



INNOVATIONS FOR SUCCESSFUL SOCIETIES

RECLAIMING AN EGYPTIAN TREASURE: RESTORING INFRASTRUCTURE AND SERVICES, ALEXANDRIA, 1997 - 2006

SYNOPSIS

When Mohamed Abdel Salam El-Mahgoub became governor of Alexandria in 1997, he took charge of a storied Egyptian city on the verge of collapse. Garbage and trash lined streets that were clogged with traffic. Roads, highways, water and sanitation systems required urgent repair. Corrupt municipal employees exacted costly bribes for business licenses and building permits. The city's economy had slowed, as investors, put off by the city's fading infrastructure and poor services, took their money elsewhere. Alexandria's fortunes began to turn at the beginning of a nine-year period that came to be called "the Mahgoub era." Determined to restore the city's greatness, Mahgoub encouraged citizen participation, formed alliances with key groups, and won public support via high-visibility projects. He made government more business-friendly by tackling corruption that inflated the price of required documents, and he lured back investors with tax incentives and improved infrastructure. During his nine years in office, Mahgoub saw Alexandria's economy bloom, fueled by construction projects and an improved business climate. Although some reforms lost momentum when Mahgoub was promoted to a cabinet position in 2006, his accomplishments as governor underscored the value of citizen participation in Egypt's centralized government.

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INTRODUCTION

"The population believes in me," Mohamed Abdel Salam El-Mahgoub, the governor of Alexandria from 1997 to 2006, told *The Wall Street Journal* in 2001.¹ Nine years later, his former adviser, Shaker Helmi, backed up the statement: "People [in Alexandria] really liked Mahgoub. Cab drivers, vendors on the Corniche, and business owners said to me, 'We would vote for Mahgoub to become president if Egypt were a democracy.'"

Mahgoub's unorthodox approach to his job won him admirers in Alexandria. Residents recalled the governor moving around the city without a security detail, an uncommon practice among high-level officials in Egypt. Sherif Hamdy, operations officer at the World Bank's International Finance Corporation (IFC) and a citizen of Alexandria, recalled, "When Mahgoub came to Alexandria, it was a huge shift. I personally saw him twice in Alexandria stuck in the middle of a jam. He did not have an

entourage. He only had one cop on a motorcycle, without security around him. He drove a modest car, and you often saw him with an umbrella standing on the site of constructing a new bridge with the project manager.”

Mahgoub’s populist style was unusual for Egypt. Under the tight control of Hosni Mubarak, Egypt’s president since 1981, governors had little decision-making power. The 62-year old Mahgoub, formerly vice chairman of the powerful National Security Office, enjoyed a good relationship with Mubarak. Mahgoub had graduated from the Egyptian Military Academy in 1955, rising through the intelligence corps to become second-in-command at the National Security Office in 1992. Mubarak appointed him governor of the Suez Canal governorate of Ismailia in 1994 before transferring him to Alexandria.

In 1997, the Alexandria governorate had a population of about 3.8 million.² Located along the Mediterranean, its capital, also named Alexandria, had a rich history and was the second largest city in Egypt. More than 95% of the governorate’s population lived in the city, with the rest divided between the two smaller municipalities of Borg El-Arab and New Borg El-Arab. The Borg El-Arab region held 40% of all industrial activity in Egypt.³

During the 1980s and 1990s, Alexandria’s infrastructure, services and economy had suffered. Ismail El-Gawsaky, who was governor from 1986 to 1997, had made few efforts to overhaul roads or bridges, maintain water and sanitation systems, or fix electricity and transportation networks. Citizens lacked adequate access to education and health services. Businesses found it difficult and often unprofitable to invest in the city. Tourists, who used to flock to Alexandria’s beaches and other attractions each summer, went elsewhere. Only 2% of the six million annual foreign tourists to Egypt visited the city.⁴

During his nine years in office, Mahgoub widened and upgraded roads and bridges, privatized solid waste management, commissioned better schools and hospitals, and applied policies that created jobs. He also fought corruption among the city’s municipal employees. His reforms attracted billions of dollars of investment as he set up three industrial areas, provided cheap electricity to businesses and offered tax incentives.⁵

Although priorities shifted under the succeeding governor, Adel Labib, the steps Mahgoub took to earn public trust and his efforts to achieve greater transparency and accountability in public services offer lessons for governors in similar situations.

