand the issues involved.

Furthermore, governmental regulations tend to be flouted in developing countries. This identifies a situation which reinforces inequalities because those who control state power, or who have the economic resources to gain access to it, find opportunities for large-scale gains and the evasion of sanctions. The masses, however, have little leverage with the elite and its representatives who control these resources, whether it be managers in private firms or government officials (Gilbert & Gugler 1992 181). To deal with this predicament of inequality, a long tradition of clientelism exists in many societies. In exchange for a patron's help, the client gives political support and contributes to a patron's status. Closely linked to formal institutions, such traditional vertical relationships and networks have persisted over centuries.

These elements of integration have played a large role in the "good government" agenda, particularly the level of access to regulatory institutions and control over local resources. International concern revolves around the need to build capacity through effective and formalized networks which connect local issues with government priorities. Improving the capacity of "marginal" people to participate in governmental processes is understood as a

priority of upgrading interventions today (Desai 1996 218). This is usually sought after by involving community leaders and community organizations. Such an approach is problematic if these groups act as a one-way channel of communication from the state-run bureaucracy to the informal settlement dwellers. State officials or development practitioners are sometimes convinced that a measure of participation has been achieved in such linkages because there is some degree of popular participation in the decision-making process (Desai 1996 226-7).

## **2.4 Why Integration?**

Since the state has few resources to satisfy the needs of its fast growing urban population, there has been a particular push towards recognizing and accepting the informal city's ability to address those needs neglected by the state thus far. In order to manage the city with all its diversity, its parts or fragments, the state needed to recognize the legitimacy of the informal systems of land title and unregulated services, of jobs and social practice all of which are occurring beyond the rule of law (Durand-Lasserve 1996 233). A new policy of integration was adopted in many developing country cities that began to view informals as agents of their self-improvement and encouraged their success and abilities by providing services, infrastructure, land title, easy access to credit, and technical assistance.

The fear is that in solutions that aim to make a city more integrated, homogeneous, or legal, insufficient attention is paid to the diversity of local circumstances (Balbo 1993 33).

Integration can be contradictory to the informal rules of housing, land development, and community organization because the sets of rules or frameworks that make up informal institutions are fundamentally different from those in the formal system. Furthermore, development policy and process often depends upon the adoption or imposition of western institutional models which leads to the displacement of local institutions and organizational structures. Generally, whenever institutions have failed to recognize and integrate the rich historical, cultural and social context of the indigenous peoples, the experience of transplanted institutions has been marginally successful (Bassett & Jacobs 1997 215).

It is this interplay between the state and society, the formal and the informal, and how integration has been attempted in three informal settlement communities in Cairo that provides the focus of this paper.

### III THE CAIRO CONTEXT

This research is based in Cairo, Egypt, a city where extensive informal settlement development has taken place. By describing the historical, geographic, and institutional setting, this chapter sets the context within which these informal settlement developments occur in Cairo. First, it provides a historical overview of the city, highlighting aspects of its physical, social, political, and administrative heritage. It then elaborates on the formal aspects of the city and their relationship to the informal city. Considering both the external and domestic factors that have contributed to such a high propensity of informality in urban development, the discussion shows the historical relevance behind Cairo's experience with informal settlements. It also makes a clear distinction between the informal traditional activities and the formal public factors and influences that have guided informal sector development and formal sector activities to date. From this starting point, the complexity of urban development and the multiplicity of actors and pressures that contributed to Cairo's contemporary national policy towards development and change can be more clearly understood.

#### 3.1 Historical Development of Cairo

Indeed, the ecological organization of the contemporary city appears confused and utterly capricious to an observer who fails to understand its previous natural and cultural history (Abu-Lughod 1971 1971 9).

Like all cities, Cairo was to grow, develop, decline and then grow and develop again. Its contemporary physical, socio-political, and administrative systems are the product of the city's long and complex history. Arguably the first urban settlement of significant scale, the city of Cairo served as a major destination trade route for centuries, and its wealth of goods and culture lured opportunist empires and countries.<sup>4</sup> Throughout its history, outsiders have tremendously affected Cairo; they shaped its development and altered its institutions. Cairo's political and institutional development reflects this multiplicity of theories, approaches, values and belief systems that have affected the city over the course of its long

---

<sup>4</sup> In 3,500 BC, the pharaoh Menes unified Upper and Lower Egypt and founded Memphis, the first known settlement in the vicinity of modern Cairo.

history. Each new set of values and ideas introduced by external forces was simply layered on top of the previous ones without a complete transformation of the city's sociopolitical and physical framework. Thus Cairo, since its foundation, has witnessed and internalized many different ideas and values, many of which are reflected in its informal city today.

### *3.1.1 The Pharaonic Civilization*

At the root of all change in Cairo is the pharaonic civilization. The pharaohs built institutions that reflected their value system – an attachment to the land, awe of and respect for authority, deep religiosity, and communal solidarity and cooperation. As such, religious institutions were built to control spiritual lives, civilian institutions to determine daily economic affairs, and security agencies to ensure coercive compliance when necessary. These institutions outlived the pharaohs and became the basis upon which future rulers would seek change.

Ancient Egypt's form of government was primarily determined by the river; the Nile's irrigation system demanded that the bureaucracy's influence and interest be directly tied to the central government. According to Mayfield, Egypt's prosperity was directly tied to the efficiency of its governmental organization (1996 51); this relationship continues to be reflected in Egypt today where the bureaucracy is centralized and hierarchical and the economy highly dependent on the policy and practice of the day. The ancient administrative system was established with the creation of some forty-two provinces administered by a governor who was appointed by the pharaoh. Each governor, much like today, served at "the pleasure of the pharaoh." They held significant powers and responsibilities including supervising and monitoring the tasks of land cultivation, irrigation, and harvesting, the annual collection of taxes, conscription for the pharaoh's army, presiding over religious ceremonies, performing duties as the chief judge in the province, and implementing general policy handed down from the centre (Mayfield 1996 51).

### *3.1.2 The Early Foreigners*

Nearly 3000 years after the establishment of Memphis (Cairo's predecessor), Persians invaded from the east. While essentially interested in its wealth, the Persians still made significant contributions to the city system and their domination lasted 200 years to circa 300



BC. They built a fortress on the heights of the eastern hills of Mokattam, they established new commercial routes, canals, and roads, and coined money where currency hitherto had been stamped rings and weights; in this manner the city grew (Stewart 1968 28). Adopting the ancient Egyptian concept of the divine right of kings, Cambyses II had himself crowned as a pharaoh. Alexander the Great followed suit about 200 years later when he also had himself enthroned as a divine pharaoh in Memphis, as the son of God Amon. During the following dynasty of Greek rule, which lasted 300 years, foreign trade was actively stimulated by the Ptolemaic rulers (Kirkwood 1958 19). The gains for Egypt in this area were multiple, for while rich agriculturally, Egypt was poor in many products having to seek them from abroad.

The annexation of Egypt to the Roman empire took place in 30 BC with the well-known story of Anthony and Cleopatra. Roman armies were mercenaries and their economic controls were extractive and extortionist. Unlike the Greeks, the Roman governors did not interact extensively with Egyptians, and their main contribution was not political or spiritual but rather administrative and structural (Stewart 1968 32). The internal organization of the market was inherited from Roman and Byzantine rule. Under this system, the various trades and crafts throughout the empire were organized into corporations or guilds in which membership was compulsory and through which commercial activities were regulated by the state.

Several centuries later, the Arab conquerors would leave these inherited occupation corporations relatively intact (Abu Lughod 1971 23). Structured hierarchically, each trade and profession was made up of a corporate structure which was headed by a *shaykh* (Singerman 1997 21). The guild *shaykh* arbitrated conflicts, fixed prices, were intermediaries for levying taxes, and were responsible for certain public services. Through the leadership of the *shaykh*, the rulers were also able to control their subjects. The guild grouped artisans or tradesmen who practiced their trade in a quarter, a street or part of a street, and usually nowhere else. Therefore, even today, certain place-names in Cairo, such as *el nahaseen* or *el*

*sakayeen*, continue to designate the craft, the guild, the street, and the place where work is carried out (Raymond 1995 35).<sup>5</sup>

### 3.1.3 *The Islamic Era*

By the 8th century, the Islamic-Arab system was added to earlier layers in a dramatically new phase. For as powerful and pervasive as the foundation layer derived from Egypt's pharaonic society, Islam provided a complete new framework and set of guidelines for daily transactions as well as morality — a dynamic new community where there is no distinction between the secular and the sacred (Stewart 1968 50). Amr Ibn il-As, the conquering Arab general, sealed the doom of Memphis by controlling the growth of the city by confining urban development to the eastern bank of the Nile: for 200 years, Egypt was to be ruled as a governorate of the Muslim caliphate. Egypt's affairs were controlled successively from Medina in Arabia, Damascus in Syria, and Baghdad in Iraq. The dominant tribes of the early period of Islamic rule were worldly opportunists who turned Islam into a feudal empire of farmed-out fiefs. For their expanding empire, the new governors of Egypt required money and food – just like the Byzantine governors before them. But as the needs of the empire and subsequent taxes began to escalate, cooperation between Muslims and Coptic Christians began to wane. Revolts by Copts led to periodic massacres and a wave of Arabian settlers were encouraged by the rulers so as to strengthen the Muslim element in Egypt (Stewart 1968 57).<sup>6</sup>

In 969 AD, the military forces of the Fatimids established the fourth Islamic capital of Egypt and were to rule for the following three centuries. Fustat, south of Cairo, was incorporated into the new capital, al-Qahira, meaning the victorious. In addition to the military, defensive, and religious functions, al-Qahira soon developed markets to supply the city's residents. In the markets and residential areas, a pattern of occupational and social segregation (*harah* and guild system) was established, which persisted in Cairo until the nineteenth century. This pattern is still evident to some degree today (D.J. Stewart 1999 132).

---

5 El nahaseen refers to coppersmiths and el sakayeen to water sellers, and their respective guild, work place, and street name.

6 The Coptic religion is an Egyptian sect of Christianity. The Copts today make up approximately 20% of the Egyptian population.

The inhabitants of Cairo were involved in a system of networks that practically covered all the facets of their professional, religious, and private lives. Through the residential quarters, the *harat*, or as members of guilds, these highly geographical groups provided the ideal units of administration.<sup>7</sup>

In Islamic Cairo, there were an additional ten to fifteen *harat* or quarters in which members of the ethnically organized military units of the caliph were installed (Abu Lughod 1971 24). Physically, the *harah*, or alley community, is a subsection of a city composed of a by-street and several dead-end lanes. Socially, the *harah* is a group of persons usually unified by ethnic and/or occupational characteristics and segregated physically and socially from other subgroups of the city (Abu Lughod 1971 24). The city pattern was such that homes, workshops, and retail outlets were combined if not within the same structure then within the same small *harah* (quarter). This intermixture made rigid segregation by income impossible in the city. The *harat* also functioned as a political unit, represented by an official appointed by the governor of the city. Closely connected to the historical guild system, the urban *harah* culture of today is less geographically distinct but increasingly pervasive throughout Cairo (Singerman 1997 22).

The rise of political leadership in al Qahira, under the famous Salah al Din established the Ayyubid dynasty (1169-1250) and shifted faith back to Sunni Islam from the Shiite rule of the Fatimids. Salah al Din's system of governance and control was achieved with a standing force of mercenaries, known as Mamlukes. These former military slaves finally revolted against their masters, succeeded the Ayyubids (1250 – 1516) and created another period of prosperity. This period of economic development saw Egypt administratively divided into some 2,000 village areas located up and down the Nile Valley. As in ancient times, the central bureaucracy received its mission and assignments from officials in Cairo and structured its work in a top-down hierarchical fashion (Mayfield 1996 52).

In 1517, Ottoman rule replaced the Mamlukes and Egypt entered another period of decline. The Ottomans continued to use the Mamlukes as tribute collectors and discouraged any moves toward independence. In terms of administration, the tendency of the Ottomans was

---

<sup>7</sup> Harat is the plural for *harah* in Arabic.

to come to some kind of arrangement with the local autonomous structures that saved them the trouble of direct administration (Raymond 1995 41). Much of this period was characterized by a severe form of alien political domination bent more on maximizing tax-collections than in improving the quality of life or increasing economic development. Because of the excessive taxes on farming (*iltizam*), in which local farmers were subject to unreasonably high taxes, nearly all spheres of life declined severely. Although Egypt at this time was considered one of the more important provinces of the Ottoman Empire and was given a fair amount of autonomy, the local ruler of Egypt (the khedive) was usually unwilling to exercise much initiative beyond the direct instructions of the sultan.

During the Ottoman empire, Egypt's economic strength and integration into the European global trade system was based on Cairo's control of the Red Sea (D.J. Stewart 1999 132). However, the development of alternative trade routes bypassing the Red Sea, the discovery of the New World, and Europe's mercantile economy led to the marginalisation of Cairo. The Mamlukes could no longer bar the Europeans from trading with China and India and importing such valuable commodities such as pepper. As a result, Cairo lost its strategic and economic importance; trade and global economic power under the Ottoman empire was shifted away from Cairo (Stewart 1968 156).

#### 3.1.4 *Modern Egypt*

The history of modern Egypt began with the reign of Muhammad Ali (1805–1849). In laying the foundations of the modern state, Ali abolished many institutions and confiscated much of the land into a highly centralized system devoted to maximizing agricultural and commercial production. Modernization, accelerating under Muhammad Ali, brought with it the gradual Egyptianization of certain sectors of society, hitherto the sole domain of the alien, foreign ruler. For example, modernization required an increasing number of civil servants. Initially, these were found in the higher levels of the bureaucracy selected from among the graduates of Muhammad Ali's and Ismail's (1862-1879) schools and from the many young Egyptians sent to Europe to study. Thus, hundreds of Western-trained bureaucrats were charged with the responsibility of creating a European-style administrative and economic system within the existing layers of historical systems (Mayfield 1996 53). They would become the "*effendi* class" (bureaucrats) and served as a

social bridge between the Turkish elite (Ottomans) and the Egyptian masses (El Messiri 1978 5). The gap between the alien ruler and this upward moving Egyptian element created an expanding rift between them and the lower middle class.

The brief French occupation of the city (1798-1805) had such an extensive effect on the city that Cairo is stamped in the French and not the British mold. The most persistent reforms instituted by the French were the reorganization of the administrative districts and the street pattern of the city. The French combined the 53 existing *harat* of Cairo and created eight large *arrondissements*, or neighbourhood divisions. For purely military reasons, the French began to "regularize" a number of important communicating streets in the city since European armies could not cope with the confusions and potential ambushes of Cairo's maze-like system; many of the ancient pathways were widened and straightened to permit the maneuvering of troops, each of which have become major arteries of the city (Abu-Lughod 1971 84).

During the French conquest, a system of local councils was first introduced into Egypt in July 1798. Napoleon decreed that each of Egypt's fourteen largest provinces (*mudiriya*) was to have a "bureau" of seven members whose duty was to look after security and administration of these local areas. Even after Napoleon's departure, Muhammad Ali and his successors appealed to the French to help build a "modern Egypt." The French influence was felt in a number of areas including technology, services, railways, public utilities, arts, and the construction of the Suez Canal. French schools propagated French culture; their language replaced Italian as the common tongue of the foreign communities, even paralleling Arabic in government correspondence. The Mixed Courts were greatly influenced by the Napoleonic code and the four-leveled system of French administration (*departement, arrondissement, canton* and *commune*) appears curiously similar to that of the Egyptian system (*mudiriya, markaz, qism* and *qarya*) (Mayfield 1996 54).

While the French occupation of Cairo lasted only eight years, it served to reawaken the greatly diminished linkages between Europe and Egypt. As Cairo became more European, its economy was becoming incorporated into the broader world economy through its relationship with Europe. Egypt's economy was becoming increasingly dominated by the production of cotton for the global textile industry of Europe that led to a period of growing

dependency and increasing external control. Politically, British and French systems supplemented the mechanisms and norms of traditional Islamic laws, courts and administration. Socially, European values were also quickly appropriated by the Egyptian elite, or *effendi* class, incorporating them into the daily life in Cairo (D.J. Stewart 1999 134).

By the late 19<sup>th</sup> century, Cairo's population had increased by 52 percent over the course of 15 years. In large part, this rapid urbanization was due to the development of Cairo as the centre of the new administration established after the British occupation of Egypt (1882-1952). The growing administrative machinery was in need of numerous services which attracted rural immigrants into Cairo from nearby villages as well as from distant Upper Egypt (Baer 1969 143). Also, the absorption of the Egyptian economy into the European economic system changed the position of several social groups. First, the European community rapidly increased, representing powerful capitalist interests now under British protection. Second, the growth of a class of Egyptian landed proprietors occupied an increasingly advantageous position that emerged in direct opposition to the common people, *awlad al-balad* (El Messiri 1978 6).<sup>8</sup>

The decline of the guilds occurred in the second half of 19<sup>th</sup> century when the administration reorganized and no longer needed this intermediate link of the guild. In addition, the influx of European goods and of Europeans settling in Egypt had a dramatic influence on commodity production and the merchant trade (Baer 1969 153). Many branches such as the production of copper vessels, work in ivory, engraving in wood or metal, or indigo dyeing succumbed to European competition. The export of cotton to Europe and the import of European industrial goods into Egypt became the main business of foreign trade. Greeks and other Europeans became the main importers and exporters, and the status of the merchant class changed from one of prestige and wealth to one of powerlessness.

---

<sup>8</sup> Historically, Cairenes were identified as *awlad al-balad*. El-Messiri states that in the face of these alien Cairo-based elements that the indigenous inhabitants sought to preserve and assert their particular identity. It is also not surprising that this cultural confrontation should occur in Cairo, and that the concept of *ibn al-balad* would imply a Cairene, since Cairo and Egypt have always been identified in Egyptian consciousness with the same word, "mistr." In addition, since a large percentage of the population resides in Cairo, the masses have traditionally been more sensitive to the authoritarian measures of the foreign ruling elite as a result of their closer contact with them" (El Messiri 1978 4).

Some fourteen elective provincial councils were for the first time formally established under the British rule each chaired by a *mudir*, or chair. In addition, mixed municipal councils were established in the larger cities and local councils in the smaller rural towns and villages. These were established by official decree of the central government and were limited to raising taxes needed to pave roads, construct sewage systems, and build street lighting systems (Mayfield 1996 54).

A rapid increase in population and equally increasing poverty made the westernized segment of society a numerically thin layer of upper and middle classes. Prior to the 1952 revolution, there was a complete dichotomy within the Egyptian social structure: the upper westernized classes had uprooted themselves completely from their past and the masses "became isolated within that same identity" (El Messiri 1978 104).

