



Cairo: Third World Metropolis

Part III: Housing and Shelter

by John Waterbury



ARAB REPUBLIC OF EGYPT

There is a housing shortage at all income levels in Cairo, but most acutely with respect to low-cost housing. The malfunctioning economic system as a whole at present precludes consideration of massive public programs. The best hope for Cairo now is that as the crisis deepens the city will become less attractive to potential migrants.

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CAIRO: THIRD WORLD METROPOLIS

Part III: Housing and Shelter

by John Waterbury

September 1973

The most pressing and at the same time the most costly problem facing the city of Cairo is the provision of housing for the city's 5.5 million inhabitants (and over six million in the "Greater Cairo" area). The problem long ago reached crisis proportions, and if, as seems likely, the city's population is somewhere between 12 and 16 million in the year 2000, then the nature of shelter in the Cairo of tomorrow can scarcely be imagined. Vast tracts of Cairo have been for decades, are now, or are becoming slum areas. It is difficult to find a euphemism for this term which I use to encompass extraordinarily high room-densities in substandard, structurally unsound buildings frequently without water, electricity, garbage disposal, and sanitation. Abrams, in his now-classic study, summarized the situation for the developed and the developing worlds: "The slum exists because no nation is able to produce adequate housing at a cost workers can afford. It is the shelter that the industrial age provides for its rank and file. Housing has remained the Cinderella of the Industrial Revolution, and the humble cover to which she has been indefinitely assigned."¹

One might quibble with Abrams on a few points. In Third World cities like Cairo it is as much the burgeoning ranks of civil servants and service sector personnel as the workers who are unable to afford adequate housing, unless, as in Cairo, there is increasing resort to households in which both husbands and wives work. In Cairo then it is not only the industrial proletariat—a distinct minority of the city's working population (see Part I in this series)—that is relegated to substandard housing. The housing crisis is as serious for educated Cairenes who consider themselves a part of the middle class but are unable to obtain shelter commensurate with their self-image.

Excepting only a handful of people at the top, no one can take for granted access to decent housing. I cannot make an accurate guess as to the number of exceptions, but it is not likely to be more than 200-300,000 Egyptians and foreigners in professions such as law, medicine, and journalism, public and private sector companies, government ministries, embassies, and United Nations agencies. They monopolize the best housing in Cairo and Giza: the island quarters of Zamalek and Roda, parts of Garden City and Qasr al-Nil in the city's center, Heliopolis in the north, the suburb of Ma'adi in the south, the corniche of Giza, the villa cities of Dokki and Agouza, and the Avenue of the Pyramids in the west. These are low-density residential areas of relatively well-kept apartment buildings and villas, dotted with private sporting clubs. In the rest of Cairo quality drops off precipitously. There is still some pretense to former urbanity in the center districts of Abdine and Ezbekia and the slightly more northerly quarters of Sakkakini, Wayli, and parts of Shubra. For the rest, however, the appellation of slum is not inappropriate, and while the quarters vary greatly in age, the style and quality of the residential buildings in them have taken on a certain sameness. The best and the worst among Cairo's buildings fall victim to a democratic patina brought on by dust and overuse that borders on instant decay. Thus the oldest districts, the original Cairo of 1,000 minarets, Darb al-Ahmar, Gamalia, Bab as-Shari'a, Qala'a, Masr al-Qadima ("Old Egypt"), are not, with the exception of the minarets, very different physically from nineteenth century quarters such as Sayyida Zeinab and Bulaq, or from the great northern belt that has been the receptacle for most of the twentieth century rural migrants: Shubra, Sahel, Rod al-Farag, Zeitun, and Mataria.

These latter districts are somewhat more "rural" in appearance than the rest, but the distinction is not of much significance (see map). In all outlying districts and even in some parts of the center city in Bulaq, Sebtia, and Maaruf, there are quasi-villages that have survived the city's advance and have been partially incorporated into it. As the city extends northward into agricultural land, villages and farms around Mataria or Shubra al-Kheima are transformed into dormitories for the city's work force, or way stations for migrants. The same is true for Basatin on the road to Ma'adi, and several villages on the west bank such as Imbaba, Agouza, and Bulaq Dakrur. A third distinct but generally low-quality type housing is to be found in the new industrial suburbs of Helwan (south) and Shubra al-Kheima (north) where the construction of factories and the attraction of labor preceded the construction of low-cost housing which is still grossly inadequate. Finally, one encounters the extensive tomb cities along Cairo's eastern edges which house a considerable squatter population.

It is perhaps one of Cairo's misfortunes that it does not have extensive shantytowns surrounding it

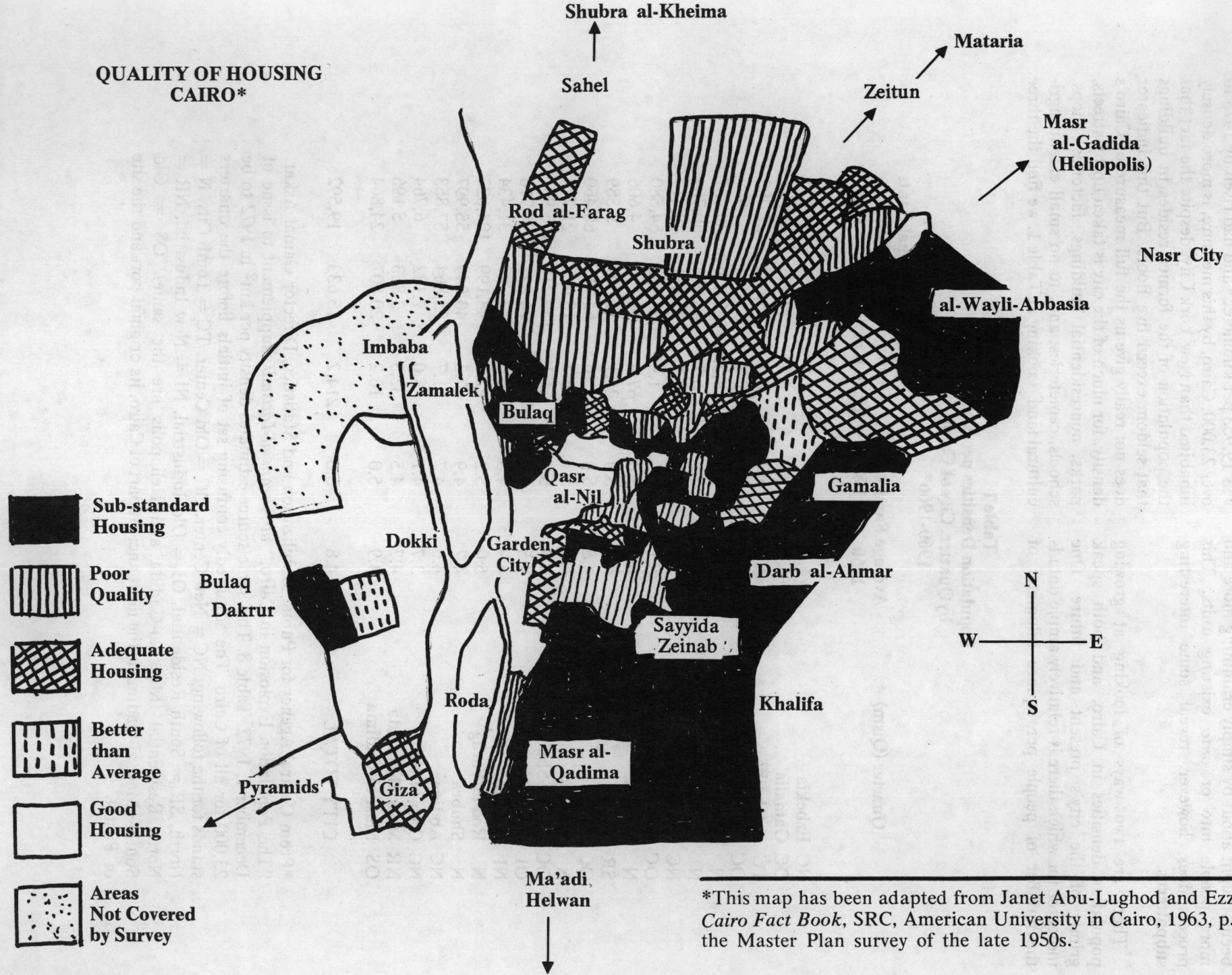
like Ankara or Casablanca or Baghdad. Insalubrious as these may be, they offer a solution to their existence through "self-help housing." As John Turner has argued persuasively in several articles, if squatters are given rights to tenancy or occupancy of the shacks and the land upon which they are erected, and if arrangements are made to provide them with low-interest credit and cheap building materials, they generally respond over time by transforming their shacks and huts into solid structures. These in turn are built with labor and "architects" from the squatter settlement itself. The city's overall investment is far less than what would be required for extensive low-cost public housing projects, probably with subsidized rents.²