THE CHALLENGE

When Mahgoub came to Alexandria in 1997, infrastructure and service-delivery problems abounded. Heavy traffic (at the peak, about 4,000 vehicles per hour⁶) clogged the Corniche, a 22-kilometer stretch of coastal road in the city. Nearly a third of residents, including more than a million in the city’s 40 squatter settlements,⁷ had limited access to water, electricity and sanitation.⁸ Sanitation pipes emptied more than a million tons of untreated sewage and industrial waste annually into nearby Lake Marriout, a 700-square-kilometer lake southeast of the city, and the Mediterranean Sea.⁹ Marwan El-Sammak, secretary-general of the Alexandria Business Association, recalled, “We were all stuck in an infrastructure that was not growing. It was stagnant and repellent.”

Not long after Mahgoub took office, Mohamed Ragab, president of the Alexandria Business Association, a group representing powerful business interests, handed him a 14-page document detailing inefficiency and corruption in government offices. Entrepreneurs who wanted to register new businesses and obtain licenses had

to go through 132 steps, including getting approval from 18 government institutions.¹⁰ The average time for such licenses was seven months, and the process could take as long as a year. The need for bribes made the application process even more odious. Business owners who could not afford the costly bribes to secure licenses instead paid smaller amounts to police officers to operate without licenses.

Corruption was especially acute among municipal employees who issued building permits. Under Egyptian law, construction companies had to obtain permits before beginning projects. Developers, fearful of municipal employees who could delay permits for months, sometimes paid bribes that were hundreds of times more costly than the official price of the permits they applied for.

Meanwhile, Alexandria's economy stagnated as businesses moved to other cities. The overall unemployment rate for the city stood at about 9.6%¹¹, with higher rates in the city's squatter settlements.¹²

Alexandria's decline had started decades earlier when President Gamal Abdel Nasser put nationalization policies into effect. Leading a series of state-led development programs, Nasser in 1954 introduced land reform laws, nationalized private industries, and created a centralized bureaucracy. Mostafa El-Abbadi, professor emeritus at Alexandria University, recalled that time in the city's history: "Every piece of paper had to be stamped in Cairo, and many people moved to Cairo."

Egypt's centralized political system made it difficult for local administrators to set priorities or implement projects. In each of Egypt's 26 governorates, the governor worked with an executive council, representatives of ministries, and an elected local people's council. Because members of the executive council reported to their respective ministries rather than to the governor,

all relevant ministries had to endorse any governor's proposal before the plan could move forward.

The centralization extended to Alexandria's budget. In Egypt, most local taxes went directly into the central government's coffers. The Ministry of Finance then disbursed part of these funds back to each governorate according to budgeted allocations. In general, governorates received back about 15% of their collected national revenue to spend on local projects. The governorates could retain money from taxes on agricultural property, real estate, entertainment businesses and motor vehicles, and fees for services provided locally.¹³

Two key factors helped to create the reform moment when Mahgoub became governor in 1997. First, because of his past association with Mubarak, Mahgoub had the ear of the most powerful man in Egypt. El-Abbadi of Alexandria University noted, "Mahgoub was on very good terms with the president. He could pull through the projects and finances that others could not." Second, the Muslim Brotherhood, Egypt's oldest and largest political opposition group, had gained a strong foothold in the governorate. Banned as a political party under Mubarak's rule, the Muslim Brotherhood operated health clinics and schools in Alexandria, earning the respect of citizens who were fed up with the ineffective, insensitive and authoritarian government. A significant part of Mahgoub's job as governor was to win back public support for the government by addressing the daily needs of a restless population.

FRAMING A RESPONSE

Aiming to rebuild trust between the city government and citizens, who had witnessed a slide in services and the growth of corruption, Mahgoub initially worked to build alliances with influential groups and use high-visibility projects to demonstrate responsiveness to public needs.