In July 1952, a group of Egyptian military officers overthrew the British-backed monarch, establishing an independent Egypt. For the first time since the Pharaonic era, Cairo once again came under indigenous rule. Cairo has experienced two more Egyptian regimes since the revolutionary regime under Gamal Abdel Nasser, those of Anwar Sadat and Hosni Mubarak, the current Egyptian president. But almost fifty years of indigenous rule in Cairo has not blocked the onset of external control and influence witnessed in Egypt's dependence on global trade, international communication, geopolitical strategies and other motivations. Each of these forces has a degree of influence and relevance incorporated into the city framework and value system which serves as another developmental layer in the evolution of this ancient city. The contemporary layer is one where global trade and western-style capitalism dominates national policy, government revenues, and decision-making.

### **3.2 Contemporary Cairo**

Every urban area, therefore, has its own pace and trajectory of development which flow from the interaction between its internal evolution and external forces (Armstrong & McGee 1985 42).

The population of Greater Cairo, which currently stands at 16 million, represents 25% of Egypt's total population. The city's rate of growth dropped from a peak of 5% in 1976 to an average of 2.6% in more recent years. Nevertheless, the population of the city continues to grow by approximately 350,000 per year. Most of this growth is due to natural increase in

the population, while migration from other parts of Egypt accounts for the rest of the urban growth (GTZ 1995 4).

With such rapid urbanization and population growth, the city's public and private housing systems were not able to match this rate of expansion and keep pace with increasing demand. It is in this context of inadequate housing supply and impotent government policies that the informal city has emerged as an alternative for Cairo's poor. This is evidence that there has not been an effective public policy or institutional framework that reflects the housing needs of the urban poor. To introduce the issue of the poor's inaccess to housing and urban services, and their subsequent informal response to this dilemma, it is necessary to evaluate the formal approach to housing in Cairo.

The changing policies towards informal settlements can be attributed to several interrelated factors, ranging from foreign influence to national and local level factors. Internally, an increasing desire to resolve the housing shortage, reduce urban sprawl, and reassert political control in the informal areas of the city has put increasing pressure on the national government. The external pressures exerted by international donors and lending agencies have also played, and continue to play, an important role in shaping development policies and approaches in Egypt.

### *3.2.1 Nasser and Arab Socialism*

Prior to the 1952 revolution, Cairo's economy was market-oriented, the housing market was dominated by foreign capital, and state intervention in housing was minimal. After World War II, Egypt entered a period of socio-economic crisis resulting from the decline of war-time industry. With the revolutionary regime of Gamal Abdel Nasser came a dramatic shift towards government participation in all aspects of society: price controls, minimum wages, rent controls, land reform, public education, and basic goods subsidies. This transformation led to more authoritarian, corporatist institutions, a restructured economy and a presumably more "equitable" society (Zetter & Hamza 1998 188). Under the new centralized state, the government became highly involved in the provision of welfare functions such as subsidized food distribution and public housing.



Attempting to ensure that housing would be affordable for the middle and lower classes, the Nasser government concentrated on the provision of new housing in Greater Cairo. It became heavily involved in the construction of low-cost public housing (*massaken el-shaabiya*) built on the outskirts of Cairo with 14,500 units targeted for the period of 1960 to 1965. In another attempt to make housing available, a series of laws were passed to reduce and control the rents of housing units constructed after 1944. Ironically, this policy encouraged a high vacancy rate and led to urban decay. The first rent control legislation was enacted in 1947 – it froze rents at their 1941 level and forbade owners from evicting their tenants. Rent control was conceived as a means of lowering the cost of housing for lower income people. However, the consequence was a reduction in the amount of rental housing built and the rapid deterioration of the existing housing stock. Due to the restrictions presented by rent control laws, the majority of newly built units were owner-occupied with the majority of public sector buildings being for the private rather than the rental market (Arandel & El Batran 1997 4).

In order to evade rent control laws and secure a return on rental units, the practice of “key money” appeared. Key money is an amount paid by the renter to the owner which is equivalent to the difference between regulated rents and actual costs. This practice enabled the private sector to earn enough return on rental housing to make it profitable, but it also led to the virtual disappearance of low-cost rental units from the market. Even today, the formal market for rental housing still deals almost exclusively with high middle and upper income groups. These socio-economic groups currently represent less than 15 percent of urban households in Cairo. After this period, a large share of the national income was re-directed towards military purposes and public housing production dropped.

### 3.2.2 *Sadat and The Infitah*

Anwar el Sadat, Nasser’s successor, attempted to move Egypt away from his predecessor’s socialist, centrally planned and public sector-dominated policies. Thus, in the mid 1970s, Egypt turned outward for resources and assistance and Sadat initiated the *infitah*, or open-door policy. The *infitah* marked a reversal of Nasserist economics through an unrestricted opening of the economy to foreign imports and investment and a downgrading of the public sector involvement in the economy and other areas (Zetter & Hamza 1998 189).

Sadat's open door policy also led to an intensification of investments in infrastructure and services which led to massive inflows of capital, mainly in the form of grants and loans. By the 1980s, Egypt's foreign debt had grown considerably which led to its embrace of "structural adjustment" under the guidance of the International Monetary Fund (IMF). But the infitah was never a complete transition to a capitalistic economic system. The national economy remained dominated by the public sector and central planning. Moreover, only a small circle benefited which created a new bourgeoisie with large amounts of wealth. The infitah also had the unintended consequence of inflationary prices, not matched by rising wages. Thus, there was increasing disparity between social classes because of state policy and global economics.

Sadat also established the Ministry of Reconstruction which became "the instrument for implementing a major part of Egypt's human settlement policy" (Meikle 1996 127). All internationally funded projects were required to work in association with an Egyptian firm under the auspices of the new Ministry. It was also the government agency responsible for the construction of low-income housing which it began producing at a rate of approximately 30,900 units per year. Officially, the policy towards squatter settlements on state-owned land was of demolition and relocation. Yet, such urban renewal was a rare occurrence. Only when the squatter areas were located on potential investment property was this policy implemented, such as the two small communities of Eshash el Torgoman and Arab el Mohamady that were bulldozed due to their small scale and location in the central business district of Cairo.

In the 1980s, there was a shift from the housing policies of the Ministry of Reconstruction to a John Turner approach of semi-serviced plots and even upgrading of existing settlements. Encouraged by foreign aid agencies, the government began to acknowledge the huge potential of the informal sector to help solve the scarcity of housing for low-income groups (Soliman 1995 310-11). In the new sites and services projects, the residents themselves were to complete the unfinished inner spaces according to their needs and abilities. However, many projects failed to meet the needs of the urban poor because of "the lengthy negotiation procedures, lack of political will, inadequate cost recovery, unsuitability of site location in terms of job opportunities and social services, and finally the incorrect implementation

process" (Soliman 1995 311). Some communities never even developed past the design and initial implementation stage, often ending up as typical government constructed housing, that is to say, still inaccessible by the urban poor. This policy change faced tremendous resistance from government officials who believed in past policies to solve housing needs and resented the reduction of the role of government. Sites and service schemes were seen to be time consuming and their results appeared unfinished and unattractive. They were consequently seen as "creating slum areas with government consent" (Arandel & El Batran 1997 23). Upgrading was also seen as condoning illegal activities, an act that would only serve to encourage the development of more informal areas.

Given the initial failures and internal resistance, it was not long before the state reverted back to its earlier model. The prime ministry re-shifted its focus and began viewing these informal areas as communities of squalor, and their inhabitants as incapable of developing sound communities. Basically, the policy shifted back to the "conventional durable housing" approach. In the late 1980s, a team of French planners proposed the development of new settlements to meet the housing needs of the lowest socio-economic groups of Cairo. These were designed to provide modern housing for the urban poor on the city outskirts. Thus, a series of new communities were developed in the desert to the west of Cairo. These were relatively successful at attracting industry but less so at attracting residents. They lacked easy access to work, relatives, and services found within existing informal communities. In addition, these heavily subsidized housing units in desert towns were still not affordable to the poor sections of the population. Their failure to reach target groups is evident from the thousands of unoccupied units that exist today.

Housing policy and urban planning practices have evolved from a state controlled and centralized approach to one of greater decentralization and reliance on private market forces and back again. Over the past forty years, government has striven to modernize and industrialize, achieve greater economic productivity and improve quality of urban life. Since the mid 1970s, the Egyptian government began various actions to address problems in response to the spread of informal settlements. However, little has been done directly or systematically to address the needs of the urban poor.

Arandel and El Batran (1997) give some reasons for this inadequate housing: First, the rent control laws turned investors away from building rental units which led to a limited supply of rental housing units and the deterioration of the existing rental housing stock. Second, government focused on the supply of low cost and subsidized housing which never seemed to be low cost enough for the poor. The government withdrawal from the rental market and emphasis on owner-occupied units (public housing projects) led to the virtual disappearance of low-income housing from the formal market. The informal market would establish itself to fill this gap.

### 3.2.3 *Mubarak and An Upgrading Policy*

In 1992, under the current political regime of Hosni Mubarak, a group of Islamist extremists overtook a squatter slum in Imbaba near central Cairo and formed their own "republic." More than 12,000 government troops retook the slum by force and a state-led upgrading scheme was initiated. As a direct response to the spread of fundamentalist religious ideology in informal settlements, the government launched the Fund for the Upgrading of Informal Settlements in 1993 with the aim of upgrading most of the 904 informal settlements registered at that time. This massive upgrading initiative nation-wide was seen as a security measure that accompanied the intensification of the repression against extremist activities, and projects were implemented in those areas where it was most urgent to reassert state sovereignty. But it was also the first systematic approach towards informal settlement upgrading by the national government. It sought to improve the living conditions of the urban poor and recommended the provision of infrastructure and urban services for all informal settlements. Its plans included extending water mains and sewers, paving roads, and building schools, allocating £E 106 million (USD30) in May/June 1993 for this purpose. Since then, it has spent more than £E 2.4 billion (USD700 million) on infrastructure in selected communities giving special consideration to electricity, street width, lighting and pavement.

Although informal settlement upgrading has taken place in these communities, the projects have mostly been limited to the physical aspects of community development. Since the initiatives were driven by state security needs, the communities were not involved in the design or implementation of the program affecting them. These projects left little room for

social issues or community participation in decision making and were financed almost entirely by the government.

#### 3.2.4 *Foreign Influence*

Due to both local and global pressures and influences, various policies and approaches have been attempted in the Cairo context. By the 1980s, a large portion of this influence was from outside sources as there was a perceived economic need to obtain external funds. This influence would have direct impact on the type and performance of the projects initiated during the 1980s and 1990s. For example, methods of community participation were growing in popularity amongst international agencies and this was reflected in new development proposals. Another good illustration of the level of influence external forces played in determining domestic policy, is how US aid accelerated following the food riots of 1979 and after the Camp David Peace Accord with Israel. High levels of foreign assistance in Egypt remain motivated by international concerns about possible revolutionary upheaval or renewed regional dominance (Zetter & Hamza 1998 191).

Egypt is no exception to such outsider influence. Almost all developing countries have been subject to structural adjustment and have adopted economic policies of deregulation. Many are embarking on the privatization of service provision, education, and health which previously received major government subsidies. The curtailing of government expenditure in the social sectors has led to an increase in the cost of services. The influx of foreign investment has also led to the soaring of land prices. The new market economy transformed land into a commodity making its sale or acquisition at subsidized rates for housing construction for low-income groups increasingly difficult (Hasan 1999 173). The price of land for low-income housing multiplied and access to land became more and more constrained by this escalation of prices. This exacerbated the division between rich and poor and the *ashwayat* have had to find new ways of acquiring land and providing services for themselves. The informal market soon became the only alternative affordable to urban dwellers with low or middle incomes where neither public nor private formal housing units were affordable to lower income groups (Arandel & Batran 1997 5-6).

Not only external investment but external aid has constituted a major source of finance and continues to play a significant role in shaping the priorities and approaches for housing and informal settlement policy (Zetter & Hamza 1998 187). US AID and the World Bank identified the urban sector, especially shelter and infrastructure, as a project area that would suitably absorb vast amounts of assistance. Thus, international lending agencies contributed to the direction of informal settlement planning by putting pressures on the national government to move towards a policy of physical upgrading, infrastructure provision, and regularization.

### **3.3 Bureaucracy, Laws and Administration**

Egypt's contemporary administrative system is the product of the country's long and complex history (Arandel & El Batran 1997 3).

The most obvious characteristic of Egyptian bureaucracy is its immense size and its tremendous growth over the past four decades. On the eve of the 1952 revolution, there was roughly a quarter of a million civil employees among all the ministries and agencies of the Egyptian government. Today, the number of civil employees is estimated to be over 3.5 million. The percentage of the total population employed by the government jumped from 1.2% in 1952 to nearly 6.8% in 1990 (Mayfield 1996 132-3). However, the Egyptian experience confirms how a large bureaucracy does not necessarily produce effective state action. This becomes most evident in the area of housing where society, and not the state, fulfilled the poor population's housing needs outside the legal, bureaucratic and public planning realm. A discussion of the country's administrative and legislative system is informative for this reason.

Before July 1952, Egypt was divided into 14 provinces. Each province was headed by a central government official responsible to the Minister of Interior. Cairo did not have the status of a municipality until 1944 so public authorities were ill-equipped to effectively control land development at the city's periphery; until 1965, the city still had no housing codes nor general zoning ordinances and only a rudimentary land and building code governing land subdivision. Arandel and Batran suggest that this lack of policy and regulation contributed to "the growth and proliferation of uncontrolled urban settlements" (1997 1). This is an example of how the link between society and the state can lead to action,

particularly in the area of housing, and not merely the state (the formal sector) or society (the informal sector) in isolation of the other. Mayfield sees this relationship as a mutually reinforcing two-way process, one in which the party and administration selectively permit some influences, ideas, and resources to pass between the state and the broader society (1996 20).

After 1952, Egypt embarked on a phase of decentralisation. The government established different administrative units called *mudiriya* in which the central ministries were represented at the local level. These units would become governorates (provinces) in 1969 with additional responsibility to formulate and implement local urban policy (Arandel & El Batran 1997 1). There are 26 governorates in total in Egypt, of which 4 are urban governorates and 22 are provincial governorates. The urban governorates include 4 major cities.<sup>9</sup> Each of these cities are divided into districts and sections, of which Cairo has 20 (Mayfield 1996 75-6).

The administration is three tiered: governorate, cities, and villages. The city is headed by a Mayor, and each urban district is headed by a District Head, all appointed by the Prime Minister. Apart from this appointed administration, there is an elected administration, consisting of popular councils at each of the three tiers mentioned above. In each governorate, there are several departments that support the overall administration such as the Cairo Cleaning and Beautification Authority or Department of Physical Planning which are all directly answerable to the Governor. In addition, there are 23 functional directorates, representing line ministries at the governorate level. For technical aspects and general guidelines, they are answerable to the line ministry, and for day-to-day operations to the Governor (Figure 1). In addition, there are special purpose agencies that address aspects that are metropolitan wide: Greater Cairo Water Authority, Greater Cairo Sewage and Sanitary Drainage Authority, Greater Cairo Public Transport Authority, and the Greater Cairo Electricity Supply and Distribution Company (Giza City Environmental Profile 1998 9).

---

9 A quarter is a hay or ahya' (pl.) which is sometimes translated as a district.





For the purpose of this paper, it is important to note that there is also a director of housing in the governorate who has primary responsibility for the development of housing programs. The executive council also has authority to specify all regulations pertaining to housing and physical planning projects, but since it is unclear who is responsible for what at the governorate level, few are willing to take responsibility for decisions that may prove to be against the law or subject to administrative or legal scrutiny.

The Ministry of Planning is responsible for approving budgetary appropriations for all central ministries, public authorities, and governorates. It is also the branch that undertakes regional planning studies, and is responsible for reconstruction, new town development and the development of desert land. Within this ministry, the General Organisation for Physical Planning (GOPP) is responsible for the preparation of urban master plans for each of the major cities. There are also two additional ministries responsible for issues in the area of housing and urban planning: the State Ministry for the New Urban Communities and the Ministry of Housing and Public Utilities.

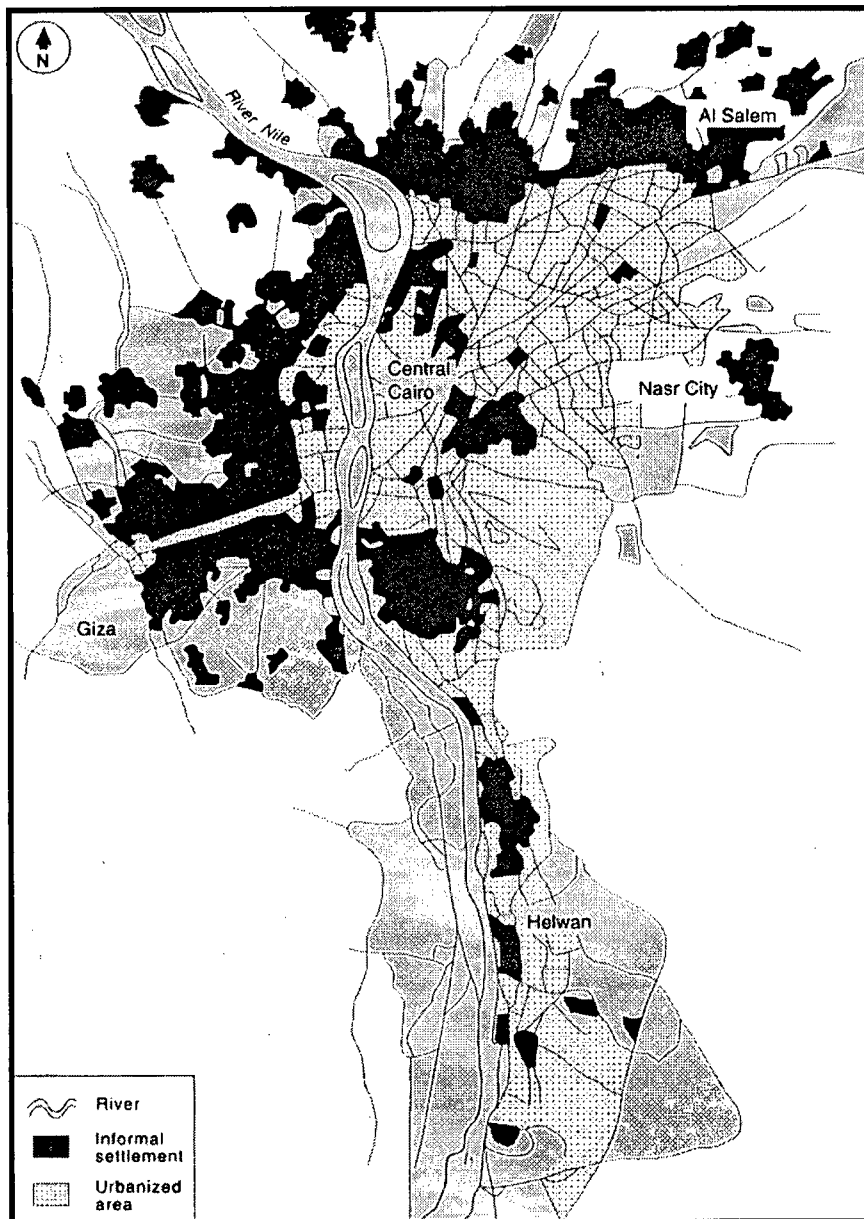
In terms of informal settlements, there is tremendous discrepancy between government institutions: The Ministry of Housing would prefer to bulldoze the majority of informal settlements, while the General Organization for Physical Planning realizes that this is an unfeasible option. Despite the national budget and official policy on the ashwayat and upgrading in general, there is no institutional link or framework for implementation. It is due to this overlap of responsibilities and the lack of effective coordination between ministries and agencies that "incoherence abounds in the implementation of urban development projects" (Arandel & El Batran 1997 9).