Cairo does not have the luxury of this way out, although the reconstruction of the Egyptian village could be promoted through self-help principles. There are a few shack settlements, particularly in the northern sector of the city, but they provide shelter to a relatively small segment of the city's population. In general, Cairo's ability over the last two decades to absorb a rapidly growing population

Giza and Dokki growing westward into agricultural land.



**QUALITY OF HOUSING
CAIRO***



*This map has been adapted from Janet Abu-Lughod and Ezz al-Din Attiya, *Cairo Fact Book*, SRC, American University in Cairo, 1963, p. 262, based on the Master Plan survey of the late 1950s.

into a slowly growing housing infrastructure has been brought about by simply cramming more and more people into or *onto* existing units. This process does, however, reveal some interesting subpatterns.

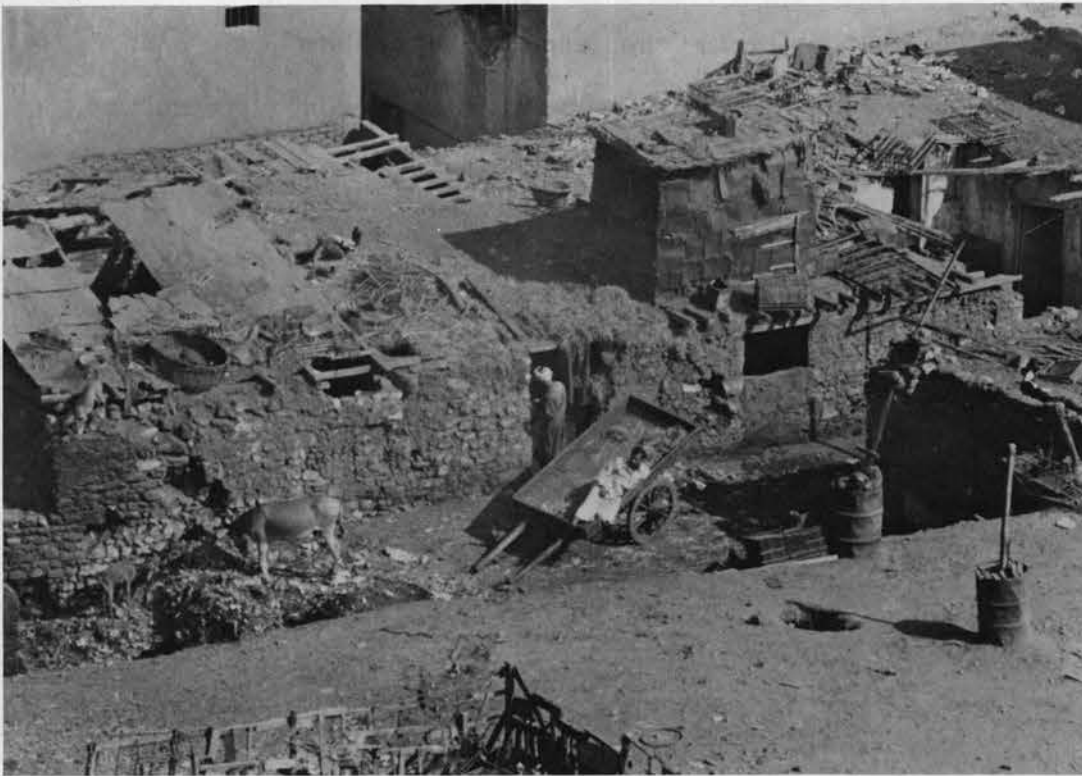
There are two ways of looking at growing population densities in Cairo, and both speak grimly of the city's present and future. One indicator for which there is relatively ample data is the number of people per square kilometer of

municipal space. In 1966 the average city density was 19,953 per kilometer² and had risen by 1973 to over 23,000. Cairo, by this measure, is more densely inhabited than New York City, despite the fact that the population of the former resides in buildings that seldom exceed five floors. But this indicator does not really give us the full measure of Cairo's density, for much of the city is taken up by streets, parks, nonresidential buildings, factories, shops, schools, cemeteries, and, to no small extent, agricultural land. Looking at Table 1, we find the three

Table 1
Population Densities per Km²
by Quarter, City of Cairo
1960-1966*

Quarter (Qism)	Average Family Size		Qism surface Km ²	No. of Inhabitants per Km ²	
	1960	1966		1960	1966
NC Ezbekia	4.3	4.8	1.8	37,666	37,455
OC Gamalia	4.8	5.1	4.8	29,526	30,419
TC al-Khalifa	4.8	5.0	8.6	18,832	27,403
OC Darb al-Ahmar	5.1	5.3	2.8	53,074	53,989
N Zeitun	4.8	4.9	4.2	23,899	30,987
N Sahel	4.9	5.1	6.2	48,968	60,754
NC Sayyida Zeinab	5.0	5.1	3.5	72,471	78,417
OC Zahir	5.1	5.0	1.9	52,430	54,580
N Mataria	4.9	5.0	67.9	2,368	4,606
SR Ma'adi	4.7	5.0	25.1	2,307	5,589
OC Muski	4.8	5.4	.6	64,115	60,460
N Wayli	4.8	5.1	16.5	18,616	21,774
OC Bab as-Sha'ria	4.9	5.3	1.1	139,210	135,901
OI Bulaq	4.5	4.9	2.7	74,823	74,716
NI Helwan	4.9	4.8	6.4	14,748	31,434
N Rod al-Farag	5.0	5.2	2.7	98,199	104,623
N Shubra	4.7	4.9	7.3	40,549	55,997
NC Abdine	4.6	4.7	1.7	55,864	57,853
NC Qasr al-Nil	3.7	4.1	6.0	7,182	6,764
NR Masr al-Gadida	4.7	4.5	32.3	3,863	5,196
OS Masr al-Qadima	4.9	5.0	10.2	20,807	24,864
CITY TOTAL	4.8	5.0	214.2	15,633	19,592