He reached out to businessmen, university professors and development experts as partners in addressing Alexandria's infrastructure and service-delivery problems. His initial steps focused on high-visibility efforts to repaint city buildings, widen roads to ease traffic congestion, and clean streets.

Bolstering his team in 2002, Mahgoub appointed Mohamed Bassiouny as his secretary-general, or second-in-command. Trained as an army officer, Bassiouny had been a communications expert in Cairo's Central Security Monitoring Office, a government intelligence agency, where he had regularly worked with Mahgoub's office. Bassiouny's past relationship with Mahgoub made it easier for him to work closely with the governor. "Mahgoub trusted my experience, and we worked together for five years," Bassiouny recalled.

According to Hamdy, who coordinated the International Financial Corporation's Alexandria projects with Bassiouny, "They were on the same wavelength. The secretary-general often took decisions without going back to the governor; the governor trusted him."

With Bassiouny's help, Mahgoub created open and transparent procedures in the governorate office to root out corruption among municipal employees. Together, they ensured that the governorate office responded to citizens' complaints of corruption or mistreatment. At the same time, they provided financial incentives to municipal employees.

Mahgoub's participatory yet direct management style helped him achieve deep reform in the governorate office. As Heba Handoussa, lead author of the United Nations' 2004 Egypt Human Development Report, observed, "He used an iron fist with a very generous and friendly face."

Drawing on ideas developed during visits to cities in Europe and the United States, Mahgoub

put innovative development plans in place. For instance, after seeing Baltimore's waterfront development in 2000, he planned to develop Alexandria's harbor into a complex of marinas, restaurants and shops.¹⁴ Bassiouny visited cities such as Marseille, Barcelona and Toulouse to learn from their experiences in city planning and project management.

GETTING DOWN TO WORK

Mahgoub reached out to important groups as soon as he arrived in Alexandria. In April 1998, he met with the president, vice president and deans of Alexandria University and asked them to advise the governorate on public projects. According to Helmi, a professor at the university's Institute of Graduate Studies and Research, "Mahgoub involved the university in different ways by asking the faculty in engineering, agriculture and medicine to become consultants." University professors, working without financial incentives, became drivers of the city's development, advising on solid-waste management, education and urban planning projects. Focused on tapping local expertise, Mahgoub initially declined to hire consultants from outside the city, Helmi recalled.

Mahgoub also wooed the private sector. While Alexandria's business community regularly donated to philanthropic causes, business people had never formally participated in the city's beautification or development. A few months into his term, Mahgoub met privately with representatives of the Alexandria Business Association and Borg El-Arab Investors Association to solicit their support. Mohamed Hanno, a board member of the Alexandria Business Association who was present at the meeting, said he was impressed with the new governor: "I had attended meetings with other government officials, but the meeting with Mahgoub was very different. He was modest. He

listened well. He tried to answer every question. That was not a common practice at the time for governors. It built confidence. The business community started getting involved in helping the governor.”

Handoussa, author of the 2004 U.N. report, commented on Mahgoub’s alliance with the private sector: “Everyone talked about his boldness with the business community. It was his big scoop. ... We were just getting acquainted with private-public partnerships [in Egypt], but he was truly the first one to experiment.”

Mahgoub, quick to capitalize on the business people’s troubles in getting building permits and business licenses, offered a quid pro quo: His office would streamline the application process for licenses, award greater numbers of building permits and address corruption among municipal employees in return for business contributions to a city development fund. Although the proposal was unusual, the local business community agreed and started donating to the governorate. Between 2002 and 2006, businesses contributed 90 million Egyptian pounds, or about US\$18 million, to improve schools and clinics. The contributions bolstered Mahgoub’s fiscal independence and allowed him to initiate projects to renovate infrastructure and provide better services.