### **3.4 Cairo's Ashwayat: Informal Settlement Development**

Despite the uncoordinated attempts at informal settlement upgrading by the Egyptian government and other international interests, the needs of Cairo's informal settlement communities have largely been neglected. These ashwayat have been developing over the years with few public facilities and little direct government influence. The result has been uncontrolled urban sprawl by informal settlements, characterized by a lack of technical infrastructure such as transport networks, water supply and sewerage, and next to no

coordination between public housing and development and the ongoing informal urbanization. Government intervention measures in informal settlements have usually been limited to the provision of minimal off-site services such as water taps or electricity. In fact, a lack of site planning for the uncontrolled areas in the government planning offices has shown that the state, to a certain extent, had in themselves excluded those areas from planning control (Soliman 1995 310).

**Figure 3-2 Informal Settlements in Cairo Map**



Source: Arandel & El Batran

Thus, in the absence of appropriate government intervention, neglected communities organized themselves and began providing basic services such as housing, water, sewerage, health care, and the building of mosques. It is estimated, in fact, that more than 80% of all housing in Cairo built in the last three decades was constructed by informal private developers (Awad 1999 1) and 43% of Cairo's population (1992) are living in such housing (Soliman 1995 299). Despite this creative response to the housing problem, the lack of adequately planned and built infrastructure and services has had a detrimental impact on basic health, safety, ecological sustainability, and institutional capacity of the ashwayat areas (Arandel & El Batran 1998 224).

The greater Cairo region has a total of 63% of the national informal settlement population and Giza has the highest population of informal population in the country. 43% of the new national policy investment in upgrading and 171 areas were recommended for upgrading in the greater Cairo region (Table 3-1).

**Table 3-1 Informal Settlements in Egypt, Population and Density, by Governorate, 1993**

Governorate	Informal Settlements		Total Urban Population	% Informal Area Population to Urban Population	Density Population 1000/km <sup>2</sup>
	#	Population			
Cairo*	79	2,437,988	6,774,000	35.9%	79
Giza*	32	1,398,000	2,332,000	62.0%	31
Qalyubia*	60	686,350	1,494,071	46.0%	34
Alexandria	40	1,162,750	3,284,668	34.0%	33
Fayoum	28	99,853	425,400	23.5%	22
Beni Suef	46	144,660	548,225	31.0%	15
Minya	30	273,000	558,366	49.0%	36
Assyout	49	401,000	1,590,451	25.0%	65
Sohag	34	381,180	675,983	56.4%	125
Qena	8	22,700	72,311	31.4%	39
Total	434				

Source: Ministry of Local Administration, Egypt, 1993. In Arandel & El Batran 1997 27.

The 1992 national plan for upgrading informal settlements presented a two-tiered policy and implementation approach towards informal settlements. Basically, 434 ashwayat areas were identified as either upgradable and non-upgradable. Those that were non-upgradable were to be demolished either because they were located on state land or due to their poor or dangerous physical conditions. Of these, a total of 16 squatter areas in greater Cairo are

located on state land and have been slated for clearance (Table 3-2). Though they make up no more than 5% of the total population living in informal settlements in Greater Cairo and Alexandria and 0.9% of the total area of land in these cities, there are still 289,987 people who would be displaced by such a demolition policy.

**Table 3-2 Areas Projected for Clearance and Upgrading, Cairo and Giza, 1993**

City	Average Density (persons/km <sup>2</sup> )	Plan for Area	Informal Settlements		Total Area (km <sup>2</sup> )	Average Density (persons/km <sup>2</sup> )
			#	Population		
Cairo	4313	Clearance	12	112,987	0.5	243,626
		Upgrading	67	2,080,600	27.3	76,217
Giza	4927	Clearance	4	77,000	0.2	481,250
		Upgrading	28	1,321,000	43.9	30,091

Source: Ministry of Local Administration, Egypt, 1993. In Arandel & El Batran 1997 28.

Due to political and social pressures, few areas have been cleared to date. In fact, despite the nation-wide plan, the large bureaucracy in part has led to little coherence in the policy towards informal settlements: Infrastructure has been provided on a market basis to some settlements and free of charge to others; de facto recognition has rarely been followed up with the granting of land titles; and new cities are being built on desert land in order to preserve agricultural land while settlements built informally on desert land face demolition (Arandel & El Batran 1997 33).

#### 3.4.1 Land Development in Cairo

As in Cairo's policy and bureaucratic development, Egyptian legislation regarding ownership and control over land also reflects a diversity of influences including ancient customs, Islamic laws, as well as French and British legal systems. There are five main types of land tenure: **Leased land** (*igar*) is owned by the state and leased on a long-term basis to its occupants; it can also be converted from public to private. **Trust land** (*wakf*) is property set aside for charitable or religious purposes. **Encroachment land** (*wad' al yad*) reflects a section of the civil code that makes it possible for the user of a plot of land to gain ownership of that land if it is occupied continuously for 15 years and if the owner does not assert their rights. **Private ownership or freehold land** (*tamlik*) is registered with the local district office of the land registration division (Ministry of Justice) and owned by individuals or companies.

**Public ownership** is land registered as state property or land owned by the state which serves a public purpose.

Land in Egypt customarily belonged to the state, with only urban land and housing permitted to be privately owned largely due to the historic dependence on irrigation and the country's need to closely regulate the use of land. Thus, ownership of land by the government (public, *wakf* or leased land) is still the most prominent type of ownership. All desert land is government owned and the sale of government land involves lengthy procedures, connections and red tape, and is, therefore, rare. However, encroachment land, based on the principle of *wad' al yad*, legitimates the transfer of property to the user after 15 years of the owner's absence and applies to both public and private land (Arandel & El Batran 1997 3). Otherwise, access to urban land is heavily restricted by legislation regarding subdivision and building regulations. Although it is forbidden by law to construct buildings on agricultural land, such government controls are difficult to enforce and there has been extensive informal construction on agriculture land (Giza Profile 1998 14).

As part of the upgrading initiative in the 1980s, regularization of informal land development became official policy and a series of land tenure laws provided a greater sense of security for settlers on private land. Law 135 (1981) was the first to mention the procedures for regularization. It mandated government authorities to prepare upgrading plans for settlements in their administrative boundaries, though it did not specifically address issues of land tenure (Arandel & El Batran 1997 22). Not until 1986 would a decree be issued that spelled out the policies and procedures for regularization of land titles. However, the price of the land being regularized corresponded to that of the existing housing market, which was too high for the majority of Cairo residents. Few could afford payments to secure tenure for private housing and informal development persisted.<sup>10</sup>

The ashwayat in Cairo include squatter settlements on public land and informal settlements on private, often agricultural land; they also include those squatters who have occupied rooftops and cemeteries. However, the majority of ashwayat are those settlements built on

---

<sup>10</sup> In other cities, such as Aswan and Ismailia, low land prices combined with attractive payment conditions were negotiated with the inhabitants. This led to much higher rates of application for land regularization.

private agricultural land (Arandel & Batran 1997 17). Developed on the fringes of the built-up area, informal housing is often created by private sector developers subdividing land into small parcels without official authority, infrastructure, or servicing; these lots are then sold to purchasers without any legal deed to the land, or official connections to the city. While less common than the subdivision of private land, the occupation of government land still occurs frequently in the inner-city areas or as extensions of the formal city. Informal settlements on agricultural land currently accommodate 8.5 million people while those on desert state-owned land house 1.5 million.

Several interrelated factors contributed to the mass informal development that occurred on agricultural land in Greater Cairo. The first relates to the lack of government policy and regulation for providing access to urban land for private individuals or groups for low cost housing purposes. The dominance of public housing provision (1960 - 1985), the absence of private sector investment in housing, and the urbanization policy that focused on the new desert communities, resulted in an absence of policies and procedures for informal settlements (PUMP 1998 7). While building on agricultural land is officially banned, the controls imposed by government have been less rigid than those for desert sites. The consequence was that much of the informal development in the Greater Cairo region has taken place in an arc around the western and northern boundaries in the Giza and Qalyubia governorates where agricultural land predominates.

Second, many Egyptians accumulated savings in the late 1980s after the *infitah* from working abroad in the rich Arab Gulf states. Many invested these savings in land and housing. Land prices had soared during this period especially in the urban peripheries. It became such that selling the land piece by piece became more financially attractive compared to agricultural returns. A third is the fact that access to drinking water was readily available from the underground water table which was typically found in old agricultural land. Finally, as in most cultures today, the possession of land and a house has a high cultural value and is an important form of social security and prestige and private ownership of agricultural land provided higher security of property for informal occupants than public land.

Hence, informal settlement development on unplanned agricultural land is the most common type in Cairo and explains the bulk of the expansion that took place in the city over the last 30 years. During this period, the process by which agricultural land was sold, subdivided, and developed has become well-established. Informal land development is incremental and progressive, well-suited to the needs of small scale builders and prospective occupiers with limited resources. Urban form is determined by the existing street patterns, buildings, topography, and natural features. On agricultural land, the development primarily follows the canals and drains, which results in very narrow streets and little or no land for access or services. Dwellings built on public desert land tend to be of lower quality and rarely rise above three stories. In addition, residents of informal settlements on private land generally represent a wider socioeconomic spectrum than those occupying state land who tend to be the poorest among the poor. They cannot afford legally-owned housing and are "willing" to take the risk of being evicted from their homes (Arandel & Batran 1997 15-16).

### **3.5 The Formal to Informal City Relationship**

Informal areas are human settlements that emerged in the absence of physical planning and are a violation of the law and an encroachment over state-owned land. Such areas are of very high population density, congested traffic, severely deprived from all kinds of human needs, services and utilities, and are inaccessible in case of emergency or crisis. These conditions explain why these areas suffer from chronic diseases, unemployment, social tension, illiteracy, high rates of crime, and become a source for aggression and terrorism (PUMP 1998 2).<sup>11</sup>

The official statement by the Shoura Council (Senate) described above is a common perception of informal settlements. The reality, beyond this myopic vision, presents a far more complex system of abilities and interrelations. The residents of informal settlements in Cairo are not a marginal and unproductive segment of society living in virtual squalor and misery as the quote suggests. In fact, these misrepresentative assumptions have wide implications on housing and urban informal settlement policy issues. With such views, it is

---

11 The Participatory Urban Management Programme (PUMP) was established in 1998 under a cooperative framework between the Egyptian and German governments to contribute to policies and mechanisms that promote a "positive impact on living conditions of the disadvantaged population of urban informal settlements."

easy to understand why many governments and policy makers prefer to bulldoze squatter settlements without considering the assets and contributions that informal settlement residents make to their own lives and to society as a whole (in an absence of government assistance). These negative stereotypes have led to dangerous and ineffective policies towards informal settlements (Perlman 1976).

There has been a growing interest by national governments to address the fundamental problems associated with informal settlements. International development thought promotes upgrading and integration of informal settlements into the formal planning process to be the way to resolve the housing crisis. In tandem with the policies and practices of other developing countries, and under the lure of external aid, the Egyptian government attempted to address this issue by developing a framework for the "upgrading" of informal settlements. Thus, until 1993, the government was still reluctant to provide more than basic services to these areas because of the illegal status of such housing districts.

The official Egyptian policy, though hardly enforced, is to relocate inhabitants to more remote areas with lower land values to live in public housing with minimum housing standards. Informal settlements on private land have never had to face expulsion or relocation while squatter areas, since 1992, are frequently threatened with demolition and relocation. The 1993 national plan for upgrading informal settlements distinguished between two broad solutions to urban problems in these settlements. The plan identified areas that must be demolished because upgrading them is impossible given their poor or dangerous physical conditions. For the remaining areas in the Cairo governorate, the plan seeks to upgrade by introducing new housing units, infrastructure, waste management and community services (PUMP 1998 4).

With rapidly changing policies, disagreement between government bodies, and unsuitable guidance by the international experts, Cairo's ashwayat no longer anticipate assistance from the formal city. And, given the limited involvement by the residents of the informal city in policy decisions and project design, it is not surprising that most upgrading interventions do not achieve their objectives. The next three chapters present three case study communities and assess how much the upgrading interventions have involved the affected residents, built upon community assets, and adequately met their needs.



## IV – PHYSICAL INTEGRATION: THE CASE OF MANSHIET NASSER

“The formal order of a geometrically regular urban space is just that: formal order.” (Scott 1998 55).

The story of Manshiet Nasser is quite different from that of the majority of informal settlements in Cairo. Established on state-owned desert land, this squatter community has witnessed two in-situ upgrading interventions initiated by international agencies. These two upgrading projects, the sheer scale of the settlement, and decades of neglect by the authorities, has created not only a sense of permanence but almost de facto legitimacy for the community.<sup>12</sup> Manshiet Nasser represents the complexity of issues related to the informal city and the relationship with the formal sector. It is a suitable case to examine because it has experienced two urban development projects, both of which emphasized physical integration measures, particularly infrastructure provision and regularization.

### 4.1 The Story of Manshiet Nasser

The original settlers of Manshiet Nasser were evicted from Ezbat al-Safih, in the Darrasa and Gamaliya districts of inner city Cairo. That first community was made up almost entirely of houses and warehouses that specialized in recycling low-grade steel recovered from used oil drums. Ezbat al-Safih, which literally means the Sheet Metal Hamlet, was known to be a centre for recycling and cheap supplies related to the building trades. Left undisturbed for many years, the governorate of Cairo announced in 1960 that it needed the land occupied by the *ezba* (hamlet) to build a school and a hospital.<sup>13</sup> The community leaders negotiated with district deputies of the National Assembly and demanded alternate living space before eviction. In a striking example of how the formal sector facilitates the development or maintenance of informal settlements, tacit permission was finally granted to the community to resettle on public land on the Muqattam Hills. Hoping that it would ensure continuing

---

<sup>12</sup> Since the new national policy on upgrading of 1993, the threat of demolition and relocation has been waved at the community by the authorities more and more frequently.

<sup>13</sup> Having been warned by municipal authorities that the construction of permanent shelters would not be tolerated, the story is that the residents hid any permanent construction inside temporary steel sheet walls in order to fool the authorities.

land tenure, the community leaders named the new settlement, Manshiet Nasser, in honour of Egypt's president. Today, the community is known as El Manshia by locals.

Situated on the rocky slopes of the Muqattam Hills, Manshiet Nasser occupies land that was quarried for limestone for centuries during the Fatimid and Mamluke years (969A.D. – 1517A.D.). Wedged between the rugged cliffs of Muqattam on one side and the Ghafeer cemeteries on the other, the settlement forms an eastern physical boundary to the city of Cairo. Along the western boundary of the settlement is a single track rail line and a main highway known as the *autostrade* which runs just west of the tracks. The total area of occupation is approximately 8 km<sup>2</sup>.

The fact that these inhabitants are squatters is not reflected in their houses. Since the first houses were built in the 1960s, construction has shifted from structures made solely of brick and cut rock to buildings with reinforced concrete and then filled with brick walls. A structural limit on building heights rather than zoning, had kept the maximum building height to two or three stories when supported by brick and cut rock. Newer buildings are made of brick and reinforced concrete and are built up to seven stories high.

Municipal building standards aside, the owner-builders educated themselves on all aspects of informal construction and the building trades, so that they would know how to finance, manage, and supervise the building process. Given the irregular topography and steep slopes of Manshiet Nasser, construction involves the expensive process of flattening the land surface, which represents substantial investments for households. In this way, the building stock in the community has constantly expanded or improved as resources accumulated.

Other than the original group of settlers, farmers from Upper Egypt, mainly Sohag, Luxor, Qena, and Assiut began to migrate to the area. Not making enough as farmers, they moved to Cairo in the 1950s and 1960s to work in construction and other kinds of unskilled labour, or as small traders in the informal sector. Then in the 1970s and 1980s, as the community continued to grow, many inhabitants went to work in the Arab Gulf states during the *infatih* period. They invested their savings in new construction and upgrading the existing houses. The additional space was rented out to newcomers, making up the third major group of

inhabitants. Due to the unavailability of rental housing in Cairo, many young couples from poor families began to move here to rent these cheap apartments or workshops. In this fashion, the settlement expanded over the course of its 40-year history from a population of 60,000 (1966) to nearly one million inhabitants today. It has become a large, bustling community of houses, shops, and workshops, all co-existing without any pre-planned land-use configuration.

Over the course of El Manshia's incremental development, and as the settlement grew, the threat of eviction receded and skilled workmen began to open up their own enterprises in the areas behind the settlers or interspersed among them. Today, there are over 2000 commercial and industrial establishments ranging from tiny groceries to aluminum foundries. In addition, the demand for construction workers grew as people moved into the settlement. By the early 1970s, coffee shops near the main interior road were serving as recruiting stations where labor contractors would come from greater Cairo looking for skilled workers and day labourers. In fact, "[u]p until the present, construction workers' coffee shops continue to be the key contact points for the construction labor market in Cairo" (Tekçe et al. 1994 28). Masons, painters, electricians, plumbers, and carpenters from the area now serve both the settlement and the nearby neighbourhoods of Cairo.

The first settlers built their houses close together at the lower reaches of the hillside. The community leaders organized the division of land along the "spine road," grouping people from the same areas of origin. This arrangement was strengthened by families helping relatives and co-villagers to find space and settle near themselves (Tekçe et al. 1994 25). They built their houses on plots about 100m<sup>2</sup> and their warehouses on larger plots. About one third of the population lives within 200m of the spine road where density is highest.<sup>14</sup> Once the front line of the settlement had been established and perhaps even as it was being formed, a new pattern of land subdivision began to develop on the middle reaches of the steep hillsides. Some households would stake claims to 200 to 300m<sup>2</sup> of land, build a home on one third, and sell the rest to newcomers, usually to relatives or co-villagers who could be depended on for support and cooperation.

---

<sup>14</sup> The average residential density is more than 400 persons/ km<sup>2</sup>.

Land continued to be freely available on the heights of the hillsides, beyond the settled area, for many years. But as a result of the limited supply, a market in land and building emerged in the lower levels. An informal but well-regulated system of validating claims on plots in the settled area came to be used. Persons would stake a claim or purchase one from an earlier claimant. The land would not be considered definitively theirs unless they built on it within a reasonable period of time. In the interim period between claiming and building, tenure was kept in question depending on the location of the land and the relationship of the claimant to the community (Tekçe et al. 1994 26). The strongest claim to a plot was that of a resident in the community who had no land or building. A claim by a homeowner in El Manshia who took the plot in order to build for their children would be considered a weaker claim and overridden by a family in greater immediate need.