*From Central Agency for Public Mobilization and Statistics, Director Gamal Askar, "The Population Explosion in Cairo," *al-Ahram al-Iqtisadi*, supplement to issue of December 1, 1972, Table 8. This same source estimates density per km² in 1972 to be 23,000 for all of Cairo. The admittedly confusing set of initials before the quarters stands for the following: NC = New Center, OC = Old Center, TC = Tomb City, N = North, SR = South Residential, OI = Old Industrial, NI = New Industrial, NR = North Residential (Masr al-Gadida and Heliopolis are the same), OS = Old South—Masr al-Qadima is the most ancient part of Cairo, its original port and the site of Fustat.



At home on the roof: Darb al-Ahmar.

biggest districts of Cairo are Mataria (67.9 km²), Ma'adi (25.1 km²), and Masr al-Gadida (32.3 km²). The latter two are upper-class residential areas with a fair amount of unused land still available for expansion. Mataria is a lower-class area extending into the farm land north of the city. Some day it may well reach densities similar to Rod al-Farag and Sahel, taking over the role from these districts of the major zone of absorption of migrants from the Delta. These three districts—Mataria, Ma'adi, Masr al-Gadida—alone account for nearly half of Cairo's total area, and with their low densities depress the average density for the city somewhat artificially.

To avoid distortions of this kind, a far more sensitive measure is that of the number of people per room in residential dwellings. In Table 3 I have tried to construct an up-to-date picture of room densities, although this kind of data is not regularly reported. (I have been obliged to make estimates for 1966 and 1972 on the basis of past ratios. I am reasonably confident that, if anything, my estimates understate the situation.) Over the period 1947-1972 average room densities have risen steadily from 2.0 per room to 3.1. The population of the city in that period more than doubled while

the number of available rooms probably increased by no more than one-third. The gap between habitable rooms and a population growing at 4 per cent per annum is likely only to increase in the future. Cairo, and Egypt in general, can ill afford major outlays on housing as long as the state of hostilities with Israel, and the enormous investments that state entails, remain the dominant feature of Egyptian political and economic life.

Even room densities do not tell the whole tale, and in some ways the housing crisis is marginally less acute than the figures presented so far would indicate. This is because in Cairo there are at least three types of clandestine housing. Because they are clandestine it is hard to know how many housing units are involved. We must simply describe them without measuring them. One form is Cairo's so-called "second city," consisting of roof-dwellers who build huts, shacks, poultry runs, and so forth on the roofs of Cairo's buildings. As long as such structures are not built in brick and mortar, or some other permanent material, they are not illegal and require no building permit. Any attentive visitor to Cairo will notice that they are legion, and in the poor districts of town hardly a

Table 2

Greater Cairo: People and Shelter, 1966*

Cairo's Parts	Population	Buildings	Housing Units	Families
Cairo Proper	4,232,663	236,362	779,789	847,483
Shubra al-Kheima	172,902	17,437	31,838	32,751
Giza	571,249	38,683	116,235	115,260
Total	4,976,814	292,482	927,862	995,494

*From CAPMAS, *Final Results of the Sample Survey Census*, Vol. II "The Urban Governorates," July 1967.

Table 3

Estimates of Room Densities
for the City of Cairo*
1947 - 1972

Year	City Population	No. of Housing Units	No. of Rooms	People per Room
1947	2,090,064	448,333	1,039,742	2.0
1960	3,348,779	687,858	1,439,158	2.3
1966	4,232,663	779,789	1,559,578 (est.)	2.7
1972	5,200,000 (est.)	860,039 (est.)	1,720,078 (est.)	3.1

*In Egypt a housing unit apparently is any shelter that includes at least one household. Thus there is no fixed number of rooms per unit. A one-room bachelor's flat or a ten-room luxury flat would each be considered a unit. The figures for 1947 and 1960 are fairly reliable and are drawn from the census of those two years. See Janet Abu-Lughod, *Cairo: 1001 Years of the City Victorious*, Princeton University Press (1971) p. 164. For 1966 total population and number of housing units, see Central Agency for Public Mobilization and Statistics, *Final Results of the Sample Survey Census*, Vol. II "The Urban Governorates," July 1967. The number of rooms was derived by multiplying the number of units by two, for in 1960 the average number of rooms per unit was two, down from 2.3 in 1947. Egyptian statistics do not consider the kitchen as a room. For 1972 I calculated the number of housing units on the basis of a report that states since 1960 the public sector has built on the average 3,375 units annually, and the private sector about 10,000, for a rate of 13,375 per year. That may be an overestimate as the public sector has fallen off in the last two years. Once again I multiplied the number of units by two rooms per unit. Note that all these figures pertain only to the city of Cairo proper and not to greater Cairo which includes Giza and Shubra al-Kheima.

roof has escaped their implantation. If there were but one such "housing unit" for half of Cairo's buildings—i.e., about 110,000 units—with five people to a family, well over half a million Cairenes might be living on rooftops. With them is an

equally impressive animal population. The combination of the two has led to periodic and futile efforts to clear the roofs of a phenomenon that has pernicious effects upon building safety and sanitation.³



Roofscape—Boulaq.

Another phenomenon of unknown proportions is that of building regular structures without permit, or converting substandard, mainly village housing into urban dwelling units. In Giza to the west and Mataria to the north, for instance, farm land is being built over rapidly, often without permit. For one reason or another such violations go undetected until construction is completed. The city then has the unsavory choice of expelling the tenants, who are thus unjustly penalized, or of acceding to the *fait accompli*. About all the city can do is deny the new premises water and electricity, but that is a hollow gesture if it has been decided to allow the building to remain. A variation on the same theme is the conversion of Cairo's villages into dormitory cities. Bulaq Dakrur lying on the far side of the railroad tracks that constitute Giza's western border is such a village. From a population of 15,000 in 1960, the village now houses 13,000 families or 66,000 people. Almost all of the growth is accounted for by migrants, including some 3,000 who came from other parts of Cairo itself. The village has apparently been partially rebuilt, or simply packed, without much supervision from the Giza authorities. The process has been carried out by the villagers and traditional entrepreneurs and speculators—sometimes the local grocer or scrap metal wholesaler—and despite its dirt roads, rudimentary utilities, and rural appearance, Bulaq Dakrur attracts many because of its relatively low rents and proximity to downtown Cairo only two and a half miles away. The average income per family there is about LE13 (\$30) per month which is not dissimilar from levels of lower-middle-class districts such as Sayyida Zeinab.⁴



Housing in Bab as Sha'ria.