Fixing infrastructure, bolstering services

When he took over in 1997, Mahgoub sought a way to change outlooks and build popular enthusiasm quickly. According to professor El-Abadi, “He started by painting the facade of houses and buildings along the Corniche so that everyone would feel the change.” He also persuaded businessmen to fund renovations of city squares and other public areas.¹⁵

Mahgoub decided to invest in high-visibility projects that would showcase the government’s effectiveness and responsibility. One such project was already in the pipeline when he became

governor. Under the former governor, the central government had approved a project to widen the Corniche but had delayed funding needed to complete it. Mahgoub, realizing the significance of a project that had the central government’s backing and was appealing to the local population, successfully petitioned the Minister of Housing and Development to release the funds. The project, initiated in 1998, ultimately took five years to complete. But by 2002, the Corniche had five lanes in each direction, and Alexandria’s traffic flow improved significantly.

Mahgoub also asked advisers at Alexandria University to assess other roads, as well as housing, transportation and city services, extending beyond the main business areas. Hisham Seoudy, dean of the Faculty of Fine Arts at the university and adviser to the governor, described the governor’s expansive approach: “Alexandria is a linear city. Mahgoub asked us to start from both sides of the city. He told us that our priorities must be in every district and area.”

Between 1998 and 2000, as advisers completed development assessments, Mahgoub’s administration renovated more roads, installed streetlights as far as 30 kilometers outside the city, overhauled the public transportation system and installed fiber-optic phone lines.¹⁶ Realizing that improved sanitation was high on the list of public priorities, Mahgoub chose to address Alexandria’s garbage and solid waste problem as well. In 1998, he commissioned a detailed study on waste management by experts from the university. Based on their recommendations, Mahgoub invited bids from international companies and in 2000 outsourced Alexandria’s solid waste management to Veolia, a French company. Veolia, through its local subsidiary Onyx, started a 15-year contract in 2001.

Mahgoub also focused on improving the city’s education system. He partnered with business people to renovate school facilities and

fund equipment. In 1999, the governorate worked with the Alexandria Business Association to start School to Work, a program that helped students find career training opportunities and jobs after graduation.

Alexandria also benefited from education reform at the national level. In 2004, as the central government took steps to decentralize education, Mahgoub implemented a pilot project in 30 city schools. He created a consulting committee comprising the minister of education, the governor and 16 community leaders. The committee met four times a year to oversee schools at the governorate level. Below this tier, he created district committees that met monthly to oversee schools at the district level. He also appointed a board of trustees in every school. Each board included the head of the school, faculty members and parents. Citizens were thus able to voice their opinions during board meetings and actively participate in the school's administration.

Quelling corruption, boosting performance

To sustain improvement in city services, Mahgoub knew he faced the tough challenge of tackling corruption among municipal employees while at the same time trying to build employee loyalty and competence. He took the first steps soon after he became governor.

First, he advertised an open-door policy for citizens who had complaints about bribery or abuse. Many employees resented the move, which created new hurdles for those who wanted to solicit under-the-table payments. Second, he followed up publicly on serious allegations of corruption. Helmi, Mahgoub's former adviser, recalled that the governorate office widely publicized one case in which police arrested 14 municipal employees for corruption in a land-ownership scheme. Third, Mahgoub pushed for transparent handling of government projects. For

example, when contracting out Alexandria's solid-waste management, he set clear and systematic procedures for accepting and evaluating bids. He appointed a technical evaluation committee of university professors and city officials to draft project guidelines and evaluate applications. He also asked governorate officials to announce details of projects to members of the elected local council, business associations and the press.

In 2002, Bassiouny revitalized a neglected office within the governorate to discourage corruption on government projects. Modeling the department along the lines of the Central Security Monitoring Office in Cairo, he hired 30 engineers, agricultural specialists, doctors and environmental experts and equipped team members with cameras to record the progress of projects. Authorized to run checks and view project documents, the monitoring team tracked the performance of both municipal employees and contractors, and reported irregularities directly to Bassiouny.

Aiming to build rank-and-file support within the governorate, Bassiouny also worked with Mahgoub to improve job conditions for government workers. He visited each department and bought new air conditioners, replaced broken furniture and took other steps to brighten workplaces. Bassiouny also put a team in charge of identifying and removing outdated and unneeded documents, some as much as 50 years old, that filled governorate offices. Within a few weeks, he said, team members discarded 25 truckloads of documents.