## **4.2 The Interventions**

In Manshiet Nasser, two physical upgrading initiatives have taken place: one by the World Bank (WB) who funded a project in the 1970s and 1980s and the other by GTZ, a German technical consultancy group which is currently implementing a second project.

### *4.2.1 Upgrading with the World Bank*

As part of the wave of international attention given to informal settlements, the World Bank (WB) joined with the Egyptian government to pursue the Egypt Urban Development Project, an infrastructure-led upgrading initiative, which ran from 1977 to 1985. It was to include the upgrading of Manshiet Nasser's physical infrastructure, provide health, educational and social facilities, and regularize tenure by selling land to building owners at a square meter price sufficient to cover the costs of the infrastructure. As an aspect of housing consolidation, the provision of infrastructure was considered a form of productive investment that contributes to economic growth and complements legal title. Hence, infrastructure provision and regularization served as the project focal points.

Designed within the context of structural adjustment programs and the new market logic, utility service provision was now contingent upon the ability of the population to pay for the service (Arandel & El Batran 1997 21). The costs of installed infrastructure (water, sewerage, roads, public buildings) were to be distributed over the land, and the owners

asked to purchase their land from the government at a price sufficient to pay for these installations. In this manner, a direct link was made between tenure and infrastructure. The project was able to extend a network of sewers and water piping, but due its cost- recovery policy refused to make individual connections. The process of regularizing land title, now a prerequisite for extending connections to individual households, would have involved tremendous expense and paperwork on behalf of each family. As a result, many owners connected informally without official supervision. This partly explains the extensive leakage of sewage and subsequent breakages in the now over-loaded mains onto the lower levels of the settlement (Tekçe et al. 1994 41).

#### 4.2.2 *Upgrading with GTZ*

In August 1998, another upgrading intervention was initiated in Manshiet Nasser by GTZ, a German consultancy firm. GTZ, in partnership with the governorate of Cairo, specifically the District of Manshiet Nasser and in cooperation with a German Technical Bank, KFW, selected the area of Ezbet Bikheet in Manshiet Nasser for their pilot upgrading project. This area was selected based on its proximity to the main road, its relatively well-defined borders, and manageable population size estimated at 40,000 people.

Since the beginning, the project has been fraught with discrepancies. The Egyptian partner of the project, the local government, is clearly over-staffed, underpaid, and burdened by a lack of resources. To further complicate matters, the national government, specifically the Ministry of Housing, announced a renewal plan for the area in February 1998. Another national level agency, the General Organisation for Physical Planning, officially recognizes that such an approach is unfeasible. So as one agency calls for the demolition and relocation of residents to new towns in the desert, another acts as a donor/partner to the upgrading of Ezbet Bikhit. Such contradictory policies and opinions by different government agencies and levels of the bureaucracy have made it extremely difficult to maintain any consistency over the course of the project thus far.

From the outset, the project has had a strong predisposition to physical upgrading. Eight million Deutsche Marks were pre-allocated in the form of block grants for a sewage system, water supply, road paving, and street widening. The project has planned a complete

improvement of the sewerage system allowing for 100% coverage. As for the existing sewer networks, many pits are connected to the sewage collection network, but many of those are not working properly and sewage commonly overflows onto the streets. Today, 56% of households have access to the sewerage network. It is also planning a complete upgrade of the water system in the area where 59% of households currently have coverage (Concept Plan 1998 3). In addition, the project found many problems related to geomorphology and the potential collapse of cliff faces. The limestone cliffs are in themselves mostly stable, but collapse can still be caused by water leakage from higher areas.

Based on the project's ranking system for danger levels, a number of buildings or portions of buildings have been selected for removal from both the top and base of cliffs.<sup>15</sup> The city standards for Muqattam Hills deem buildings to be constructed no less than 100 metres from the cliff. For Manshiet Nasser, this would mean 80 percent of the homes would need to be demolished. Still significant, the project's demolition ratio is much more reasonable with 5 to 10 percent of houses expected to be torn down either for street widening or safety reasons. Approximately 6,300 housing units have already been built by the government for the re-location of those residents whose homes are to be demolished. It is planned that aspects of the building law (Law 106 of 1976 and amendments) will apply in the area in the future. For example, the standard height limit is not to exceed 1.5 times the street width. These contradictory laws would result in the new buildings being two or three stories compared to the four or five stories of the past (Concept Plan 1998 12).

In keeping with the national policy on upgrading, this project has had a strong emphasis on security issues. One such aspect is lighting. The complete upgrading of the system of street lamps has already been prepared by the technical staff of the district. Another important security measure is mobility and access. Minor improvements planned include stair access to allow mobility from upper zones to lower zones as well as a safe crossing of the *autostrade*. Due to the difficult topography of the area, no through traffic has been planned

---

15 The danger levels are ranked as follows: vertical cliffs higher than 20m are considered to have high danger levels (safety above and below cliff from 10 to 12 meters); very steep slopes and vertical cliffs less than 20m considered to have medium danger (6 to 7 metres); minor cliffs and slopes considered to have low danger (4 to 5 metres).

for Ezbet Bikheet, but a new circulation system has been designed to provide local access to residences inside the area. A three-tiered street system made up of a series of loops has been developed: Primary streets are to provide for smooth traffic flow for large vehicles, such as fire-fighting trucks, security forces and patrol cars, ambulances, and heavy garbage trucks. Here, a significant number of demolitions are expected for the required widening of these streets. Secondary streets, smaller in scale and intended for local traffic, would allow traffic for taxis and private cars. For these, a minimum of building demolition is required. Thirdly, the existing network of lanes and corridors already provides excellent convenient and safe local movement for bicycles and pedestrians. The primary and secondary streets will be paved following the widening and laying of utility lines. Lanes and pedestrian ways are expected to be paved using community participation.

As a result of this spatial adjustment, 12 to 15% of existing families will need to be re-housed due to the planned demolitions. A total of 200 buildings will be entirely removed and 85 partially, affecting a total of 850 families. The standard resettlement practice in the governorate of Cairo is to offer those forced to move to a new apartment in a public housing project, either as rental or as *tamlík* (ownership); no cash equivalent is being considered by the governorate. There is considerable concern, however, that the resettlement package is expensive for very poor families. The two bedroom type standard housing offered to those relocated required substantial down payments and monthly repayments of £E 70-80 (USD 20-23).

As for project financing, the largest direct cost comes from the state budget with £E 28.1 million (USD 8 million) allocated for the project (60%). There will be considerable returns to the state, however, in the form of installment payments by citizens. Land payments by building owners (£E 9.4 million /USD 2.7 million) and installments on relocation housing (£E 7.3 million/ USD 2.1). Thus, the real shares of the financing are divided as such: the state contributes 25%, the German cooperation 33%, and the greatest share coming from the population itself with 42%.

### 4.3 Land, Tenure and Infrastructure Development

There is nothing furtive or transient about the physical appearance of the individual houses which identifies them as illegal or temporary; it is only the relationship among buildings in terms of absence of air shafts and setbacks, and lengthy blocks without side streets, that suggest that this is not an officially planned community (Tekçe et al. 1994 23).

The informal sector has been able to address the physical requirements of urban life with limited reliance on the formal sector. Even though this community of homes, shops, and workshops is in most respects legally invisible, there are numerous links established with the formal sector in terms of infrastructure and services. This section examines the connections and differences between the formal and informal approaches to land tenure and infrastructure development.

#### 4.3.1 *Spatial Integration*

Much like it was in medieval Cairo, the settlement is composed of extremely narrow, zig-zag streets and a very well-articulated pedestrian system. Broad avenues and traffic separations are not necessary as transportation is on foot, by donkey or small vehicles. Also, place of work, point of sale, and residence are often not segregated, even though the modern formal city seems to be pushing these functions farther and farther apart (Abu Lughod 1971 64). Developed without any official plan or design, this spatial configuration may be confusing to the outsider but is perfectly legible to those who live there. This privileges local knowledge over outside knowledge, including that of the external political authorities, which is why states and city planners strive "to overcome this spatial unintelligibility and to make urban geography transparently legible from the outside" (Scott 1998 55). Manshiet Nasser is a case in point. Street widening is an element of urban upgrading that allows vehicular circulation and lighting which in turn improves the monitoring of unintelligible areas and facilitates policing and control.

This is not to negate the advantages of this element of upgrading for particular state services: solid waste management and ambulatory access would clearly be more easily provided as a result of these steps. Equally, there may be perceived disadvantages such as the absence of a dense street life, the intrusion of hostile authorities, the loss of the spatial irregularities that foster coziness, gathering places for informal recreation, and



neighbourhood feeling. The fact that such formal order works for municipal and state authorities in administering the city is no guarantee that it works for citizens (Scott 1998 58).

#### *4.3.2 Tenure and Regularization*

Governments in developing countries are faced with both domestic and foreign pressures to integrate informal settlements into the formal realm through regularization and upgrading. As discussed in Chapter II, regularization broadly includes all measures and practices relating to already occupied urban areas, which help to improve or to guarantee security of occupation (Clerc et al. 1995 14). Thus, legalization of occupancy by providing title deeds is a form of this regularization. It attempts to integrate institutional structures, in this case informal tenure systems, that are outside the bounds of the state and transform them to abide by formal standards, political norms, and regulations.

The influence of western thought and the ideals of liberalism on international development practice has led to this push towards tenure regularization as an integral part of informal settlement upgrading. But the issue of formal property is a relatively recent phenomenon in the course of history, particularly from the point of view of developing countries. It is not that land title and individual rights to property are not a priority in Cairo, but rather that the rights over property and ownership arrangements have traditionally been defined by informal agreements. The formal authorities do not have efficient institutions and mechanisms for connecting with the informal system. Formal development standards for land subdivisions and building construction are too high. For example, land subdivision laws require that 33% of the land be set aside for public uses. In informal settlements, where land use is maximized, such spaces never exceed 15-20%. Also, land use standards (law 28 of 1948) provide spatial separation of residential, commercial, and industrial areas and are not adapted to the structure of informal settlements where these uses are integrated.

In addition to various formal site requirements, the land transformation process legally takes 3 to 5 years and involves a great deal of red tape and fees, making it excessively time

consuming and expensive.<sup>16</sup> Responsibility is spread over a myriad of government departments and the few procedures for formalizing individual parcels are expensive and time consuming. Particularly in Manshiet Nasser where there has been a high level of de facto security of tenure, regularization has not been a concern.

This is exemplified by the World bank project as it tried to demonstrate that tenure could be regularized and official title deeds presented in exchange for assessments on infrastructure improvements. This proved to be ineffective because even though the residents want it to speed up the extension on infrastructure they were not worried about eviction.

Despite this confidence with regard to their tenure status, residents of El Manshia are aware of their unofficial ownership status and carefully word their bills of sale. They describe the money paid for a piece of land as money given so that the original holder would 'leave it' for the buyer and not directly as a purchase price. Buildings are described as personal property and the land as government owned (Tekçe et al. 1994 26). There are essentially four types of tenancy. *Owner occupiers* hold informal title to their property and are usually from the original group of settlers and households who migrated in the early period. The *long-term lease holders*, are renters who have paid a down-payment of £E 500-2000 to protect themselves against eviction. *Short term tenancies* are based on contracts (usually oral agreements) that allow owners to eventually claim a place for their children. Finally, the *daily rental units* are rented out to workers or farmers coming to Cairo on a day-to-day basis. In 1999, 55% of units were owner-occupied while 45% were rental. Generally, most rental units are small rooms without kitchen or bathroom which rent out at between £E40-80/month depending on whether it has electricity or water. This amount is excessive for such substandard housing. The upgrading projects have led to an increased tension between renters and owners. Renters would prefer a relocation option, but owners prefer the additional income they gain from room rentals and fear this looming demolition. Usually living in one or two rooms in very substandard structures, the renters stand to benefit considerably from the improved housing conditions after moving to public housing. On the

---

16 As part of the World Bank upgrading project in the 1970s, approximately ten plots of land were granted land title status. Another 50 to 100 plots initiated the paperwork but the regularization process was frozen due to a policy shift before title could be granted.

other hand, there are a number of building owners who will lose their property. And if there are absentee owners, they will receive no benefit in terms of alternate housing.

#### 4.3.3 *Physical Infrastructure Provision*

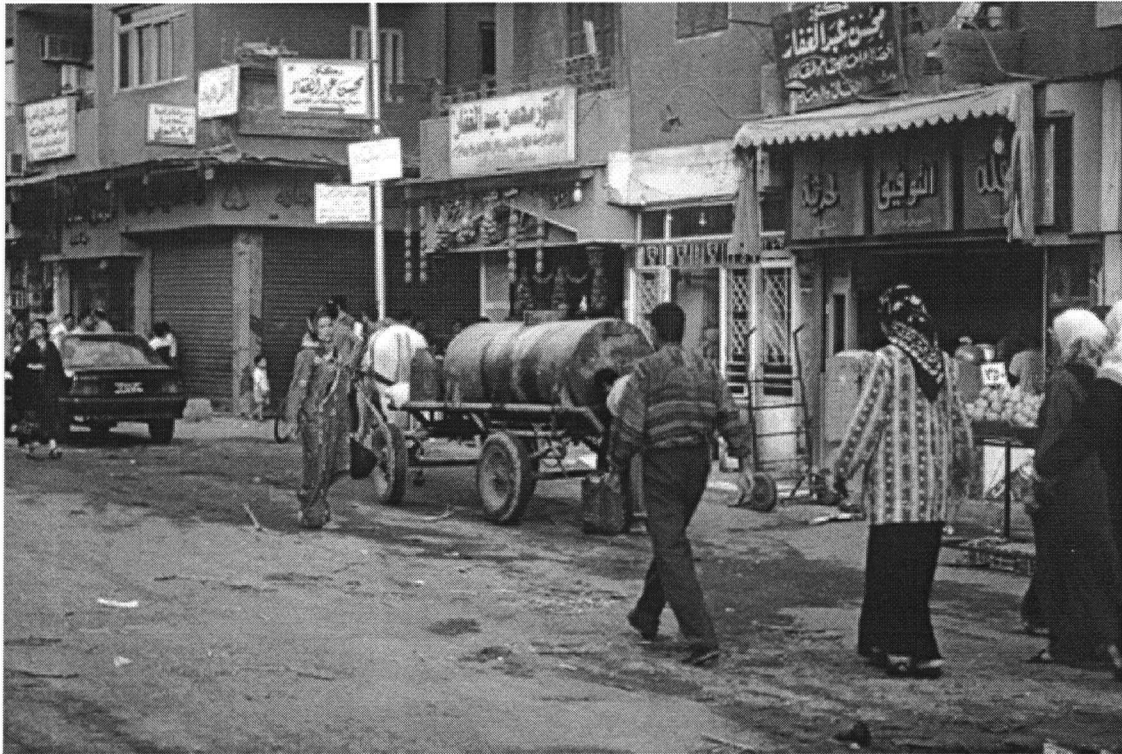
Due to the topography, size, and density of Manshiet Nasser, its physical infrastructure related problems are much greater than those of informal developments on agricultural land (Tekçe et al., 1994: 25). In the early period of its development, the area was largely barren rock, rugged, and lacking in infrastructure. Water was obtained from taps in mosques across the road in the cemetery of Qaitbey and lighting was by way of kerosene lamps. Within a few months of the initial move, however, the government provided three water taps along the main street of the community which is yet another indication of their tacit support.

Today, in Manshiet Nasser, there is no access to tube wells, canals or the Nile as there are in settlements on agricultural lands. Built on the slopes of waterless hills, all the water must arrive from the water mains. In most communities, the self-help water connections to the mains along the lower reaches of the settlement would have proliferated. But here, there is not enough pressure to carry the water up the hillsides. Thus, households that do not have connections obtain their water from other households that do, and some get it from the public taps. For those that have connections, irregular or insufficient pumping pressure has meant frequent cuts or no water at all.

Household members, particularly women, allocate considerable time and often money to the acquisition of water. Most households have intricate arrangements to ensure an adequate water supply. They use more than one source: their own taps, taps of households which sell water, public taps, and delivery carts, while in 1999 it was estimated that more than half of the households had piped water. Problems with low pressure and stoppage were frequent. A highly standardized though informal system of private water delivery supplemented the other sources. Figure 4-1 shows that a private water distribution system has been developed. Small vehicles ply the narrow streets selling water from small tank trucks pulled by donkeys. With water cuts still frequent and many homes without water, these systems of home delivery are vital. The water is sold in returnable 50L containers; a deposit is paid and the containers are rotated when a filled one is purchased with the price

of water increasing at the higher elevations. This small-scale informal business fills the gap not tended by public services (Tekçe et al. 1994 40).

**Figure 4-1** Informal Water-selling, Cairo



Another example of an informal infrastructure-related activity is sanitation. The principle technology for disposing of human waste in Manshiet Nasser is private pits cut out of the limestone rock in front of or alongside each building. These are rock vaults, not soak pits, so gray water (wastewater) is introduced sparingly. With the increasing density, small businesses have been offering an informal cleaning service using a donkey cart system with a pumping capacity (Tekçe et al. 1994 37). In 1984, this was done by tanker vehicles with a pumping capacity or by laborers who carried the wastes out of the pits using buckets hung on shoulder poles. By 1990, the service was available on call for an average fee of £E 80 (USD 23) a cleaning.

As for power and lighting, the electricity system is in relatively good shape and almost all houses have metered connections. A recent upgrade to the electrical supply in the area has led to a reduction in voltage drops and power cuts are rare. When illegal wires were strung in the past, the end users paid the owners at meter points. In general, the Electricity

Authority provides meters to residents on demand, insisting only that owners meet the initial cost.

The other utility organizations are not as forthcoming if the people cannot establish a legal right of occupancy. This exemplifies how residents of informal communities tend to use the formal institutions and services whenever it is an accessible option for them. Persons can register with the governorate Revenue Dept. and pay a nominal rent that allows them to receive water and electricity connections. This shows how infrastructure has been provided formally as well as informally for decades. More importantly, it illustrates that while there is a strong relationship between tenure and infrastructure, this was almost implicitly given prior to its formalization by the upgrading projects. This was not the case in Manshiet Nasser where international development ideals masked the specific set of needs of the community. Within the model for achieving sustainable infrastructure, irregular land tenure issues should be resolved by granting title to informal residents. This is expected to solidify their future and prompt them to invest more in infrastructure (Choguill 1995 2-3).

#### **4.4 Physical Integration in Manshiet Nasser**

Even in its early stages, the GTZ project altered the fundamentals of participatory planning with the pre-allocation of moneys towards physical upgrading. Also, in Manshiet Nasser, a reluctant central government was the main project overseer of both initiatives. Local stakeholders were not involved in the design of projects and the approach was very hierarchical (Arandel & El Batran 1997 23). It is evident that Cairo's city authorities have been promoting and implementing project plans for the sake of state security without taking into account the immediate needs of the residential community.