There are other such dormitory villages in close proximity to downtown Cairo, such as Shirkis and Hakr Abu Duma, or near convenient transportation links, such as Basatin on the Helwan train line or the villages of Mataria on the northern Mataria line. This type of community does share some of the peculiarities of the shantytown. They are integral parts of the city, exporting their working population—mechanics, peddlers, pickpockets, clerks, maids, garbage men, et cetera—to other areas, yet they maintain a distinct insularity vis-à-vis the city. One does not venture into these enclaves with the same assurance as one would in Cairo's older slums. It may be that the villages have attracted somewhat more than their share of the urban underworld of dope, prostitutes, and petty thieves, and, like American ghettos, develop the reputation of a no-man's land. A city committee that visited Shirkis and Hakr Abu Duma in the summer of 1971, as part of a slum clearance project to move their inhabitants elsewhere, got more than they bargained for. The officials found urchins in the dirt streets and alleys, women at the public water pump, men in the street cafes—all sullen, occasionally derisive, and manifestly hostile to the invaders whatever their purpose.

Similar in some ways are the populations of the tomb cities, Cairo's unique contribution to urban housing. The tomb cities lie in a long belt along Cairo's eastern edge, blocked by the Muqattem hills and divided into a southern (Khalifa) and northern section by the westward projection of the Citadel. These areas consist of the mosque-tombs of former royal and princely families, the two- or



The City of the Dead looking north toward new housing at Abbasia.

three-room tomb-houses of the wealthy bourgeois families, and the communal burial houses of certain craft or village migrant associations. Perhaps a mutation of the old Pharaonic notion of making a tomb a home for the dead, the tombs are houses where the relatives of the deceased may come to visit two or three times a year and to live and eat in the company of the deceased. But for most of the year the tombs and adjacent rooms are unused. The cities of the dead had long had a resident population, mostly housed in buildings constructed amongst the tombs. As more migrants have come into the city, and particularly with the influx of evacuees from the Suez Canal Zone as a result of the Six Day War, the tombs themselves have become dwelling places for squatters. In 1960 there were 80,000 people living in the tomb cities, but that number is clearly far greater now. There is no way of knowing exactly how many Cairenes are squatting there, but one authoritative source, Cairo's Governor, Hamdy Ashur, has ventured a figure of one million.⁵ It is some indication of the importance of these sectors of Cairo that the Ministry of Education maintains 18 primary schools in and around Khalifa alone.⁶

The organization of economic life in Egypt is officially founded upon socialist principles, and since 1952 the regime has consistently honored in word, and occasionally in deed, an overriding concern for social and economic equity. To promote equity the major capital and productive resources of the nation were placed under state management and ownership in 1961. Egypt's leaders rightly surmised that where resources are scarce and demands

great, equity and efficiency could not be served by leaving the economic sphere to the uncoordinated, profit-oriented concerns of the private sector. The problem is that socialist or state capitalist controls appear to become effective only after some critical level of resource scarcity has been overcome. Conversely, if the state sector is unable to meet a significant proportion of the demands placed upon it, it may in some instances stimulate forms of exploitation that are fully as pernicious as those of the old capitalist sector. Egypt has not been able to overcome the resource scarcity that faced the regime in 1952. Over the last 20 years the regime has fought a holding operation sufficient to maintain but not dramatically raise the standard of living. Rapid population growth and a series of costly external crises have continuously hampered the process of capital formation. Progress has been made in some areas, such as education and heavy industry, but other sectors have necessarily been neglected. Housing is the prime example.

As the density figures already presented would tend to confirm, there is a housing shortage at all income levels in Cairo, but the most blatant deficit occurs with respect to low-cost housing. There are plenty of private contractors who would be more than happy to meet the demand for middle- and high-income groups if only they could obtain the necessary building materials, but under no circumstances would they consider building for the city's poor for they could never hope for a return on their investment. Neither can the state, because of the malfunctioning of the economic system as a whole, contemplate massive involvement in subsidized

Northern sector, City of the Dead.



housing and rents. Consequently most Cairenes are faced with two alternatives: to shoe-horn more people into existing units, or to beg, borrow, and steal their way into housing they cannot really afford. There do appear to be limits to the amount of cramming that can be done, and increasingly Cairenes must surrender themselves to the housing sharks that thrive on the scarcity of housing and the evasion of rent control laws.

The gap between the urgent demands of the city's lower classes and the state's ability to provide housing constitutes Egypt's major urban crisis, far outweighing, in my opinion, the transportation crisis described in Part II of this series. Figures furnished by Muhsin Idris give graphic evidence of the magnitude of the problem (see Table 4). He estimates that housing needs—or, more specifically, the housing deficit—may be on the order of two million units for the entire country by 1975. The state calculates that it costs the public sector on the average LE1,000 (ca. \$2,400) to construct a single unit of low-cost housing, so that if all the required housing were of that kind the outlay would be LE2 billion. That would seem a conservative estimate, but even at that level investments in housing would be nearly

the equivalent of all public and private investment in the high-priority industrial sector since 1952.

The Ministry of Housing reports that the 300,000 urban units actually constructed between 1960 and 1970 were distributed in the manner described by Table 5. The private sector is still the nation's major provider of urban housing and its share has been increasing. Another report notes that over the last decade in Cairo, the private sector has been building 10,000 units a year while the public sector provides only 3,375. The same report estimates Cairo's annual housing needs at 62,000 units. This is over twice the rate of 30,000 units per year *for all of Egypt* established in the decade 1960-1970.⁷

Cairo is probably suffering no more from the crisis than any other Egyptian city, but the magnitude of its particular deficit is in keeping with the size of the city. The Cairo Popular Assembly's report on housing cites a cumulative housing deficit of 20,000 units. To overcome this, it is recommended that 2,000 units be built annually. The report also calculates that the city is growing by 200,000 inhabitants a year, and assuming a ratio of five people per unit, *an additional 40,000 new*

New middle income housing—Agouza.



Table 4

**An Estimate of Urban Housing Needs in the UAR
to the Year 1975***

Deficit in Urban Housing Units, 1960:	298,000
Needed to meet Crowding (four or more families in a single dwelling):	103,000
Needed to meet the Increase in the Number of Families, 1960-1975:	1,448,000
To meet Relocation Needs:	225,000
To Demolish Unsound Urban Dwellings:	286,000
 TOTAL	 2,360,000
Units Actually Built 1960-1970	300,000
 HOUSING NEEDS	 2,060,000
 UNITS	

*From Engineer Muhsin Idris (Director Greater Cairo Planning Commission) "Problems of Housing and Planning to Meet Them," *14th Annual Conference for Social Affairs*, League of Arab States, Tripoli, Libya (July 3-8, 1971), Vol. II, pp. 77-117 (table from page 117).