Financial incentives for municipal employees were next on the agenda. Bassiouny said, "We had to start with the people who implemented the services. Employees handled project plans and accounts worth millions of pounds. But they were paid very small salaries. It was essential that we increased their salaries." Because Egypt's central government controlled the salaries of municipal

workers, Mahgoub did not have the authority to change them. Instead, Bassiouny and Mahgoub decided to award employees regular bonuses financed through the city development fund and taxes collected and retained locally. By the end of 2002, employee salaries had increased by more than 150%, said Bassiouny.

Bassiouny also encouraged employees to participate in training sessions sponsored by the central government in Cairo. He soon discovered that a majority of the employees never pursued further training because they were not adequately reimbursed for lodging and food. He ensured that employees could stay at decent hotels and that they received adequate stipends from the city development fund. Bassiouny recalled, “The governor gave me total authority in these spheres and was very cooperative in the implementation of these changes.”

Fueling the economy, planning for growth

Mahgoub’s initial focus on infrastructure projects gave a quick boost to Alexandria’s economy. Construction businesses and related sectors flourished. The new projects created substantial job opportunities within Alexandria, and the city hired additional workers from neighboring governorates, said the IFC’s Hamdy.

Mahgoub also worked to attract large investments to Alexandria. “We want investors to make money and invest money and be with us,” he said in the 2001 *Wall Street Journal* interview. “We think like them and accommodate their needs.” In one instance, after spending a month getting approval from the central government, he offered a 10-year tax break to a foreign company that wanted to expand its polyester factory in Alexandria. The governorate also financed two 650-megawatt generators to provide cheap electricity for manufacturers.¹⁷

Other political developments helped Mahgoub’s cause. In 2004, newly appointed

Prime Minister Ahmed Nazif of the ruling National Democratic Party formed a cabinet oriented toward improving Egypt’s business climate and dismantling barriers to investment. The cabinet pushed forward reforms in customs and tax administration that trickled down to Alexandria and other Egyptian cities in the form of pilot programs.

Mahgoub’s successes in Alexandria enabled him to lobby Nazif’s reform-minded cabinet for more funds. Indeed, Helmi said that the economic improvement helped enlist the support of Minister of Investment Mahmoud Mohieldin and Minister of Trade and Industry Rachid Mohamed Rachid. Finance Minister Youssef Boutros-Ghali directed money from other governorates’ less-successful projects and channeled it into Alexandria. Alexandria was using 120% of its budget by the end of 2004, thanks to the additional funding, Bassiouny recalled. “The Minister of Finance gave us the money we asked for when he saw that Alexandria was rolling along and helping him raise budget-use percentages,” he said.

Six years into his tenure, Mahgoub focused on Alexandria’s future growth. In 2004, Mahgoub asked Bassiouny to collaborate with the World Bank and the Cities Alliance, a global coalition, to develop a City Development Strategy, a comprehensive plan for Alexandria’s long-term development and economic growth. For its first such project in the Middle East and North Africa, the World Bank provided a US\$10 million low-interest loan to the governorate. A committee of professors and governorate officials, with advice from World Bank experts, took six months to complete an initial assessment.

The group then consulted with non-government organizations, business associations, local council officials, and representatives from the Library of Alexandria, the hub of the city’s intellectual community, to tap community

expertise and build a feeling of collective local ownership. Completed two years later, the strategy plan focused on economic development, upgrading of squatter settlements, and environmental rehabilitation of Alexandria's Lake Marriout zone.

Alexandria's progress drew interest from other international organizations. In 2005, the IFC signed an agreement with the governorate and the central government's General Authority for Investment (GAFI) to start a pilot project to simplify the complex requirements that discouraged the start-up of new businesses in Alexandria. IFC Operation Officer Hamdy said, "We chose Alexandria because of a reform-oriented governor who was really welcoming of reforms. He had already started initiating reforms in Alexandria, and the people respected him and loved him." GAFI and the Alexandria governorate, with the IFC's support, streamlined business registration into an efficient "one-stop shop" within two years.