This association with the local government, which is considered by the local residents as inefficient and untrustworthy, has led to a high level of mistrust towards members of the current project team. Evidently, the project is also overloaded with a variety of difficulties related to the political climate, bureaucratic obstacles, trust-building, and community backing. Similar to the earlier project by the World Bank, the GTZ project was designed without recognition of existing institutional systems or the particular context within which these grand upgrading plans were to be implemented.

For the residents of Manshiet Nasser, the granting of secure legal title has not been a prerequisite to their investment in the community. The settlers were investing in permanent housing long before the upgrading project was planned. Given the settlement's size, permanent structures, past government neglect, the residents were not worried about eviction. They had acquired a de facto security of tenure and did not seek this feature of free-hold title (Hasan 1999 170). Therefore, these upgrading projects can be considered one-sided in their attempts to integrate the informal community of Manshiet Nasser into the formal realm of infrastructure and land tenure. The central government institutions hesitated to involve the community in the planning or implementation of the new project. In fact, the attempts to legalize and provide infrastructure to Manshiet Nasser did not build upon the work and institutions carried out by the communities up till that point. Large-scale infrastructure development was planned without any consideration of the community's ability to use, pay for, or maintain the new system.

Since the urban poor are no longer seen as passive recipients of infrastructure in that they are expected to contribute to costs, their efforts and capacity to provide their own amenities should also be acknowledged. According to Black (2000), when people become partners in service delivery instead of passive recipients, they bring their own financial and organizational resources into play. The authorities are then no longer the omnipotent providers, but rather advisors and facilitators.

In spite of unanimous formal agreement to low-cost, people-centred approaches, 80% of investments in the water and sanitation sector are still allocated to high-cost technology. Even more significantly, less than 5% of donor aid is spent on low-cost solutions. This is once again, an example of the state not considering the particular needs of the informal city. The role of centralized utilities bodies must be re-thought and partnerships developed with the populations whose needs they reach out to serve. This means accommodating more modest types of urban settlement and amenity within the scope of building and other municipal regulations and it means recognizing that appropriate service delivery systems need to belong to their own context, and should not be entirely determined by formal standards.

The case study has clearly shown that the formal planning approach towards squatter settlements in Cairo has been unsuited to the informal context it is working within and how the ability of informal settlements to provide physical and social infrastructure, housing, and servicing is under-valued by the formal planning system. More so, this case study highlights the friction that can result in applying official planning and development solutions in a non-official context and shows how two international projects which were intended to upgrade conditions in a specific community have resulted in outcomes counter to initial intentions.

## V – ECONOMIC INTEGRATION: THE CASE OF BOULAQ EL DAKROUR

West of the river, ... the main railway line to Upper Egypt stitches a border between the neatly laid-out streets of Muhandisin and the higgledy-piggledy burrows of Bulaq al-Dakrur. Both districts have grown up in the generation, but whereas the former is purpose-built to the scale of the motor car, the latter sprouted spontaneously in pedestrian proportions little different from those of the medieval town. Muhandisin has trendy chain outlets, supermarkets and air-conditioned offices; Bulaq al-Dakrur has corner stores and open-fronted workshops. Muhandisin has hospitals performing heart bypasses and cosmetic surgery; Bulaq has cut-price clinics, herbalists and midwives. Muhandisin boasts trees, some modest parks, and high-rises built of reinforced concrete. Bulaq has no public open areas to speak of, and tenements made of brick that cram Muhandisin's horizontal density of people into a fraction of the vertical space (Rodenbeck 1999 286-7).

The majority of Cairenes do not live in the Muhandisins of Cairo, that is to say, in the formal city. At least two thirds live in un-zoned, unplanned, popular areas such as Boulaq el Dakrour. Crowded, dense, and seemingly chaotic, the informal city neighbourhoods stand in sharp contrast to the formal areas in terms of their physical, economic, social, and institutional structures. In this chapter, the economic parallels and differences between the two city fragments are emphasized using a case study of an economic development intervention that is taking place in Boulaq el Dakrour, an informal settlement southwest of Cairo.

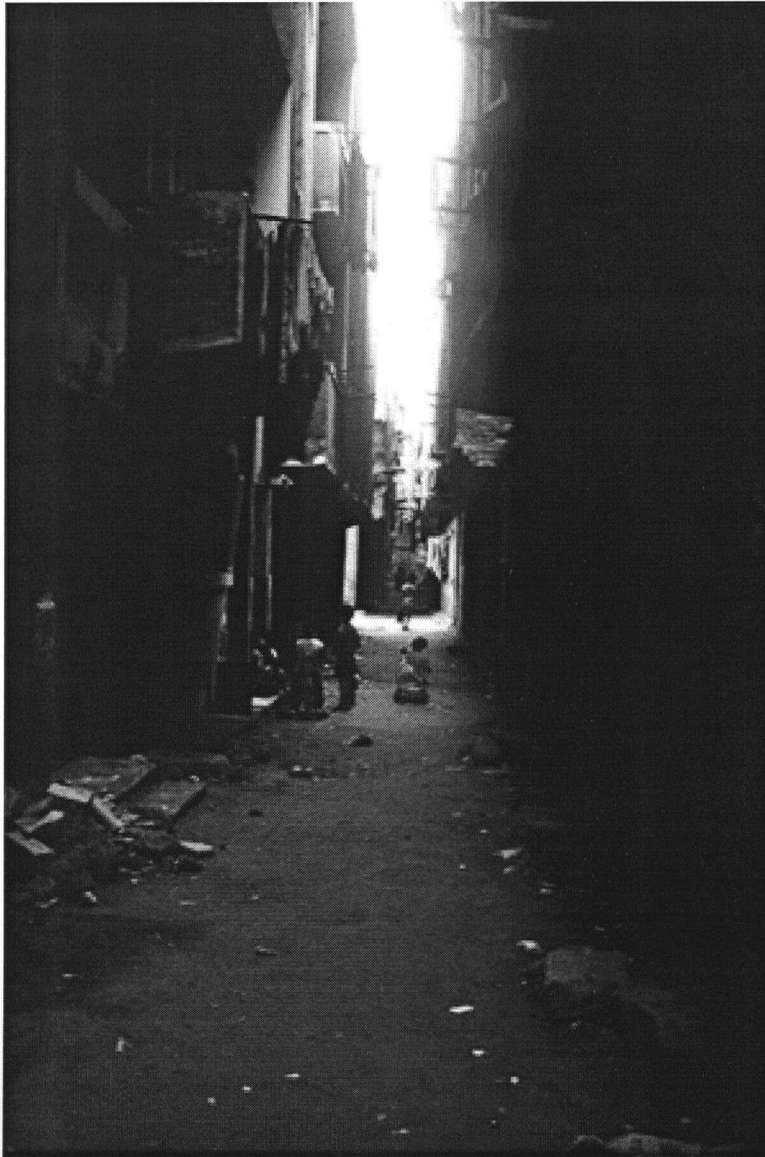
### 5.1 Background

Until the early 1950s, the area on the western side of Giza consisted largely of agricultural land and the only residential settlements were the villages of Boulaq el Dakrour and Zenin. These were inhabited mainly by peasants (*fellahin*) who worked in the fields. The population of Boulaq el Dakrour village was about 6,000 and that of Zenin was about 2,000. The growth of the area began in the 1960s with the districts of Muhandisin and Doqqi on the eastern side of the railway track. Large-scale expansion and residential development began in the 1960s, and major parts of these areas were planned. Construction labourers working on these developments settled on the agricultural land around Boulaq village to later be joined by service sector workers who would find employment in the new formal areas to the east.



Thus, unplanned development soon accelerated in the surrounding areas expanding onto nearby agricultural land to the north and south.

**Figure 5.1**     **A Typical Subdivision, Boulaq el Dakrour, Giza**



Similar to Manshiet Nasser, labour migration to Arab countries in the 1970s and 1980s led to the accelerated growth of Boulaq el Dakrour. Land speculation and increasing demand for housing led to a rapid rise in land prices and to increasing building heights. Today Boulaq el

Dakroul is home to a total population of 600,000 with 495 persons per hectare making it the second most densely populated district of Giza.<sup>17</sup>

As in most informal development on agricultural land, the layout of these settlements was governed by the shape of the original agricultural parcels. Irrigation canals were filled, forming natural lanes along which subdividers sectioned off blocks to sell to developers or families. For this reason, Boulaq el Dakroul is physically characterized by long, narrow canyons, sometimes hundreds of metres in length and no more than two metres wide. These lanes separate rows of attached structures built several storeys high which has made day-lighting and ventilation major structural concerns for the area (Figure 5-1). The original settlement areas which average two to three floors in building height stand apart from New Boulaq el Dakroul and New Zenin which typically have four to seven floors (GTZ 1995 7). In old Boulaq, the buildings were constructed of cut rock and brick, but in the newer neighbourhoods, reinforced concrete and brick has become the standard construction type.

In terms of land use, Boulaq el Dakroul is primarily residential in character. Yet, a tremendous level of economic activity takes place within the community, particularly along the main roads where small-scale commercial activity predominates. Informal business owners provide various services such as motor/bicycle repair, furniture re-upholstery services, clothing retail, coffee shops, local fast food, as well as a large fruit and vegetable market along the eastern canal which separates Boulaq el Dakroul from Muhandisin.<sup>18</sup> While it is clearly difficult to estimate the size of the informal sector, surveys noted around 15,000 informal establishments in Giza whose overall production is valued at £E 407 million (USD115). Informal employment also includes work carried out in household enterprises and other unregistered businesses (Governorate of Giza 1998 18).

---

<sup>17</sup> The Greater Cairo Region is made up of the three governorates of Giza, Cairo, and Qalyubia. The Giza governorate has a total of seven urban districts.

<sup>18</sup> Fast food in this context refers to cheap local dishes such as *ful* and *ta'miya* (fava bean and falafel) and not the Western McDonalds and Pizza Hut variety which are prevalent in the formal neighbourhoods but are unaffordable by a majority of the urban population. As for the fruit and vegetable sellers, they may congregate daily in this open area next to the canal but their stands and products are often on mobile carts because of the continuous threat of re-location by state officials.

A majority of those "formally" employed work in the public sector or in the building industry outside of the district. The 1986 census recorded 57,000 different private and public sector establishments for the city of Giza, providing employment for around 226,000 workers of which 14% are females. A 1987/88 survey found that incomes typically ranged from £E 150-300 (USD45-85) per month and that many people had two jobs. While 55% of inhabitants were found to be without jobs, such unemployment figures are misleading in that they do not represent the real employment levels of Boulaq el Dakrour. They only refer to formal employment and include women who may not necessarily be seeking paid employment (GTZ 1995 12-3).

Surveys conducted in the area also found that the residents generally belong to the poorer segments of the population and are affected by unemployment, low levels of professional skills, low levels of education, and spreading illiteracy. It is on the basis of such surveys and upon the recommendation of the Giza governorate that an urban development project was initiated in Boulaq el Dakrour.

## **5.2 The Intervention**

For the sake of this study, only those project elements that relate to employment and economic activity are considered, and though integration was never stated as an explicit project objective, the activities related to economic development integration serve as the basis of analysis in this section.

### *5.2.1 Project Design*

To approve a project at the governorate level, a formal request by the governor must be made to the Egyptian Ministry of International Cooperation. As such, a formal request for German assistance in the execution of a "participatory upgrading project" in Boulaq el Dakrour was made in June, 1995. An area that is home to a 140,000 people (23% of Boulaq) was selected to be the pilot area. Designed as a project of urban management rather than a physical upgrading one, the initiative seeks to foster dialogue and facilitate partnerships between the governorate and district administrations, community organizations and the residents with the goal of improving the quality of life in the area. In 1996, a series of participatory planning meetings were held with representatives of the resident community,

the local administration, community-based organizations, and other interested parties in order to determine project priorities and entry points (GTZ 1995 2). The planning meetings guided the design of the project towards a multi-sectoral approach, of which the broad issue areas are youth, environment, and women.

Given that the project partner agency on the Egyptian side is the governorate of Giza, the implementing agency is the Western Giza District where Boulaq el Dakroul is located. The German government committed DM 2.5 million (\$US 1.1 million) for the technical assistance component of this new project which is being carried out by GTZ. In the early phases, the GTZ project team would take a leading role in project development while the governorate contributes with finance and staff. Over the long-term, however, full responsibility for project activities are to be taken by the government and community partners (GTZ 1995 28). In fact, the Egyptian partners were expected to work closely with the team and quickly "establish a presence within the project area" (GTZ 1995 24).

#### *5.2.2 Project Contradictions*

As of the time when this research was conducted, the governorate of Western Giza district played a nominal role in project design. In fact, the political climate at the time and the government's fear of "radical" activities by "marginal and impoverished communities" has created a tense working climate. In addition, between the project's inception phase and starting date, a new pro-business governor was appointed who has been critical of the pace and scope of implementation (Government Official July 22); the limited GTZ budget (DM 2.5 million) is considered to be insufficient in addressing the overarching problems of the area and the "tangible" and immediate results requested by the governorate do not coincide with the process-oriented approach promoted by GTZ. Furthermore, the people's general lack of trust in authorities has reflected a certain wariness of the project by the recipients. These factors, particularly the lack of buy-in or genuine interest by government officials or community members, have become the greatest constraints to project development.

The project-governorate relationship epitomizes the juxtaposition between the dual interests of city policy. As the governorate's first upgrading intervention of this nature, official government policy has yet to be adapted so as not to inherently contradict the initiative's

participatory methods. On the one hand, the government desires the improvement and well-being of the residents in the area, and on the other, it hesitates to change its national policies and modern standards. State officials fear that giving too much voice to the community through participation in decision-making for example, could lead to the mobilization of informal settlement dwellers to oppose the government or take part in extremist activities. At the same time, the state hesitates to invest in upgrading measures such as street lighting, sewerage and services even when they are justified as security measures. Such formal recognition of informal settlements can be understood by the residents as a contribution to illegal development which would not only legitimize such areas but also lead to the development of further ashwayat.

This discrepancy between policy and action is highlighted in the fact that several government officials vocally expressed disapproval to the intervention's objectives. Official government policy also discredits the ability of informal settlement communities to provide for themselves and continues to express their desires to redistribute such populations, to eradicate the settlements, and strictly enforce modern regulations and restrictions. Given such contradictions, it is not unfair to assume that the Giza governorate is only involved in such upgrading initiatives due to national and international-level policy pressures to upgrade informal settlements.

### *5.2.3 Implementation of Employment Program*

In its procedural guidelines, GTZ asserts that "high quality human capital is the only possible basis for sustainable development in a relatively resource-poor country such as Egypt" (GTZ December 1995 4). Thus, one of the major emphases of the project is to address what is considered to be a very serious employment problem. Unemployment and low labour productivity are considered to be the major causes of low economic output and inadequate social welfare. And in the last 20 years, there has been a steady rise in unemployment in Egypt with the current rate at 14% of the labour force (approximately three million in absolute numbers). Every year, there are 500,000 new university or diploma level graduates seeking suitable employment which explains why the highest rates of unemployment are found among young people, particularly those with intermediate level qualifications.

With the industrial and public sectors saturated, limited access to formal credit, and few entrepreneurial resources available, the problems related to economic development and formal employment are plentiful. In this regard, the project has several goals and objectives. First, the approach taken by GTZ attempts to increase employment opportunities for residents of Boulaq el Dakroul by strengthening the existing links between the unemployed and the wider labour market of Greater Cairo. In order to achieve this, GTZ aims to encourage a private sector organization or community group to provide employment services (GTZ 1995 22). Second, the project seeks to train institutions to improve credit fund management, and liaise on behalf of the banks and other relevant state institutions. In other words, the project would facilitate between existing lending agencies and credit management organizations to provide small and micro loans.

The facilitation of lending programs is a good example of the complex nature and constraints faced when dealing with unemployment and related economic activities. By offering training, publicity, and other resources, the intervention was able to facilitate a coordinated effort by several different agencies to work on an employment campaign within the pilot project area. The program began in the summer of 1999 and brought together existing lending agencies and community development associations involved in the management of small (£E 50,000) and micro (£E10,000) loans.

**Table 5.1 Small Loans Distribution Schemes in Boulaq el Dakroul, Giza**

Funding Institution	Loan Distributor	\$ Designated for Pilot Area	Maximum Loan Size	Conditions
SFD (national agency)	YBA	£E 1,000,000 (USD287,355)	< £E 10,000 (USD2,900)	literacy bank loan list
Giza governorate	YES Giza	£E 200,000 (USD57,470)	< £E 50,000 (USD14,370)	university/ diploma bank loan list

As shown in Table 5.1, there are two strains to this initiative. The Giza governorate and Social Fund for Development (SFD) of the national government contributed 200,000 and one million Egyptian pounds respectively. Two community development associations which had been previously set up to implement governorate and national level initiatives of this type, became the loan distributors in the pilot area. The first organization, the Youth Employment Scheme (YES Giza), coordinates the loan program for the governorate, but

because university graduates are heavily subsidized and have the highest rate of unemployment (particularly in their field), YES Giza only gives loans to graduates with a university or diploma level degree. The agency also offers a locale for entrepreneurs who establish a new business on the condition that they can never own the place or change the use or activity taking place in it. However, the cheap rents of £E35 (USD10)/month has led to a black market; the work place is often re-rented at much higher rents of up to £E200 (USD60)/month. In this way, the recipient gains even though production does not take place.

The Social Fund for Development (SFD) is contributing a total sum of one million Egyptian pounds to be utilized for this particular employment campaign. For these loans, basic literacy is the only education requirement and is also offered to potential recipients if needed. The funds are managed by the Young Businessmen Association (YBA) who coordinate the relevant training and actual loan distribution. Additional actors in these credit schemes include the banks who continue to be the guarantor corporations and the Foundation for International Training (FIT), a Canadian executing agency, which serves as the implementing agency for the program overall. FIT has had many years of experience with small and micro credit in Upper Egypt and was contracted to oversee this element of the economic development program in Boulaq el Dakroul. In this way, GTZ acts merely as a technical advisor on this aspect of the project.

### *5.2.3 Project Constraints*

In the early phase of the program, the reality of the barriers to successful enterprise development began to surface. The existing lending agencies have too many requirements, idiosyncrasies, and conditions that hinder the smooth flow of loan transfers. These include providing or arranging for employee pensions, basic literacy, witnesses, permits, financial guarantors, and the presentation of a list of 13 items (Table 5.2). Consequently, by the end of the summer of 1999, this program had only been able to distribute a few loans. Another constraint became evident in the strong overlap of duties amongst the staff of the community organizations involved. Their work ethics, organizational structure, and distribution of tasks were inflexible and inefficient. A mismanagement of funds was apparent where salaries and administration had already exceeded the 7% allocated for such

purposes and there appeared to be limited internal interest in organizational-level training and capacity development.