Table 5

**Distribution of Housing Construction,
1960-1970, by Public and Private Sectors**

Period	Public Units	Value	Private Units	Value
1960-64	61,000	LE51,000,000	79,000	LE57,000,000
1965-70	56,000	LE57,000,000	110,000	LE129,000,000
 TOTAL	 117,000	 LE108,000,000	 189,000	 LE186,000,000

*See *al-Ahram*, July 23, 1972, p. 7.

units each year are required to house them. At least another 20,000 units a year are needed to replace buildings verging on collapse. All in all, the city needs at a minimum 62,000 new units a year. The authors of the report believe that only 16,000 units of the annual total need be in the low-cost category, and hence the responsibility of the public sector. The other 46,000 units of middle- and upper-income housing would be undertaken by the private sector. The annual cost would be LE83 million with a public share of only LE16 million. By contrast we

may note that in its budget proposals for 1973, the Ministry of Housing projected public sector outlays of LE30 million and private sector outlays of LE23 million for all of Egypt. As already mentioned, with a rhythm of 10,000 and 3,375 units respectively per annum, the private and public sectors are falling about 48,000 units short of what city leaders feel should be their minimum combined goal.

Unfortunately the crisis does not end there. The Cairo Housing Survey of 1959 (which to my

Table 6

**Public and Private Investment in Urban Housing
1970-1971***

Low Cost Housing	No. of Units Planned	Total Investment LE '000
Public Sector	6,270	2,418.1
Private Sector	13,000	13,000.0
Total	19,270	15,418.1
Middle-Income Housing		
Public Sector	2,328	2,769.9
Private Sector	4,064	6,500.0
Total	6,392	9,269.9
Upper-Income Housing		
Public Sector	65	197.5
Private Sector	700	2,000.0
Total	765	2,197.5
Total Public Sector	8,663	5,385.5
Total Private Sector	17,764	21,500.0
Total Projected Urban Housing	26,427	26,885.5

*Egyptian Federation of Industries, *Year Book 1972*, Cairo, 1972, p. 309 (Arabic edition).

knowledge has not been repeated) revealed that there were 130,000 "properties" (*'agār*) that were structurally unsound and in theory not fit for habitation. The Popular Assembly report, pointing out that the problem has certainly become worse since 1959, estimates that this deficient housing contains at a minimum a half million units, and conceivably 2.5 million inhabitants. The Governor himself has mentioned a figure of 30,000 structurally unsound "buildings," and Mrs. Uffit Kamil, a member of Parliament, a figure of 127,000 "dwellings." The probable margin of error in measuring this phenomenon does little to diminish its enormity. The city and the government can hardly hope to make a dent in it under present circumstances, and the sense of futility that permeates the housing crisis is reflected eloquently in the fact that the public sector constructed 1,680 units in 1970-71 and only 108 in 1971-72. For 1973, the city requested investments of LE9 million from the Ministry of Housing and received LE3.5 million.

In light of this situation, the Popular Assembly of Cairo made the following recommendations:

- (1) Establish a special committee in each major quarter (*hay*) to study its housing problems. It would also supervise the granting of building permits, the allocation of building materials, and the division of plots.
- (2) Draw up a master guide to all the city's needs and possibilities for action in the field of housing.
- (3) Simplify the building procedures.
- (4) Urge the council of ministers to make available sufficient credits to meet the situation.
- (5) Deal with the problem of rural migration to the cities.
- (6) Encourage the private sector and the cooperative housing societies, making available to the latter state-owned lands. Provide easier loan terms, up to 80 per cent of the value of the property upon which the builder intends to build.

(7) Work to encourage Arab capital from outside Egypt to invest in housing by permitting convertibility of earnings, customs free importation of materials, and a grace period of five years during which no real estate taxes will be charged.

(8) Zone specific areas of Cairo in which furnished apartments can be rented.

(9) Oblige government agencies and departments to give up housing units that are currently used as work space.⁸

As relevant as these suggestions may be, they fail to address themselves to Cairo's most critical problem of substandard, structurally unsound housing and the provision of shelter for the poor. Neither wealthy Arabs nor the Egyptian private sector stand to make money off the poor even if, as some suggest, rent controls are raised and building materials made plentiful. The poor simply cannot pay enough to make an attractive return on a private investment.

The guidelines for low-cost housing in Egypt are premised on two assumptions: (1) that each unit will cost LE1,000 to construct; and (2) that monthly rent for such a unit should not exceed 20 per cent of the monthly income of the household that inhabits it. The Ministry of Housing estimates that it cannot rent well-constructed, low-cost units at less than LE10 (ca. \$25) per month with any hope of covering their initial investment. According to these ground rules, the lessee would have to earn LE50 per month in order to pay no more than 20 per cent of his monthly income in rent. The Central Agency for Public Mobilization and Statistics has ascertained that about half Egypt's urban households earn less than LE50 per month.⁹ That seems to me a conservative estimate in that I doubt that half of Egypt's urban households earn *more* than LE50 per month, but I am reasonably certain that the poorer half is earning much less than LE50 per month. In a study carried out in Sayyida Zeinab, 75 per cent of a sample of families earned less than LE20 per month and only 4 per cent over LE50. By contrast a similar sample in Masr al-Gadida revealed that 60 per cent of the families earned over LE50 per month, and 27 per cent over LE100.¹⁰ Masr al-Gadida is, however, as atypical of the rest of Cairo in terms of income level and quality of housing as Sayyida Zeinab is typical.

Given this kind of income distribution, private capital will go to Masr al-Gadida and public capital will make a marginal attack on the rest. Even the 16,000 public units recommended in the Popular Assembly's report appear woefully inadequate. Unfortunately I do not have recent, accurate figures on the amount of low-cost housing constructed and managed by the city, but in 1968 the total number of "dwellings" (*masākin*) was 21,642. That number may have crept up slightly. Some of the principal sites are Zeinuhum, near Old Egypt, the Workers City at Imbaba, and slum clearance projects in Bulaq (Amiria), Rod al-Farag, and Sahel. Housing is being built at Mataria to absorb people from Shirkis and Hakr Abu Duma. In low-cost housing the minimal rent of one pound per room is charged, and according to former Prime Minister Aziz Sidqi, that ceiling will be maintained over the next five years regardless of the rise in building costs.¹¹ Until this year there was no provision to set aside a portion of collected rents for maintenance of public housing. In 1973 it was decided to utilize 10 per cent of all rents towards this end. In 1969 rent revenues amounted to only LE606,000, so that the maintenance fund under the new order would not exceed LE70,000 (\$180,000). Cairo's public housing projects offer visual testimony to their "benign" neglect.

The public sector has been involved in several other limited housing efforts. One approach that could ease the strain for middle-income Cairenes in their search for housing has been the formation of cooperative housing societies. While Cairo and the Ministry of Housing have experimented with this form since 1953, its impact has been minimal. The coordinating body for cooperative housing is the General Organization for Cooperative Building and Housing under the supervision of the Ministry of Housing. I do not know how many dwelling units may be included in this sector. However, the former Minister of Housing, Ali Said, deploring the lack of activity in this respect, noted by way of example, that the Land Bank had made loans (presumably in 1971) totaling LE13 million, of which the cooperative societies had borrowed only one million.¹² The problem may be that because these societies cater to middle-income groups, they are competing in an area in which the greatest speculative profits can be made. Co-op societies generally do not earn more than 6.5 per cent per annum on their investment (the same rate at which the Land Bank makes

building loans) while the return on black market housing can be many times that rate.