**Table 5.2 List of Required Documents\***

1.	Birth certificate
2.	Personal or family I.D.
3.	Two personal photographs
4.	Education certificate
5.	Military service status documents
6.	Employment status document (from Labour Office)
7.	Social pension plan status (typed)
8.	Recent electricity bill for applicant's place of residence
9.	Guarantee/ approval letter by government employee accepting a pay cut in the case of a loan default
10.	Two competitive bids for equipment and materials
11.	Notarized lease/Title agreement of business location
12.	Two plastic folders
13.	The originals of all the above for verification purposes

\* Source: YES Giza. Based on list required by bank.

Working with existing institutions is in line with GTZ's partnership and participatory approach to development. However, given the traditions of bureaucracy and red tape associated with state agencies, many potential beneficiaries were highly skeptical of the programs now directly affiliated with the government. In addition, formal lending institutions have not had a tradition of lending to the urban poor which has resulted in an inflexible and rigid set of expectations by the banks who have not been able to adapt to the circumstances of the beneficiaries.

An equally important constraint is the difficulties in encouraging the young unemployed residents in the area to initiate ventures using loans provided from the project. Given the scale of ongoing informal economic activities in the area, this hesitation is not because of a lack of entrepreneurial spirit. Entrepreneurship, banking, and credit schemes are definitely not alien concepts to the residents of Boulaq el Dakroul who are more than accustomed to informal enterprises, lending circles, and buying and selling on credit. However, it is the



formal type of private enterprise, banking, and credit which is unfamiliar. Activities and institutions regularly practiced by them were re-packaged and offered to them with the added elements of taxation, permits, regulations, and vast amounts of paperwork. People are simply not used to or unwilling to take the risks associated with loans like these. Informal sector workers and informal business managers recognize the impediments imposed on them by the banks (because they have little if any capital, collateral, or political power) and the lengthy bureaucratic routine of formal institutions. Instead, they continuously opt for the informal solutions in terms of jobs, finance, and credit.

The attempt to bring Boulaq el Dakrour into the fold of the greater city economy is a good example of the inherent contradiction in such integrative approaches. The project in Boulaq el Dakrour has goals of long-term sustainable change, particularly in the area of economic development and employment. Such change requires buy-in from the community and a sense of ownership by the community partners, which in this case is the local government. Thus far, this intervention has failed because it has not recognized the informal institutional arrangements already established by the inhabitants of this community. It has an incomplete understanding of the existing structure and activities of the area and how dynamic informal activities when faced with a shortage of access to capital, land, or resources.

### **5.3 Cairo's Informal Economy**

#### *5.3.1 Informal Employment: Jobs and Networks*

Egypt's shifting economic policies dramatically altered the structure of its informal economy. Until the mid 1970s, public sector jobs were preferred; they were well-paying with shorter hours, more security and generous fringe benefits. Financial insecurity and its implications for old age prevented many people from venturing into risky businesses or from capitalizing on opportunities offered to them, particularly if they had family responsibilities. By the early 1980s, however, government employment was no longer a favored option. This change of opinion was caused by the rapid rise in living costs and rapid wage increases in the private sector (both formal and informal), neither of which were matched by a significant rise in government wages (Hoodfar 1999 82-3).

In contrast, the wages of artisans, craftsmen, and other semi-skilled laborers in informal construction and services rose substantially (Hoodfar 1999 89). The introduction of structural adjustment policies, labor migration to the Gulf, and an increase in investment, particularly in small-scale construction and commodity production, revitalized the informal sector both in terms of wage increases and job creation. In Cairo today, thousands of one-room workshops—small industrial establishments with an average of four employees including children—provide full time jobs for informal workers. The informal sector's tax-free wages average three times the starting salaries in a government office and due to the flexibility of this informal market, many people are engaged in four or five different kinds of jobs over periods as short as three months. Meanwhile, university graduates find it hard to get prestigious office work appropriate to their degrees and form the majority of Cairo's unemployed.

The non-taxpaying informal city workforce is estimated to make up 45% of the working population, and may account for as much as a third of the city's economic output. While this urban fragment has been able to counter the rigidity and limitations of the formal economy and its related institutions, those involved are challenged by small and often unpredictable incomes. As supplementary means of survival and security, reciprocal networks and informal associations have also evolved as parallel economic structures.

The exchanges in horizontal networks (between people and households with the same standard of living and social position) are often for similar goods and services, while vertical networks (between households and individuals of different socio-economic levels) typically provide opportunities for the exchange of different types of goods and services. For instance, a more affluent and influential housewife may use her influence to find a job for a poorer member of her network in exchange for personal services or political support. These social contacts and exchanges also contribute to the creation and maintenance of social cohesion (Hoodfar 1999 217-8).

Similarly, women's networks and men's networks are used for collecting information on a range of matters. Investments in household goods, finding marriage partners for their children, and arbitrating family problems, are some of the functions of women's networks. Men develop networks with workmates with whom they exchange information about jobs

and employment opportunities; they use their networks for securing jobs for themselves and their children, solving their bureaucratic problems, and receiving salary advances (Hoodfar 1999 228). Construction or casual workers, whose networks are critical for finding employment, often meet at the local coffee-shop or *qahwa*. These networks are considered key to successfully negotiating one's way through civic life and sometimes carry more weight than having the necessary credentials or legal rights, and are viewed as indispensable channels of social mobility (Hoodfar 1999 230).

### 5.3.2 *Informal Finance: Credit and Savings Schemes*

Essentially a self-help financial group, the *gam'iyat*, as they are known in Egypt, are savings clubs or rotating credit associations which function as an effective banking system. By chipping in with a small monthly payment, the contributors gain periodic access to a lump sum that may allow them to pay for various large items such as a washing machine or key money for an apartment. Typically, they are comprised of a small group of individuals who periodically contribute a given amount to a pool of funds.

The members of such a *gam'iya* determine how frequently contributions are made (usually linked to income flows) and the order of rotation. They can be made daily among merchants in central markets or monthly among salaried workers. Once every member of the group has received the lump-sum one time, the group may disband, may add or delete members, or simply begin again with the original membership (Baydas et al. 1995 652). They are flexible, tailored by the group, and their size may vary from a handful of individuals to several hundred people. The members may be all women, all men, or a mixture of both and the amount of each person's share can range from the equivalent of just a few pennies to hundreds of dollars.

This informal scheme provides the urban poor with savings opportunities or access to interest-free loans outside the formal banking or credit sector. Banks incur relatively high transaction costs which makes small deposits inconvenient. *Gam'iyat*, on the other hand, act as a form of social reserve that can be called upon in times of emergency; they promote mutual trust, insurance, credit reserves, good will, social capital, and reciprocity (Baydas et

al. 1995 659). They also provide financial services that are consistent with Islamic laws on interest payments.

**Figure 5.2** Sandwich Board Sign "Offers for Newlyweds, By Credit or Installments,"  
Boulaq el Dakrour, Giza



Another form of informal finance common in Egypt is trade credit. As is the case in most countries, merchants often sell goods on credit to their customers, and pawnbrokers provide loans in exchange for consumer durables, especially gold. Moneylenders also exist, although they do not advertise that they charge interest (Baydas et al. 1995 652-3). Even government

or private sector employees act as part-time merchants by selling goods on credit to other employees. The types of goods include food products, gold, jewellery, and furniture. Most merchants prefer cash sales and only offer trade credit as a marketing tool to compete for business. Loans were almost always labelled as interest-free and merchants suggested that people who paid cash were given discounts (Baydas et al. 1995 656-658).

In relative terms, informal finance is flexible, imposes few transaction costs on clients, and has additional social benefits. An important difference between the formal and informal institutions are that major segments of informal finance are nurtured and managed by women while formal financial transactions are largely the domain of men. These characteristics make informal savings and finance highly accessible to the urban poor, and are particularly popular among the informal settlement residents of Boulaq el Dakroul who have heretofore been unacknowledged by the formal structures of the governorate.

#### **5.4 Economic Integration Policy and Practice**

Wholly visible but unseen, uncounted, unrecognized, laboring in a giant shadow economy, they provide most of the goods and services consumed by a third or more of the world's population and, coincidentally, with their piecework and in-home labors, they add billions in value to the products of mainstream economies (Wickware 1998 6).

Contemporary urban theorists no longer view the informal sector as a set of survival activities performed by destitute people on the margins of society but rather, that there is dynamism in the unregulated informal activities. The informal economy can then be viewed as a process that is unregulated by the formal institutions of society and is essentially a reaction against the state's heavy regulation of the urban economy (Castells & Portes 1989 12).

In response to a lack of opportunity within the formal city system, people develop their own institutional structures by which they can make claims on the state and meet their basic social needs. The presence of structural problems in a particular area of the economic system causes the creation of a parallel socio-economic system, which satisfies social needs more effectively (Briassoulis 1997 107). As for the state, it plays a pivotal role in the development of the informal system. This role is played out in how governments tolerate or even stimulate informal economic activities in order to appease potential social disruption, as in

the case of Boulaq el Dakrou, or in its recognition of the informal sectors' ability to absorb the masses of urban labour. Thus, non-capitalist forms are tolerated or conserved because it is generally in the interests of the prevailing system to allow them to continue (Armstrong & McGee 1985 54).

Nevertheless, this ability of urban citizens to work as traders, manufacturers and service providers in the extensive informal economy is an indication of how resourceful and effective they are at meeting their own needs. It is true that, in many Third World cities, the shortage of economic opportunity in the modern sector exacerbates existing social stratification. Extreme diversities of income between rich and poor mean that people in the same city may live in what amount to different urban economies. These are nonetheless layered and overlapping; the better-off depend on the poor for transport, domestic labour, manufactured items, food purchases, and entertainment, while the informal workers are producers and consumers of the urban economy.

But there are costs to belonging to the informal sector. There is little access to large-scale capital, no standard protections or employee benefits, and little political voice for the workers. With such rigid regulations, the majority of existing workshops, sellers, and service providers in Boulaq el Dakrou, as well as all over Cairo, work without licensing or permits. The city's master plan provides an illustrative example of this discrepancy. While the plan has segregated the city functions of industry and residence, the urban poor need to produce, market, and distribute their goods and services from a locale that is close to home. Many semi-industrial artisans and service shops are interspersed throughout the residential core and functioning outside formal city regulations. This causes informal business owners to become vulnerable to the whims of city officials who take advantage of their "illegality." Inspectors are known to circulate through the city, collecting monthly fees from informal enterprise owners in exchange for them turning a blind eye to their supposed illegality; this has often become the only way to keep a store or workshop open for business.

With the dynamism and vitality described, the informal city and its related economic activities have yet to be truly validated by the state. And while acknowledging informal activities may inherently make them more formal, it is these activities that have provided shelter, jobs and social security for the urban masses of Cairo. Thus, the state or the formal

city cannot continue to describe the informal sector as "that part of the non-Western world where the institutions required to provide security and allow business and government to perform efficiently are not in place" (de Soto 1997 5-6) and where the majority of informal assets are considered to be lacking value as collateral for securing the interests of creditors. This approach negates the existing capacities of the informal workers and emphasizes capital as the measure of creditability.

It is evident from the gap between project goals and the needs of the beneficiaries in the Boulaq case that a greater acceptance and validation of the informal aspects of urban development is overdue. Cairo's planning policy and practice still seek to integrate informal activities into the formal fold. Institutional interventions that proceed on the basis of an in-depth understanding of informal arrangements and that build on these arrangements are more likely to be effective in achieving public goals than those that strive to supplant them with centralized state structures.

## VI – SOCIO-POLITICAL INTEGRATION: THE CASE OF HIKR EL SAKAKINI

### 6.1 Background.

Hikr el Sakakini was founded in the 1940s by a group of farmers (*fellahin*) from Upper Egypt. El Hikr, as it is commonly called, was little more than fields of corn, cauliflower, and carob. In order to store the produce and farm goods that they brought with them from the south and as a temporary residence during their short visits to the big city, several farmers leased property in El Hikr. Sheds and other buildings mainly used for storage were constructed from plywood, sheet metal, and *toub el nas* (mud brick).<sup>19</sup> The land itself was leased out in blocks usually bordered by the network of irrigation canals (*ahwad*). Over time, these structures increased and more and more migrants from the South began to consider these buildings to be their permanent shelter.

After fifteen years of living on the land and according to the the *wad'al yad* (encroachment) legal statute, the new resident community considered the leased property on which the houses had been built to be their own. Despite this status, the community remained essentially illegal in the eyes of the government until the 1990s because it was constructed completely outside of the state's planning framework.

Unlike the peripheral positioning of both Manshiet Nasser and Boulaq el Dakrour, Hikr el Sakakini is located in a high profile part of the city about one kilometre to the north west of the Ghamra Metro (subway) station in Sharabiya district. The neighbourhood area spans around 8 *feddan* of land and in 1999 was home to approximately 12,500 people.<sup>20</sup> It is so densely crowded that many families resort to sleep shifts. A total of 1430 families forming 285 households live in the neighbourhood. With many living units made up of one room and at least four families per household, the density cannot be underestimated.

---

<sup>19</sup> *Toub el nas* literally means "people's bricks" and it is made of mud that has been molded into bricks.

<sup>20</sup> A feddan is 1.038 acres or 0.42 hectares (4,200 sq. metres).



Aided by its centrality, El Hikr became a centre of craftsmanship, artisanal work, and other skills from rural Egypt. Eventually, a much greater range of urban-related professionals and workers also came to live in the area including mechanics, craftsmen, doctors, and lawyers. This does not preclude the fact that today Hikr el Sakakini suffers from a poor economy due to the general economic recession, the shortage of marketable skills, and high levels of underemployment.

The community faces many physical and socio-economic constraints and problems. In terms of city infrastructure and services, El Hikr has had very little access to most urban amenities until the early 1990s. In fact, the precarious position that it faced in relation to the municipality resulted in very limited access to the city network of planning and services. Solid waste management serves as a good example of the inherent contradictions within this relationship. A municipal body, the Cairo Beautification and Cleanliness Authority (CBCA), was established in the 1980s in an attempt to institutionalize garbage collection which used to be an entirely informal service.<sup>21</sup> In general, el zabaleen, or informal garbage collectors, work in the wealthier neighbourhoods, but since low-income communities such as Hikr el Sakakini conserve and re-use as much as possible, they leave few valuable items for the *zabaleen* to benefit from and hence they do not work in these areas.

Thus, the CBCA mandated its new city workers to fill their garbage trucks from those particular areas not covered by the informal garbage collectors, but the extent of coverage or level of thoroughness was rarely monitored. The workers were constrained, however, by the inaccessibility of the smaller streets and would only pick up their target loads from the buildings on the main road. As a result, this service was never able to adequately reach the people and households from this area, which is why the residents continue to throw their waste onto the main road or, if they can afford to, to pay the city garbage collector to collect their garbage first. The largest discrepancy here is that even within a poor community such as El Hikr, only those who can afford it receive the public collection service.

---

<sup>21</sup> The informal garbage collectors, the *zabaleen*, do not work in poor neighbourhoods such as Hikr el Sakakini. This is due to the fact that the fees paid by each household are collected by middlemen. The net gain for the *zabaleen* is in the garbage which they can re-use and recycle which makes this system lucrative only if the garbage is rich with food and organics for feeding livestock as well as recyclable items such as paper and plastics that can be turned over to industries for a profit.

The solid waste management example shows how incompatible the municipality and the informal city have been. The formal city does not understand the informal settlement communities very well, assuming that the service which suits the modern city is applicable in the informal setting, or at least that it should. An increase in communication and understanding would lead to more effective results and mutual gains within this relationship.

## 6.2 The Intervention

In its intervention in Hikr el Sakakini, a large Egyptian NGO, the Coptic Evangelical Organization for Social Services (CEOSS), attempted to increase this level of understanding and communication between the residents of the community and the existing state agencies. Through a variety of activities and programs, CEOSS facilitates new linkages between the formal state and the informal settlement.

### 6.2.1 *The Coptic Evangelical Organization for Social Services (CEOSS)*

CEOSS has been involved in the field of community development since the 1960s. This past experience and being an Egyptian organization puts it in a much better position than that of GTZ or the World Bank in the previous case study interventions. The socio-cultural make-up of an Egyptian informal settlement is strikingly different than that of the formal city fragment, and yet a familiarity with the nation, culture, and history is an important asset that can only strengthen communication and trust.

In addition, Hikr el Sakakini is the first project CEOSS has had in Cairo because most of its community development work has been based in Upper Egypt. This past village-level experience can be seen as an additional asset. The urban poor, particularly those who migrated from rural areas, continue to feel a certain affinity to the country, the *balad* (El Messiri). And as *awlad al-balad*, they are proud of their rural heritage and values. Having said that, it is important not to generalize that all the urban poor are rural-urban migrants and that all such migrants are parochial or isolated in their rural identity within the city. Keeping in mind the limitations of such perceptions, there are certain rural values that flourish among people in the ashwayat and CEOSS' exposure to rural ways could facilitate a greater understanding of their actions and outlook.

Furthermore, the fact that CEOSS is funded almost entirely by the Coptic Church means that it is much less dependent on the timelines and pressures of international donor agencies. This makes it easier to develop long-term goals and flexible project plans. It is important to note here that the community of El Hikr is 50% Coptic as opposed to the population of Cairo overall where the percentage of Egyptian Christians is estimated to be less than 20%. This is likely to have been an additional motivation for working in this particular neighbourhood. As a religious-based organization, it is therefore critical that the leaders (both Muslim and Christian) support the intervention of the organization in their community.

Thus, for CEOSS to begin working in a community, the first entry point must be initiated by the informal settlement itself. Once community permission is granted and an official invitation is made, the next step is to receive formal approval by the Ministry of Social Services to do a project in the area. A participatory rural appraisal is then conducted and CEOSS assesses whether the community is likely to be demolished. This is particularly important because community development work is based on capacity building and empowerment which are goals that require long-term commitment and involvement in a community.

There are four main areas in which CEOSS works: education, health, environment, and economic development. Most commonly, and this was the case in El Hikr, CEOSS began its development or upgrading activities with the education sector. A literacy campaign is the most common entry point. Health is also a frequent focus with activities including health clinics, family planning, immunization programs, and awareness campaigns. As for the environment, this encompasses such things as sanitation (water and sewage), tree planting, and ecological awareness and sustainability. Lastly, economic development includes vocational training, skills development, as well as access to credit in the form of small loans and other resources. This four sector approach to community development is predicated upon an underlying process of institutional capacity building.

#### *6.2.2 Institutional Capacity Building in El Hikr*

CEOSS began its activities in Hikr el Sakakini in 1986. The underlying project objectives are to achieve sustainable urban development for the community. One indicator of such an

achievement is that CEOSS has been phasing out its involvement in El Hikr. As El Hikr has taken charge of its needs and development objectives, CEOSS has phased out its involvement in community activities. It began with 14 staff members of which only one staff representative remains today.

The most fundamental aspect of the community development program is the formation of the Community Development Council. This body acts as the leadership group for the community; it determines what the needs of the people may be, designs programs, and is responsible for community planning and organization. The Council which parallels the traditional leadership structures of the community is made up of elderly male leaders, both Muslim and Christian, each representing neighbourhood block areas. All the other major social groups, the women, youth, or disabled, are represented on the steering committees which work on the individual program areas in the four sectors mentioned above; they contribute to the generation of ideas as well as the implementation of projects. As for the CEOSS staff, they provide guidance to the Council and serve as the liaison between the community and the central CEOSS office.

Another goal of the Community Development Council is to bridge the gap between the residents and government representatives, particularly the members of the legislative assembly responsible for this area. Initially, CEOSS helps to bring together the Council with the district heads and legislative members from the riding. The Council members are then responsible for lobbying the government and seeking the basic needs of the residents. Having opened the doors of discussion with the local administration, CEOSS enhances the capacity of the community to address the majority of its problems and to advocate on behalf of itself for additional resources or assistance. Thus, CEOSS fosters the link between the community and the formal city authorities.

This capacity building process has had a strong influence on policy and sense of empowerment in the community. A *ta'shira*, or directive, which called for the demolition of El Hikr was repealed in 1992 because the area was now considered to be *mashrou'a*, or a neighbourhood that has already received some basic infrastructure and upgrading. This new status as an upgraded community qualified El Hikr for government financial support in further upgrading schemes and gave the leadership a sense of strength and dignity.

Furthermore, in order to achieve a sense of ownership by the community and individual beneficiaries, financial participation is a necessary element in every aspect of the project. For example, all participants make a token payment in order to attend any of the workshops or seminars. As for the various upgrading activities, an average cost sharing rate of 25:75 percent contribution is set for the users and CEOSS. This funding contribution is established as an important element of capacity building in that it recognizes that the poor are able and willing participants of development. It is not rigid, however, but rather depends on each family's abilities to pay.

### 6.2.3 *Physical Upgrading*

Through this partnership between the community (the Council and relevant steering committees), the local legislative representatives, and CEOSS, the housing structures and physical environment in El Hikr were dramatically improved. Over the course of the 14 years of the program, a majority of the shacks and impermanent dwellings were replaced with more structurally sound buildings, drinking water, electricity, and sewerage connections became practically universal, and other environmental activities such as solar power and tree planting were experimented with.

However, upgrading the housing has been one of the more difficult programs due to the tenuous relationship between tenants and landlords. 60% of the original housing structures made of sheetmetal and plywood were rebuilt with brick and reinforced concrete. For the other 40%, the home owner and tenant were unable to reach an agreement. There has been less incentive for home owners to upgrade their property so long as community clearance remains a threat. At the same time, tenants recognize that they would receive compensation in cash or housing if and when demolition takes place, and are unlikely to vacate a shack even temporarily for the sake of upgrading. They are less interested in upgrading their current homes than receiving a modern apartment for themselves provided by the state. These reactions are understandable given the few housing options available in the city. Cairenes clutch tightly onto their current places of residence and the residents of El Hikr have a reasonable fear in their ability to obtain other housing in such a central location.

Further evidence of the contradictions between upgrading policy and practice is that a few of the wealthier families of El Hikr have apartments in planned neighbourhoods in the outskirts of north Cairo. These apartments, though distant from work and market access, are used in the summertime when the crowded quarters of El Hikr become even less bearable in the simmering heat. There is also the calculated factor that government compensation does not accommodate absentee owners; this deters wealthier residents from moving out of their unit even when they can afford to live elsewhere.

Another contradiction is seen in the new spatial bylaw introduced by the government as a condition for a building's electricity connection. A minimum one-metre setback for each building was decided so that firetrucks and ambulances could enter the small streets in the neighbourhood. Since no home owner wanted to lose up to one metre of their already condensed property, and because illegal connections were not difficult to make, this requirement was eventually dropped. It served as little more than a hindrance to the legal introduction of electricity and today, 98% of housing units have direct power connections.

The upgrading of infrastructure such as water and sewers has had much greater success than that of the built environment. In 1986, 11,000 people would drink from the same public tap, and today, out of 285 households, there are only 17 households that lack water and 18 households that lack sewer connections. The Council determined that water infrastructure was critical and turned to the state to request infrastructure funding. A total of £E25,000 (USD 7,200) was contributed by the government and £E150,000 (USD 43,000) by CEOSS. The first participant households made a £E100 contribution at £E5/month repayment rate; this rate was intentionally low for the initial group so as to encourage them to participate and entice other families to do the same. Today, 95% of households have water connections. A similar process was initiated in terms of the sewer connections.

#### *6.2.4 Socio-Economic Development Programs*

With a lack of training, education, and marketable skills, the young people of El Hikr have been hard hit by the nation-wide problem of unemployment. Seasonal employment has also been the cause of discontinuous incomes. In response, CEOSS set up a program that facilitates the training of men and women who are out of school and under-employed.

These individuals are connected with a shop or trade that they have aptitude or interest for. CEOSS then covers 75% of training costs, while students, or new apprentices, pay the other 25%. Women are taught sewing and craft-making skills, while the young men apprentice as plumbers, woodworkers, or electricians depending on the needs of the market and their abilities.

Another approach to economic development for the area is the issue of credit and saving. The poor make barely enough cash to cover their basic needs and they have no formal access to capital. In the case of emergencies, women who are generally responsible for household savings borrow from friends and family or resort to *gam'iyas* in order to raise the funds. The CEOSS program thus offered small loans of under £E1000 at 12% interest to individuals in the community. By the time that this research was conducted, there had been 200 beneficiaries, 25% of whom were women. The small loans were provided for various small businesses and the loan recipients were advised in terms of the location, demand, and feasibility of the activity.

There is an array of additional activities that have not been mentioned such as the anti-school drop out program, seminars on health, nutrition, and first aid, and programs to aid the disabled. The range of activities presented here are merely a sample of the types of programs and initiatives promoted by CEOSS in Hikr el Sakakini over the past 14 years. This description is not intended to be an evaluation, but rather an overview of CEOSS' approach to community development planning.

### **6.3 In Response to the Formal City**

Those who can afford to live in the modern city (the planners, the elite, and the middle class) have many misconceptions about the ashwayat. They perceive them to be marginalized communities that are unable to better organize themselves or improve their standard of living to match a more modern way of life. Hikr el Sakakini is an example of one informal settlement community that began to bridge this gap of misunderstanding and lack of communication. The leaders of the community, facilitated by the intervention by CEOSS, were able to organize and advocate on behalf of the residents and to gain the recognition of the state and its institutions. From the community's perspective, they needed to realize their

own abilities to be able to address the government, lobby, and attain benefits for the community as a whole.

### 6.3.1 *Political Representation*

The politicians only show up here during election campaigns. Senhor Candido Sampaio, when he was city councilman in 1953, spent his Sundays here in the favela. He was so nice. He drank our coffee, drinking right out of our cups. He made us laugh with his jokes. He played with our children. He left a good impression here and when he was candidate for state deputy, he won. But the Chamber of Deputies didn't do one thing for the favelados. He doesn't visit us any more (de Jesus 1962 40).

This quote by Carolina de Jesus, a favela resident in Sao Paulo in the 1960s, not only highlights the political exploitation of the poor by the formal city authorities, but it epitomizes the distrust that exists between the favelas and the state. In Cairo, the situation is very similar in that both groups fear and distrust the other. The politicians feel threatened by the potential radicalism of the informal, and the poor expect routine, random decisions that can frustrate their already inhibited access to information and resources. The poor seek to avoid notice by the state as much as possible, even as they extract as much as possible from its distributional mechanisms (Singerman 1997 3). The state, on the other hand, has always viewed the ashwayat as an eyesore to which a blind eye is turned or, more drastically, as one that had to be removed altogether. Even the more tolerant policy of upgrading seeks to address the problem of the informal by making them become more like the formal.

Historically, Egyptians have been excluded from political processes. From the conquest of Egypt by Alexander the Great in 332 BC to the Free Officers' Revolution in 1952, Roman, Greek, Persian, Arab, Ottoman, Mamluke, and the British denied Egyptians the right to govern themselves. It can be presumed that throughout history informal processes served as alternative means of participation and decision-making. In this century, the first Egyptian leader since the days of the pharaoh, Gamal Abdel Nasser, was somewhat successful at changing Egypt's socio-political and economic order. But due to the real and perceived threats from opposition voices such as the ancien regime, the Muslim Brotherhood, and leftist parties, he swayed towards a policy that denied freedoms of association and



expression to its citizens. Mass political participation and inclusion in the political process was soon sacrificed to regime maintenance (Singerman 1997 12).

The strength of the familial networks and social organization that exist in the informal city today is in part a reflection of the political atmosphere and these changing historical trends. In the Nasser era, for example, the public was conditioned against privatization and participation and pushed towards a populist form of public involvement in state affairs. Policy implementation never included community participation in decision-making and the people were generally portrayed as "the objects of political rule" rather than the architects of community development and change (Zetter & Hamza 1998 102). Even with Sadat's liberalization policies and the advent of multimillion dollar projects, the community's involvement was merely included as a technical component of project design. In this way, there was no significant impact on the level of people's experience of participation.

Many Egyptians refused to accept the government's expedient notion of politics and turned to underground movements to pursue different political agendas (Singerman 1997 13). Some of these people turned to extremist Islamic activities which have since become a serious threat to government security and control. Their institutions and activities revolt against the elite and challenge the formal system from below. The coup of 1992 was the catalytic event of the fundamentalist movement in terms of informal settlements. It managed to move government towards an urgent policy of extensive upgrading and clearance.

Many men and women manage to forge collective informal institutions that serve their interests in a much less visible way. In fact, political participation is much more than the efforts of people to influence the actions of the elite, governmental institutions, and formal, legal associations (Singerman 1997 4). Even when citizens do not directly engage the political elite, they should be viewed as active participants in urban change and development. The struggles to cooperate and make decisions that go on within and between communities and social groups are equally important means of participation.

### 6.3.3 *Other Forms of Participation*

In a situation where the formal and legal avenues of participation are inaccessible to the majority, people create alternative ways in which to address their political and personal needs and interests. The informal replaces the formal when the latter appears unenforceable, ineffective or when demand is so high that the formal system cannot satisfy it within a reasonable time. As such, the urban poor have developed unique ways of communicating and coping. One such example is what Rodenbeck termed "quiet encroachment" or *fahlawa*; this is the ability to acquire by stealth what one cannot gain otherwise and it is an important technique for dealing with the state authority. Informal networks and institutional structures, though less cunning, are the more traditional means by which the urban poor cooperate and participate.

Unpredictable incomes and the inaccessibility of support from formal institutions such as banks have made it necessary for people to search for supplementary means of survival and security. In this non-participatory setting, people express their political beliefs in subtle and creative ways (Singerman 1997 4-5). They rely on family, on colleagues, and on neighbours for support and cooperation and they engage in collective life through informal networks and associations (Tekçe et al. 1994 53). They assist individuals and households to find employment, ensure job security, obtain interest free loans, and buy or build housing. In the city, as in the countryside, individuals, households and institutions are thus connected by webs of personal relationships that are based on common identities and experience. Kinship, common origin, neighbourliness, and collegiality are important to the creation of such networks in that they promote security, trust, and cooperation (Hoodfar 1999 54).

In order to acquire urban services and infrastructure, the ashwayat have to also function within the legal framework of the responsible government agencies. In Cairo, there is a polity and a long tradition of reaching into and mobilizing one or another government institution on behalf of a community or household. While more difficult for people from the lower classes, most Cairenes have connections and networks through relatives and friends located at different levels of the vast bureaucracy. These patron-client relations are an important means for the urban poor to further their interests. Though they are instrumental

relationships that are based on an imbalance of power and resources, they are evidence of the urban poor's active engagement in city networks and activities.

The question then becomes whether these informal institutions which successfully address popular interests are of equal importance to the more visible official institutions of the state and to what extent they are able to influence the political order or distribution of public goods.

#### **6.4 Institutional Integration**

This past discussion has shown that informal settlements are not isolated fragments within the urban system. Informal settlements, though often excluded from the majority of opportunities within the system, are frequently drawn into the web of formal institutions. In Cairo, the establishment of such facilities such as a police station and an office of the leading political party gradually draws the settlement into the system. In this integration process, the settlement is bound to lose some independence in exchange for its legitimacy as a Cairo community. It can negotiate for services and its citizens can participate more effectively in city politics. In Hikr el Sakakini, this integration process was such that there was no longer a need to keep a low profile in relation to the state; they were legitimate participants of the urban development process.

Informal settlement dwellers are fully integrated entities within the urban social structure. They are tightly bound into the system even if it is in an asymmetric way. Through informal institutions and networks, the less visible members of the society can participate and thereby refute, or at least modify, the claims that they are apathetic, alienated, or repressed (Singerman 1997 4). Though marginal participants of the wider political sphere, the urban poor are active participants in their own communities and are concerned with issues insofar as they directly touch their lives. The experience of Hikr el Sakakini illustrates how opening "avenues of participation," as coined by Singerman, allows these alienated communities to represent themselves and get involved in the formal city structure in as much as it will facilitate their needs. The example of El Hikr also discredits the notion of chaos and disorder often associated with such communities because the people were able to effectively regulate and govern their lives.

#### 6.4.1 *The Role of Intermediaries*

Since the ashwayat of Cairo are heterogeneous and complex settlements, the state has difficulty in interpreting the needs and capacities of this "opaque" informal society (Scott 1998 78). It seeks a legible society with a uniformity of codes, identities, statistics, regulations, and measures. The state is also a complex set of institutions and agencies with overlapping, contradictory and inconsistent interests and attitudes. The Cairo government has shown that it is ineffective at communicating with the institutions and networks of the ashwayat and that it is driven by security rather than welfare motives.

The role of intermediary actors and institutions is then to bridge this gap between state bureaucracies and informal social fields (Scott 1998 78-9). An intermediate body can facilitate this partnership process and enhance the level of understanding and real cooperation regardless of the motives and intentions. Keeping in mind that these mediators are likely to interpose their own particular interests, NGOs such as CEOSS could act as these intermediary bodies but they need to be flexible enough to allow for learning-by-doing, iteration in program design, and mid-course adjustments.

#### 6.4.2 *Integration not Homogenization*

There has been a sense of urgency amongst the formal city authorities of late to recognize the whole city including its informal settlements, and the informal activities, networks, and institutions within it. The approach in doing so has been to integrate this informal fragment by legalizing, homogenizing, and formalizing the city. This technique has been problematic so far and a more flexible, accommodating and incremental alternative is required. The first barrier lies in the incapacity of the community leaders and organizations to effectively mobilize internal and external resources for the benefit of the community. Thus, the collective effort of the informal settlement needs to be strengthened.

Both the formal and the informal institutions need to adapt in order to improve living standards in informal settlements and instigate institutional change. This will not take place without a certain modification of plans by the state and adaptation by the ashwayat. The affected residents will also have to adopt some of the more official institutional and political norms in order to satisfy some of the regulatory demands of the local government. This type

of integration may succeed if attempted incrementally and with a level of openness and participation in planning and decision-making.

From Hikr el Sakakini's experience, it can be presumed that institutional interventions that proceed on this basis are likely to achieve a more amicable and suitable alternative to the one-sided integration of informal settlements.

## VII – CONCLUSION

The ashwayat of Cairo are diverse and intricate communities that have coped and grown in the face of severe shortages and inaccess. This study has repeatedly emphasized the durability of informal settlement dwellers to manage, organize, cooperate, and build their lives independently of direct support from the outside. In contrast to the past perspective of helplessness, apathy, and disorder, the focus here has been on the existing capacity and success of informal settlements in Cairo. The intention has not been to downplay the need for improvement existing among the ashwayat or even to idealize them as self-sufficient, thriving communities. It is rather to seek a more dynamic and facilitatory method of addressing the very serious problems that plague informal settlement communities. In this type of mutual integration, the formal structures can accept and adapt to informal norms and systems while society as a whole can benefit from the state's contributions to urban change in terms of the built environment, socio-economic status, and institutional development.

This final chapter elaborates on the issues and factors that were most dominant in the past discussion on informal settlement upgrading. Though the main findings of this research are specific to Cairo, they still pertain to the benefits and concerns of upgrading policy and planning in general. Cairo's experience provides a particular perspective on upgrading practice as well as lessons and considerations which in turn, highlight the need for further research and experimentation.

### 7.1 Urbanization in Cairo

“Any urban planning which does not take account of the entire social order of the city is bound to fail” (Leeds 1977 337).

There are many external and domestic pressures that influence land and housing development and change. Equally, policy decisions are determined by the nature of the state itself and its overall objectives. In Cairo, the prevailing conditions of scarce economic resources and bureaucratic control were such that neither the government nor the private sector were able to provide shelter for the entire city population. On the one hand, this illustrates how the pressures of global trade and market forces on third world economies

has led to unequal opportunity and availability of land, housing, jobs, and services for the Cairo population. On the other, the internal power dynamics and inefficient state formations have contributed to the same discrepancy of inaccessibility and unavailability.

Another useful example is seen in the policy and process of regularization or legalization. The city governments of Cairo and Giza were strongly encouraged to move towards a regularization approach, that is to legalize land tenure arrangements, extend urban services, rationalize transportation systems, and legitimize all aspects of the city heretofore informally managed. These attempts are encouraged by international agencies such as the World Bank who strongly believe in the virtues of de-regulation, less government, and reliance on market mechanisms. On the national side, the Egyptian government responded to the rise of informal settlements against the state in the attempted coup of 1992 by strongly promoting an upgrading policy for these areas throughout Greater Cairo.

However, there are particular agendas associated with the rationale for regularization and upgrading. Under such motives, the well-established institutional arrangements of informal settlements went un-recognized by the formal institutions and their subsequent policies were ineffective as a result. There was no buy-in from the community and in the cases of Manshiet Nasser and Boulaq el Dakrou, there was little ownership by the government partners in the project.

The factors and issues related to urbanization have created a complicated environment in which to affect development and change. This paper examined how the World Bank, GTZ, and CEOSS attempted to do this in three informal settlement communities in Cairo.

## **7.2 Findings and Implications**

The first level of findings is closely associated with the rigidity of the state and its tendency to homogenize or seek conformity across its urban fragments. The simple abstractions of large bureaucratic institutions can never adequately represent the actual complexity of natural or social processes (Scott 1998 262). Cairo's government, which is over-ridden by red tape, overlapping duties, inefficient procedures, and lack of coordination, has made it largely inaccessible to the urban poor. The accumulation of such trials endows Cairenes with a wariness towards institutions that is difficult to overcome and it is no surprise that

the relationship towards governmental institutions and activities is that of distrust and suspicion (Rodenbeck 1999 273).