Nasr City is an area in which there is a fair amount of cooperative housing. More than that, it is Egypt's first attempt under public auspices to develop a self-contained suburb, although there have been partial precedents. At the turn of the century Heliopolis was planned and developed by Belgian private capital as a totally new residential suburb in the desert land to the northeast of the city. A tram line was built, and the new area fully equipped with shops, schools, theaters and, perhaps most important, an amusement park. Heliopolis has been unquestionably a success, paying back its founders many times over. The more recent residential development of Ma'adi to the south of the city has been equally successful.

Less outstanding has been the Medinat al-Awqaf near Imbaba, built on lands owned by the Ministry of Waqf (religious mortmain property) and managed by the ministry itself. Other than housing, the project did not take into account necessities such as shops, recreational facilities, and adequate transportation to the downtown area. Within Medinat al-Awqaf is the Engineers City (Medinat al-Muhandissin) which was to be reserved for engineers. Once the housing units in the project had been rented out to engineers, the latter quickly began to sublet or sell their properties at handsome profits as other less conspicuous professionals vied for scarce housing.¹³

Nasr City, under construction for over a decade along the desert fringe east of Wayli-Abbasia, sought to overcome some of these deficiencies by combining residence and place of work in the same area. Various governmental bodies such as the Ministry of Planning, the National Institute of Planning, the Central Accounting Agency, the Central Agency for Public Mobilization and Statistics, were obliged to headquarter themselves in the new city. The objective was to create a truly self-contained unit while at the same time relieving the pressure on downtown transportation, housing, and office space.

It is quite obvious that the project has not been a complete success, even in terms of its own objective of attracting middle-income residents. As noted in Part II of this Report, civil servants probably choose their residence, to the extent they have a

choice, on the basis of rent levels, neighbors, recreational facilities, schooling, and likely permanency. A civil servant prepared to overlook the distance from downtown Cairo, and the lack of schools, theaters, and shops, would still seem foolish to have abandoned a rent-controlled apartment or pleasant housing in Dokki to move to Nasr City only to be transferred by his ministry to some other part of the city or the country.¹⁴ Cairenes have simply not shown any great enthusiasm for moving into Nasr City, and this fact bodes ill for the more grandiose schemes of establishing four satellite cities around Cairo. Inasmuch as the government's leverage in relocating people can be brought to bear primarily on public bodies and civil servants, the satellite cities might fall victim to the same fate as Nasr City.

The housing crisis in Cairo's two major industrial suburbs (indeed the major industrial centers of Egypt and probably of the Arab world), Shubra al-Kheima and Helwan, is in many ways more acute than in the rest of the city. The pace of establishing factories and bringing workers into both areas has far outstripped the construction of housing. The blame for the problem at Shubra al-Kheima is shared by the public and private sectors which have built over 346 factories there. Helwan, however, has been developed almost exclusively by public capital concentrated in the iron and steel complex. In 1969 Muhsin Idris estimated that Helwan would be facing a deficit of 130,000 housing units by 1975.¹⁵

Given all the above, it should come as no surprise that the city and the government have been unable even to begin to attack the problem of structurally unsound housing in Cairo. All parties concerned—the city officials, the building owners, and the lessees—are inclined to say nothing about it. First, there is no regular inspection of residential buildings. Tenants who have reason to believe that the building in which they live may be verging on collapse may contact the city officials directly at the level of the quarter (*hay*), or do it through the Arab Socialist Union. The city then dispatches an engineer for an appraisal. If he decides the building is unsound, he orders the tenants out and closes it. Within 15 days a special technical committee meets to review the engineer's decision. If they confirm it, the building is officially condemned or occasionally

the owner is ordered to carry out repairs. The engineers tend to condemn rather than salvage, however, for if the building collapses despite repairs they are legally liable. Moreover, the kind of training these architects and civil engineers receive emphasizes construction at the expense of repairs and salvage. They can see what is wrong with a building but not always what could be done to save it short of tearing it down and beginning again.

The real losers, as usual, are the tenants who receive no compensation except emergency housing in the schools and mosques, and priority on waiting lists for public housing which, besides being scarce, is generally located far from the center of Cairo. Most tenants, one would assume, prefer the risks of bad housing to no housing at all. Building owners obviously feel little incentive to call attention to their own neglect for which in most instances they are not legally liable. Moreover, rent controls combined with the effects of overcrowding make it difficult even for the well-intentioned landlord to invest in upkeep and repairs. Finally, the city does not want to look for trouble unless forced to, for ultimately it cannot make any dent in the problem given current levels of housing subsidies. Consequently only the tenants of a building may be moved to call attention to its structural defects, but even they are not so moved very often for fear of losing what little shelter they have.

A general pattern in Cairo's growth, one that is common to most cities, is the rise and decline of various residential and business districts. As an area becomes overcrowded and deteriorates, the better-off are able to move into new districts. The pattern has been repeating itself continually over the last century. Cairenes began to move westward out of the city's traditional core, toward Ezbekia, Tewfiquia, Kasr al-Aini, and Shubra, as Cairo's center of gravity, under European influence, shifted in that direction. With the tram lines of the 1890s to Heliopolis and the Pyramids, Shubra, Wayli, and Giza began to receive middle-income groups. In the period since the revolution, the northward migration has been intensified (Nasser and many of the officers were residents of Masr al-Gadida) as has the westward shift to Roda Island, Giza, Dokki, and Agouza. The gradual exodus of Europeans and other non-Egyptians has led to a rush on housing in the distinctly upper-income areas of Zamalek, Garden City, Ma'adi, and along the east and west banks of the Nile.

The last phase has corresponded to the effort of the regime to impose strict rent controls on housing in Cairo, but demand is so great and potential profits so appealing that real estate speculation and exploitation is thriving as never before.

Some analysts are prepared to attribute the housing shortage to rent control laws: "If we should wish to present the history of this [housing] crisis, we would have to look back to the Second World War, for in 1942 decrees were promulgated freezing rents of dwellings that had been built before this date. Subsequently, decrees and laws have been issued that lowered rents on housing constructed after 1942."¹⁶ It is indeed true that in 1952 a decree was announced that reduced by 15 per cent rents on buildings erected since 1944. Following that, in June 1958, a new law lowered rents by 20 per cent on all buildings constructed between 1952 and 1958. A law of 1961 reduced rents yet further, affecting units whose rental value did not exceed LE5 per room. Buildings of this kind were relieved of property tax, and the rents of individual tenants were reduced proportionately.¹⁷ Units constructed since the 1958 decree also had their rents reduced by 20 per cent. It was additionally stipulated that while the rents on buildings constructed before 1944 would not be further reduced, they could not be raised. Finally, in 1964 it was decreed that the rental return on investments each year should not exceed the total of 5 per cent of the value of the land and 3 per cent of the cost of the building.