The modern state, through its officials, attempts with varying success to homogenize its populations and break down their segmentation by imposing common languages, religions, currencies, and legal systems (Scott 1998 81-2). The bureaucrats and planners, who virtually without exception are recruited from the elite, see the city in only a partial way; they see the future city for which planning is to be done in terms of the extrapolated future of the upper class (Leeds 1977 336). In this context, the poor constituencies have less influence than the elite to affect development policy. The authorities in Cairo placed little value on the existing informal system and assumed that their legal authority backed by the state's coercive power would be able to change the informal system by successfully drawing them into the formal fold.

The second set of major findings relates to this lack of understanding by the formal city of the inherent values of the informal. The ashwayat in Cairo are not to be seen as a crisis but as part of the urban process and as the poor's contribution to its solution. Instead, the state and its authorities have generally emphasized physical upgrading and given little consideration to social development or existing institutions. Rather than build on the assets of the informal settlement communities, working institutions are replaced with new unfamiliar ones and there is practically no involvement of the community in planning and implementation of projects that affect them.

It seems apparent that policies that integrate the positives of the informal could lead to more effective or suitable upgrading. And the past approach of formalization has so far failed to build on the positives of informal settlements (van Horen 1999). For example, the attempts to legalize and provide infrastructure to Manshiet Nasser long after it was built did not accept the work that was previously carried out by the communities both effectively and at their own cost. A similar approach to job creation and enterprise development were employed in Boulaq el Dakroul where the capacities and abilities of the informal settlement were not utilized. Integration can lead to an effectively functioning urban system if the informal city is factored into the planning process without being amalgamated into the overall governance system (van Horen 1996 22).



The reality is that both the formal and the informal institutions need to adapt in order to improve living standards in informal settlements and instigate institutional change. The government would have to modify its plans while the affected residents would have to adopt some of the more official institutional forms in order to satisfy some of the regulatory demands of the municipality. Planning goals can be achieved without supplanting existing informal arrangements with so-called "modern" centralized and bureaucratic systems or fully formalizing them. Their objective needs to change from one that integrates the informal within the formal to a more fluid and dynamic approach to institutional change. The new approach would have a deeper understanding of the informal context, would build upon the positive aspects of these arrangements, and allow for incremental change throughout the implementation process.

### **7.3 Suggestions for Further Research**

This research has found that there are many gaps in the level of understanding of informal settlement relationships and dynamics. Thus, further research on the informal development processes in Cairo will form the basis upon which to better understand the relationships between the ashwayat and the formal city authorities.

Further follow up research on the ongoing projects in Manshiet Nasser, Boulaq el Dakrour, and Hikr el Sakakini would be useful, particularly in terms of the lessons learned by each of the project implementation agencies? Also, the level of lasting influence and impact, if measurable, could provide invaluable insight into project policy and implementation mechanisms overall.

Lastly, the role of the mediator agencies is a critical one. As an enabler or facilitator of change and development, a study of their motives, strategies, strengths and weaknesses is an important element in this discussion.

## GLOSSARY OF ARABIC TERMS

<i>ahwad</i>	Blocks or sections of irrigation networks or ditches on private agricultural land that were filled and sold to informal developers.
<i>al-balad</i>	Country and nation; it also means village or town. See <i>ibn al-balad</i> .
<i>ashwayat</i> (pl.)	Informal or unplanned settlements.
<i>autostrade</i>	The highway that runs along the eastern edge of Cairo from Madinit Nasr in the North to El Maadi in the South.
<i>effendi</i>	A title designated to the Egyptian aristocracy which became prominent during the Ottoman rule.
<i>ezba</i>	A hamlet.
<i>fahlawa</i>	A trait or ability to acquire through cunning or stealth what is not otherwise available to you.
<i>fellahin</i>	Peasants or people who work the land. Both landowning and landless fellahin use the term with pride and it is closely associated with the term <i>ibn al-balad</i> .
<i>gam'iya</i>	<i>Gam'iya</i> (pl.) Informal savings circles.
<i>harah</i>	A quarter or neighbourhood.
<i>ibn al-balad</i>	<i>Awlad al-balad</i> (pl.) Literally means the "son of the country" or "son of the soil" and refers to the true and trusted Egyptians who continue to uphold the heritage and values of the country and the land.
<i>iltizam</i>	A farming tax used by foreign rulers of Egypt.
<i>infitah</i>	The open door policy under Anwar el Sadat which reversed the public-sector dominated policies of Sadat's predecessor.
<i>markaz</i>	A centre or township.
<i>mashrou'a</i>	An area that has experienced an upgrading intervention and has received some basic infrastructure and services.
<i>massaken el shaabiya</i>	Soviet-designed housing blocks that became most prominent during Nasser's regime. These walk-up apartments were built by the state to accommodate workers moving to the new industrialized areas.
<i>mudir</i>	A position established by the British in the 19 <sup>th</sup> c. to chair the new provincial council or <i>mudiriya</i> ; the position would later be replaced by the governor or <i>muhafiz</i> .
<i>muhafiz</i>	The governor, or chief executive officer at the governorate level.
<i>nahaseen</i>	Coppersmiths and the guild, workplace, and streetname associated with them.
<i>qahwa</i>	Coffee shop that serves tea, coffee and tobacco in a water pipe; it is the traditional gathering place for men who spend time discussing local events, watching soccer games, or playing backgammon.
<i>qarya</i>	A village.
<i>qism</i>	It is an administrative division; each <i>qism</i> has one police station. <i>Qism</i> is also the word used to refer to police station.

<i>ra'is el hay</i>	The district head.
<i>sakayeen</i>	Watersellers and the guild, workplace, and streetname associated with them.
<i>sha'b</i>	The people or the nation.
<i>shaykh</i>	An Islamic priest and traditional leader who is usually a highly respected member of any community
<i>ta'shira</i>	A legally binding government directive.
<i>tamlik</i>	Property ownership or land title.
<i>toub el nas</i>	Literally means "people's rock" and it is made of mud that has been molded into bricks.
<i>wad' al yad</i>	Encroachment statute which defines that households who live on a property for 15 years have the right to transfer title from the original absentee owner.
<i>waqf</i>	Lands held in trust, as an endowment by the state to be used for charitable or Islamic purposes
<i>zabaleen</i>	Informal garbage collectors; mostly Coptic Christians who recycle the plastics and paper to industries, re-use many items, and feed the organic waste to the pigs.

## BIBLIOGRAPHY

- Abu-Lughod, Janet L. 1971. *Cairo: 1001 Years of The City Victorious*. Princeton, NJ: Princeton University Press.
- Aldrich, Brian C. and Sandhu, Ranvinder S., Eds. 1995. "The Global Context of Housing Poverty." In *Housing the Urban Poor: Policy and Practice in Developing Countries*. London: Zed Books.
- Al Sayyad, Nezar. 1993. "Squatting, Culture, and Development: A Comparative Analysis of Informal Settlements in Latin America and the Middle East." *Journal of Developing Societies*. 9 139-155.
- Angel, S. R. Archer, S. Tanphiphat and E. Wegelin (eds.). 1983. *Land for Housing the Poor*. Singapore: Select Books.
- Arandel, Christian and El Batran, Manal. July 1997. *The Informal Housing Development Process in Egypt*. Working Paper No. 82. London: Development Planning Unit, University College London.
- Arandel, Christian and El-Batran, Manal. 1998. "A Shelter of Their Own: Informal Settlement Expansion in Greater Cairo and Government Responses." *Environment and Urbanization*. 10(1) 217-232.
- Armstrong, W. and McGee, T.G. 1985. *Theatres of Accumulation: Studies in Asian and Latin American Urbanization*. London: Methuen.
- Assaad, Ragui. 1996. "Formalizing the Informal? The Transformation of Cairo's Refuse Collection System." *Journal of Planning Education and Research*. 16:115-126.
- Awad, Mohamed. January 7-13, 1999. "Building Culture in Egypt." *Al-Ahram Weekly*. No.411. Available: <http://www.ahram.org.eg/weekly/1999/411/cut.htm>
- Baer, Gabriel. 1969. *Studies in the Social History of Modern Egypt*. Chicago: University of Chicago Press.
- Balbo, Marcello. 1993. "Urban Planning and The Fragmented City of Developing Countries." *Third World Planning Review*. 15(1) 23-35.
- Baross, P. and van der Linden, J. *The Transformation of Land Supply Systems in Third World Cities*. Aldershot: Gower Publishing.
- Bassett, E. and Jacobs, H. 1997. "Community-based Tenure Reform in Urban Africa: The Community Land Trust Experiment in Voi, Kenya." *Land Use Policy*. 14(3) 215-229.
- Baydas, Mayada, Bahloul, Zakaria, and Adams, Dale. 1995. "Informal Finance in Egypt: "Banks" Within Banks." *World Development*. 23(4) 651-661.
- Black, Maggie. *Mega Slums: The Coming Sanitary Crisis*. London: Water Aid. Available July 2000: <http://www.wateraid.org.uk/research/slumstxt.html>
- Briassoulis, Helen. 1997. "How the Others Plan: Exploring the Shape and Forms of Informal Planning." *Journal of Planning Education and Research*. 17:105-117

- Cadman, David and Geoffrey Payne. 1990. "Introduction: Towards Another City." In *The Living City: Towards a Sustainable Future*. Ed. same authors. London: Routledge.
- Castells, M. and A. Portes. Eds. 1989. *The Informal Economy: Studies in Advanced and Less Developed Countries*. Baltimore: Johns Hopkins University Press.
- Chakravorty, Sanjoy. 1999. "Liberalism, Neoliberalism, and Capability Generation: Toward A Normative Basis for Planning in Developing Nations." *Journal of Planning Education and Research*. 19:77-85.
- Choguill, Charles L. 1995. "The Future of Planned Urban Development in the Third World: New Directions." In *Housing the Urban Poor: Policy and Practice in Developing Countries*. Ed. Brian C. Aldrich and Ranvindher S. Sandhu. London: Zed Books.
- Choguill, Charles L. 1997. "Ten Steps to Sustainable Infrastructure." *The Urban Age*. 5:2 22-23.
- Clerc, V., Durand-Lasserve, A., Luciano, F., Pajoni, R., and Vidal, L. January 1995. *Cities in Developing Countries: Integration of Irregular Settlements – Current Questions in Asia and Latin America*. Paris: AITEC.
- Craig, Gary. January, 1998. "Community Development in a Global Context." *Community Development Journal*. 33(1)2-17.
- de Jesus, C.M. 1962. *Child of the Dark: The Diary of Carolina Maria de Jesus*. Transl. David St. Clair. New York: Dutton & Co.
- Desai, Vandana. 1996. "Access to Power and Participation." *Third World Planning Review*. 18(2) 217-242.
- de Soto, Hernando. 1997. *Dead Capital in Egypt*. Distinguished Lecture Series. Egyptian Center for Economic Studies.
- de Soto, Hernando. 1989. *The Other Path: The Invisible Revolution in the Third World*. New York: Harper & Row.
- Durand-Lasserve, Alain. 1996. *Regularization and Integration of Irregular Settlements: Lessons From Experience*. Urban Management Program Working paper #6. World Bank Publications.
- Eade, Deborah. 1997. *Capacity-Building: An Approach to People-Centred Development*. London: Oxfam.
- El Messiri, Sawsan. 1978. *Ibn Al-Balad: A Concept of Egyptian Identity*. Leiden: E.J. Brill.
- Fernandes, Edésio and Varley, Ann, Eds. 1998. *Illegal Cities: Law and Urban Change in Developing Countries*. London: Zed Books.
- Gertel, Jörg and Petra Kuppinger. 1994. "Space, Social Reproduction and Food Security in Cairo/Egypt." *GeoJournal*. 34(3) 277-286.
- Gilbert, A. 1993. "Third World Cities: The Changing National Settlement System." *Urban Studies*. 30(4-5) 721-740.

- Gilbert, Alan and Gugler, Joseph. 1992. *Cities, Poverty and Development: Urbanization in the Third World*. 2nd Ed. Oxford University Press.
- Gilbert, Alan. 1992. "Third World Cities: Housing, Infrastructure and Servicing." *Urban Studies*. 29(3/4) 435-460
- Graham Tipple, A. and Wilkinson, N. 1992. "Self-Help Transformation of Government-Built Flats: The Case of Helwan, Egypt." In *Beyond Self-Help Housing*. Ed. Kosta Mathéy London & NY: Profil Verlag.
- Governorate of Giza. October 1998. *Giza City, Environmental Profile*. Presentation Document.
- GTZ. December 1995. *Draft Project Design Report: Project Appraisal Mission Report for GTZ*. Participatory Urban Upgrading, Boulaq el Dakrour, Governorate of Giza.
- Hasan, Arif. Spring 1999. "The Informal City." *Regional Development Dialogue*. 20(1) 168-188.
- Hoodfar, Homa. 1999. *Between Marriage and the Market: Intimate Politics and Survival in Cairo*. Cairo: American University in Cairo Press.
- Ibrahim, Saad Eddin. 1996. "Political Culture and Development in Modern Egypt. In *Development in the Age of Liberalisation: Egypt and Mexico*. Ed. Dan Tschirgi. Cairo: American University in Cairo Press. 247-61
- Kirkwood, Kenneth. 1958. *Preface to Cairo: A Survey of Pre-Cairo in History and Legend*. Ottawa: Ottawa Mutual Press.
- Leaf, M. 1994. "Legal Authority in an Extra-Legal Setting: The Case of Land Rights in Jakarta, Indonesia." *Journal of Planning Education and Research*. 14(1) 12-18.
- Leeds, Anthony. 1977. "Housing-Settlement Types, Arrangements for Living, Proletarianization, and the Social Structure of the City." In *Third World Urbanization*. Ed. J. Abu-Lughod and R. Hay, Jr. Chicago: Maaroufa Press. 330- 37.
- Mayfield, James B. 1996. *Local Government in Egypt: Structure, Process and the Challenges of Reform*. Cairo: American University in Cairo Press.
- McAuslan, P. 1992. "Institutional and Legal Arrangements for the Improved Administration of Land Development." *Regional Development Dialogue*. 13(1) 14-34.
- Mcgee, T.G. "The Persistence of the Proto-Proletariat: Occupational Structures and Planning of the Future of Third World Cities." In *Third World Urbanization*. Ed. J. Abu-Lughod and R. Hay, Jr. Chicago: Maaroufa Press. 257-270.
- Meikle, Sheilah. 1996. "The Performance of Aid-Funded Human Settlement Projects." *Habitat International*. 12(4) 125- 133.
- Moser, Caroline O.N. 1984. "The Informal Sector Reworked: Viability and Vulnerability in Urban Development." *Regional Development Dialogue*. 5(3) 135-185.
- North, Douglass C. *Institutions, Institutional Change and Economic Performance*. Cambridge University Press.

- Participatory Urban Management Programme (PUMP). 1998. *Technical Strategy Paper No.1 – Land Management*. Photocopy.
- Perlman, Janice E. 1976. *The Myth of Marginality: Urban Poverty and Politics in Rio de Janeiro*. Berkeley: University of California Press.
- Perlman, Janice E. 1987. "Misconceptions About the Urban Poor and the Dynamics of Housing Policy Evolution." *Journal of Planning Education and Research*. 6(3) 187-196.
- Qandil, Amani. 1998. *Sustainable Livelihoods Approach: Hikr el-Sakakini Neighbourhood. A Case Study Prepared for a Seminar on Sustainable Livelihoods Approach in Egypt*. Conference papers.
- Raymond, André. 1995. "The Role of the Communities in the Administration of Cairo." *The State and Its Servants: Administration in Egypt From Ottoman Times to the Present*. Ed. Nelly Hanna. Cairo: AUC Press.
- Rodenbeck, Max. 1999. *Cairo: The City Victorious*. Cairo: American University in Cairo Press.
- Rodenbeck, Max. 12 June 1997. "Rolling back the revolution." *Cairo Times*. Vol. 1, Iss. 8
- Scott, James C. *Seeing Like A State: How Certain Schemes to Improve the Human Condition Have Failed*. New Haven: Yale University Press.
- Shahine, Gihan. November 19-25. "Out of Sight, Out of Time." *Al-Ahram Weekly*. No. 404. Available; <http://www.ahram.org.eg/weekly/1998/404/feat3.htm>
- Singerman, Diane. 1997. *Avenues of Participation: Family, Politics, and Networks in Urban Quarters of Cairo*. Cairo: AUC Press.
- Soliman, Ahmed M. 1995. "A Tale of Informal Housing in Egypt." In *Housing the Urban Poor: Policy and Practice in Developing Countries*. Ed. Brian C. Aldrich and Ranvinder S. Sandhu. London: Zed Books.
- Stewart, Desmond. 1968. *Cairo: 5500 Years*. New York: Thomas Y. Crowell.
- Stewart, Dona J. March 1999. "Changing Cairo: The Political Economy of Urban Form." *International Journal of Urban and Regional Research*. 23(1) 128-146.
- Taher, Nadia. August 1997. *Socio-Political and Economic Costs of a Donor-Led Housing Programme: The Case of Rashed-Greater Cairo*. Working Paper No. 84. London: Development Planning Unit, University College London.
- Tekçe, Belgin, Linda Oldham, and Frederic Shorter. 1994. *A Place to Live: Families and Child Health in a Cairo Neighbourhood*. Cairo: AUC Press.
- Turner, John F.C. 1972. "Housing as a Verb." In *Freedom to Build: Dweller Control of the Housing Process*. Eds. J.F.C. Turner and Robert Fichter. New York: Macmillan Co.
- UNCHS. Global Urban Observatory, Urban Indicators Programme Phase One 1994-1996, UNCHS. Available: [www.urbanobservatory.org/indicators/database/pdf](http://www.urbanobservatory.org/indicators/database/pdf)

- UNCHS (Habitat). 1993. *Metropolitan Planning and Management in the Developing World: Spatial Decentralization Policy in Bombay and Cairo*. Nairobi: UNCHS.
- van Horen, Basil. 1996. *Informal Settlement Upgrading in Durban, South Africa: Building Institutional Capacity To Sustain the Improvement Process*. Vancouver: University of British Columbia. PHD Dissertation.
- van Horen, Basil. 1999. *Beyond Formalizing the Informal Planning Informal Settlement Upgrading Projects*. Photocopy.
- Wickware, Dana. Summer 1998. "The Shadow Economy" *Urban Age*. 5-9.
- Working Group for the Development of Ezbet Bikhit. November 1 1998. *Ezbet Bekhit Concept Plan*. Participatory Urban Development of Manshiet Nasser. Governorate of Cairo and GTZ.
- Yousry, Mahmoud and Aboul Atta, Tarek A. 1997. "The Challenge of Urban Growth in Cairo." In *The Urban Challenge in Africa: Growth and Management of its Large Cities*. Ed. Carole Rakodi. Tokyo: UN University Press.
- Zetter, Roger, and Hamza, Mohamed. June 1998. "The State, Foreign Aid, and Community Participation in Urban Shelter Projects." *International Planning Studies*. 3(2) 185-206.