There is no doubt that these laws have inhibited the construction of new housing in Cairo, and the building booms of the early 1900s and the interwar years have never been equalled. Yet secondary booms have occurred in the late 40s and early 50s. In the latter period landlords affected by the land reform measures of 1952 used their negotiable compensatory bonds to invest in urban housing and real estate. Total private investment in housing in Cairo and Alexandria in the period 1949-1956 may have averaged LE20 million each year.¹⁸ One can be reasonably certain that if there is a substantial demand for housing on the part of middle-income groups, ways will be found for private capital to supply it. In Cairo, the ways are numerous and ingenious. All that rent controls have meant is that builders must step outside the law in order to obtain an acceptable return on their investment. Rent controls have not inhibited the construction of low-cost housing which the private sector would



Luxury housing—Zamalak.

The faded glory of old Cairo: Gamalia.



Roofscape—Birkil al-Fil.



have shunned in any case. Land values give some notion of the profits at stake: a *feddan* (1.038 acres) off the road to the Pyramids is now worth about LE8,000 (ca. \$20,000). A few years ago, the same *feddan* would have been worth only LE2,000. In the northern agricultural areas around Mataria, a *feddan* may be worth as much as LE10,000. If speculators and developers are ready to pay such prices, the potential return must be equally great.¹⁹

The developer may make his killing in numerous ways, but once under way his profits are self-perpetuating and substantial. Acquiring the capital to purchase a piece of land may be the most difficult step, perhaps requiring several developers to pool resources to buy a choice plot. With title in hand, they may then approach the licensing authorities in the quarter (*hay*) in which they plan to build. The developer presents blueprints for the structure that have been countersigned by an architect recognized by the municipality. The city's experts, following the rudimentary building code,²⁰ check the plan according to three criteria:

- (1) That the height of the building is no more than one and a half times the width of the road on which it fronts. If it is higher, each additional floor must be terraced inwards by 10 meters. Buildings fronting on the Nile have no height limit, a fact accounting for the deplorable development of high-rise buildings along the river's banks, blocking the view for the rest of the city of its major asset.
- (2) Use of space so that toilet areas are adequately ventilated.
- (3) The use of suitable building materials.

Once approved there is little follow-up to see that the plan is actually executed. Some builders may try to cheat on building materials and height specifications. The architect who countersigns the plans does have some interest in assuring that they are followed, for if the building were to collapse or be condemned, he could be barred from his profession and imprisoned. One suspects, on the other hand, that given the profits involved, there might be fairly extensive collusion between public authorities and private constructors to overlook violations of city codes. The law stipulates, for instance, that if the city experts have not pronounced upon a proposed building one way or another within 40 days of the submission of the plans, the builder may assume

that the plans have been approved. Recently a multistory apartment house on the main thoroughfare of Zamalek went up without formal approval. Once up, with space rented or sold to people in ardent need of housing, the city can do little but recognize the *fait accompli*—and happily in so doing no one is really guilty of malfeasance.

With property title and building permit in hand, the developer may make his way to the bank for a loan. At the Land Credit Bank he may borrow up to 50 per cent of the total value of the land and the estimated building costs. This general arrangement, which has been in practice for several years, was designed to encourage private investment in housing. We may recall, moreover, that the city's Popular Assembly recommended that banks make loans up to 80 per cent of the land and building costs, which leads one to suspect that there may be a few developers in the Assembly's midst.

It has been observed in recent years that the above-mentioned bank was making about 80 loans a month, and that the same applicants were returning regularly. There is no mystery as to what is at work here, for the way to beat the system had been perfected by 1965. With the capital borrowed at 6.5 per cent interest, the developer begins construction of his building. Almost as soon as ground is broken (sometimes sooner) he will begin to contract for the sale of apartments or for the sale of the building itself. Selling apartments, rather than renting them, is the easiest way for a developer to assure a quick return on his money, although there are many ways, as we shall see, in which renting apartments can be made profitable. The standard sales procedure is to take half the agreed-upon price of the apartment as a down payment and the other half in installments until the unit is ready for occupancy. Take an example from 1965. A building of 19 apartments in Zamalek was planned. The developer sold each apartment for LE4,200 (ca. \$10,000) and was able to extract a total of LE54,000 in down payments almost as soon as he broke ground, and received the remaining LE25,800 in installments during the construction phase. The cost of the land may have been LE10,000 and building costs (if he received his allotment of rationed building materials) around LE38,000, for a total outlay of LE48,000. Thus he was able to cover that amount and make LE6,000 as soon as construction had begun, and everything that followed was pure profit. Before one building was up, the developer would have the capital to purchase

more land, submit new plans, and make a return visit to the bank for a new loan. It is also the custom that once the apartment is sold, part of the developer's debt to the bank is transferred to the new owner at 6.5 per cent interest.

Once having acquired property, it seems impossible for the developer to lose. The sales value of apartments have skyrocketed. Luxury flats near Giza's "Gold Coast" sell for LE8,000-10,000. Three buildings going up near the Gezira Sporting Club in Zamalek were allegedly sold off at ground breaking at LE15,000-18,000 an apartment. Buying an apartment may be the only way to find acceptable housing for some people, but, like owning taxi cabs, Cairenes on fixed incomes have found that the housing crisis can stimulate a source of additional income. Once purchased an apartment can be resold at handsome profits. Or families may pool resources to construct an apartment house, keep one unit in it for their own use, and sell or rent the rest.²¹

Those who lease apartments have two ways of beating rent control laws. One is to furnish the apartment, more or less scantily, for the laws do not apply to furnished flats. Then the lessor will try to rent to members of the diplomatic community or Arab visitors who cannot afford to furnish their apartments locally. One finds furnished luxury flats renting for LE300 and similar unfurnished flats that may have been built before 1942 renting for LE12.

Egyptians, of course, can provide their own furnishings so that they do not fall victim to the furnished flat racket. But they do fall victim to the "key money" (*khalu rigl*) racket. The aspirant lessee may pay substantial tribute, perhaps LE200-500, to have the right to rent an unfurnished apartment at a modest monthly fee, say LE30. But the possibilities of key money, which is entirely illegal, pale beside the licit gains to be made from apartment sales. A builder in Agouza in 1968 accepted, in a variant on the key money gambit, LE1,000 in "advance rent" (nominally legal) from would-be tenants in a building under construction. The rent committee of Agouza had determined the legal rents of the apartments in the building to vary between LE55 and LE80 per month. Five years later, as the building neared completion, the owner notified the tenants that he had decided to sell rather than lease the apartments. He offered the tenants first option on purchasing the flats at

LE12,600 each, failing which he would return their rent advances. After having waited five years, the tenants had the impossible choice of raising over LE12,000 or starting the quest for housing all over again. Their solution was simply to invade the uncompleted building and to squat in it. The prosecutor in the ensuing court case against the owner persuaded the court to uphold the claims of the tenants.²² Others have not been so fortunate, and owners of occupied buildings have occasionally decided to sell the units in them, obliging the tenants to put up or move out.

One very important factor that drives rents and sales prices even higher is the severe shortage of building materials, such as cement, steel reinforcing bars, window and door frames, and window glass. When a building permit is awarded, the awardee is placed on a waiting list for these rationed materials that are distributed by the state. Public sector enterprises, government agencies, and the armed forces have priority in receiving building materials. Whatever is left over goes to the private sector which, as already noted, builds most of the nation's housing. Builders in Cairo must frequently wait as much as two years to receive their allotments. Back orders for steel in Cairo alone now total 40,000 tons. Moreover, the rental value of a building is determined on the basis of construction costs using these rationed materials at what amount to subsidized prices. The way round the dilemma is for the builder to buy his materials on the black market, into which, one would gather, there is considerable leakage from the public sector. There a ton of steel sells for LE190 while its official price is LE95. Obviously building costs far exceed the rent committees' estimates, and the owner is obliged to pass on the difference to the lessee by extracting "rent advances," or to the purchaser by grossly inflating the price of the apartment.²³

Everyone but the developer is a loser in this situation. The poor lose because the state cannot and the private developers will not meet their needs. Middle-income groups lose as they tie up their savings in overpriced housing. The city loses as it is unable to tax anything but legally paid rents (netting the city a meager LE1,298,000 in 1969) when most of these transfers are carried out through unorthodox, unmonitored channels. Finally, the state loses through the siphoning-off of scarce materials into the black market and the

diversion of savings and investment into speculative, nonproductive ventures.²⁴

No one is offering any partial, not to mention definitive solutions. There has been talk, as mentioned, of satellite cities, but the costs are staggering (see Part I in this series). There has been some effort to develop a prefabricated housing industry in Egypt, but it is in its infancy, and there is no guarantee that the country can produce prefabricated units at low cost. There is some limited effort at slum clearance but it in no way keeps pace with the emergence of new slums. For middle-income groups the present and future are hardly pleasant, but they will probably be able to find

housing. Lower-income groups cannot pay beyond a certain level, nor can they continue to pack themselves into existing housing indefinitely. The best hope for Cairo is that the attractions of the city will become less as the housing crisis deepens, and that migrants will head for other centers where, presumably, regional development schemes are being carried out. It may even be that the village will become more attractive than the city. Still Cairo will continue to grow, and the housing crisis will remain acute. Like the future of the city itself, housing in Cairo will in all likelihood develop forms that have few precedents, and about which past experience and conventional wisdom have little to tell us.

[Part III completes the series, *Cairo: Third World Metropolis* by John Waterbury]

NOTES

1. Charles Abrams, *Man's Struggle for Shelter in an Urbanizing World*, MIT Press, 1964, p. 5.

2. See John C. Turner, "Housing Priorities, Settlement Patterns, and Urban Development in Modernizing Countries," *American Institute of Planners*, Vol. 34, no. 6 (November 1968), pp. 354-363; and "Uncontrolled Urban Settlement: Problems and Policies," in Gerald Breese (ed.), *The City in the Newly Developing Countries*, Prentice-Hall, 1969, pp. 507-34.

3. On April 5, 1973 the Minister of Interior ordered that all clandestine roof housing must be removed at the expense of the building owners. Failure to do so would entail a week's imprisonment and a fine of LE10 (\$25), *al-Ahram*, April 5, 1973.

4. Much of my information on Bulaq Dakrur came through an interview with the former Governor of Giza Province, Dr. Fuad Muhy al-Din. A sample survey in Sayyida Zeinab showed that 75 per cent of the families had monthly incomes of under LE20. See Ahmad Neklawi, *Cairo: A Study in Urban Sociology*, Dar al-Nahda al-Arabia, Cairo 1973, p. 235.

5. See Mohammed Basha's interview with the Governor, *al-Ahram*, March 15, 1973.

6. See *al-Ahram*, November 24, 1971.

7. See Nabil Sabbagh, "Housing—an Aggravated Crisis Awaiting Solutions," *al-Ahram al-Iqtisadi*, no. 429, July 1,

1973, reporting on a study carried out by the Housing Committee of the Popular Assembly of Cairo Governorate, presented by Dr. Gharib al-Gamal.

8. *Ibid.*

9. See Mohammed Kamil Zaytun, "The Situation of Low-Income Populations vis-à-vis Economic Housing," *al-Ahram al-Iqtisadi*, May 15, 1972, p. 12.

10. Neklawi, *loc. cit.*

11. *Al-Ahram*, May 8, 1972.

12. *Al-Ahram*, September 29, 1971.

13. For a trenchant series of articles on urban planning, see Ahmad Baha al-Din, in *al-Ahram*, August-October 1971, especially "From drafting the new map of Egypt to redrafting Liberation Square," October 24, 1971.

14. See the critique of Nasr City by Dr. Sa'ad al-Din al-Ashmawi, "Rational Organization and the Transportation Problem," *al-Ahram al-Iqtisadi*, January 15, 1969 (supplement).

15. See the round table discussion, "The Way to the Cairo of the Future," *al-Talia*, Vol. 5, no. 2, February 1969, p. 82.

16. Nabil Sabbagh, *op. cit.*, p. 36.

17. See Gamal al-Uteifi, *al-Ahram al-Iqtisadi*, November 15, 1961. Uteifi gives the following hypothetical accounting for

a four-room apartment renting for LE10 per month (i.e., less than LE3 per month per room).

Rental value per year	LE 120
Standard 20% reduction for operating cost	24
amount subject to 10% tax	96
ACTUAL TAX	9.6
Suppl. taxes at 20% of actual tax	1.92
Municipal fees at 26.6% of actual tax	2.56
Tenants fees at 25% of actual tax	2.40
Defense tax at 25% of actual tax	2.40
TOTAL TAX	18.88

The annual rent on the hypothetical unit would thus be reduced by LE18.88.

18. See Anouar Abdel-Malek, *Egypt: Military Society*, Vintage, New York City, 1968, p. 81.

19. "Egypt: Red Hot Property Climber," *Sketch* (Beirut), vol. 2, no. 8, June 1, 1973, and *Akhbar al-Yom*, April 7, 1973.

20. There are no zoning laws in Cairo. The nearest approximation concerns the old Fatimid city of medieval Cairo comprising Gamalia, Darb al-Ahmar, Ghuria, etc. It was determined that no new construction could be undertaken there

that was not in harmony with the older buildings. However, these are some of Cairo's most densely inhabited areas with many structurally unsound buildings. Because of the law, hardly any building permits had been issued over the last eight years. The present Governor, Hamdy Ashur, is trying to reverse this trend by opening up the possibility of construction even if it be at the cost of harmony.

21. See Kemal Sa'ad, "Selling Apartments" *al-Musawar*, no. 2112, April 12, 1965; Nadia Abdelhamid, "Apartments for Sale," *al-Ahram*, August 16, 1972; and Dr. Milad Hanna, "Parasitic Incomes and the Housing Crisis," *al-Talia*, Vol. 9, July 1973, pp. 32-34.

22. *Al-Ahram*, December 20, 1972 and *Akhbar al-Yom*, February 8, 1973.

23. Samir Izzat, "Key Money Reaches LE5,000," *Ruz al-Yussef*, no. 2290, May 1, 1972.

24. Many of these problems are examined in a stimulating article by Dr. Galal Amin, *Urbanization and Economic Development in the Arab World*, Arab University, Beirut, 1972.



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