In 2006, when the World Bank-funded strategy plan was complete, several international donors came forward to fund implementation of the development proposal. These included the United States Agency for International Development, the European Commission, the government of Canada, the Egyptian-Swiss Fund, the World Bank, the Japan International Cooperation Agency and the German Technical Cooperation (GTZ). For example, the GTZ decided to help with the squatter settlements, and the IFC proposed to advise on attracting industries to Alexandria.

OVERCOMING OBSTACLES

Soon after taking office in 1997, Mahgoub realized that he would have to use a variety of tactics to win the confidence of Alexandria residents who had grown accustomed to poor services and did not trust the government. Unlike

previous governors who largely remained in their offices, Mahgoub cultivated a public image as a person who cared deeply about the city and its citizens. He spoke frequently at business clubs, schools and the Library of Alexandria. His office was open every Tuesday for citizens who wanted to voice complaints about government and suggestions for improvements. Both Mahgoub and Bassiouny set a priority on responding to requests and complaints. Bassiouny recalled that he took home a bag full of letters and petitions every evening. "Every day I read and made decisions," he said. "If any paper was directed to governor, I made notes with advice and suggestions. Sometimes I would sit from 7 or 8 p.m. to 3 a.m."

Mahgoub bolstered his image by using the local government-owned television channel to reach out to Alexandria's citizens. One of the few media tools at Mahgoub's disposal, the channel held regular discussions on the city's development. Governorate advisers and experts appeared regularly on shows. Former adviser Seoudy of Alexandria University said, "Every day I was on Channel 5 to talk about our ideas and projects. There were many others who did the same." Seoudy described such activities as part of a critical strategy to engage citizens and demonstrate the government's transparency.

Mahgoub's rising popularity created risks in Egypt's autocratic setting. If Mubarak viewed Mahgoub as a potential rival, the president could move him to another, less-visible position at a moment's notice. Handoussa, who wrote the U.N. report in 2004, said, "People in elite circles began saying that Mahgoub has become a hero to the people of Alexandria, and now he will be removed. The president does not like competition."

Aware of Egypt's political realities, Mahgoub enlisted cabinet ministers as partners in Alexandria's projects. It helped his cause that

Prime Minister Nazif, appointed in 2004, and Minister of Trade and Industry Rachid were from Alexandria. Mahgoub made concerted efforts to involve cabinet ministers in the early stages of projects. He briefed them frequently and often invited them to Alexandria to participate in planning meetings. His team clearly outlined job responsibilities, stakeholders and the chain of command for every project. Mahgoub hoped that these measures would help sustain projects beyond his tenure, former adviser Helmi said.

ASSESSING RESULTS

Mahgoub's strategies in Alexandria paid off as news media from Cairo began to cover the city's progress. In a 2001 interview with the Egyptian weekly *Al-Ahram*, Mahgoub said, "I want to see an Alexandria which is the most beautiful city of the Mediterranean. ... We have started on that road and will get her there."¹⁸ Within a few years, newspapers were crediting Mahgoub with "engineering a renaissance."¹⁹

During his nine-year term, Mahgoub improved the lives of Alexandria's people by concentrating on infrastructure, services and business incentives. About halfway through his tenure, in 2001, Mahgoub noted in an *Al-Ahram* interview, "... We have successfully drawn 50% of [Egypt's] petroleum [refining] industry here. Our plan in the next three years is to increase that 50% to 85%. There is great potential to draw investment here, which of course draws more people." By 2002, Veolia, the French firm hired to handle Alexandria's waste, had 4,500 workers who operated 500 vehicles in the city, collected and treated a million tons of solid waste annually, and cleaned streets, public squares, bus shelters, public fountains and parks. Visits by Egyptian and foreign tourists doubled to two million in 2003²⁰ from one million in 1996.²¹ The 2005 GAFI project to simplify business registrations produced significant gains. Both the time and the

number of steps required for registrations fell by 30%, and the cost shrank by 8%. By 2007, company registrations in Alexandria had risen by almost 15%.²²

Some critics complained that Mahgoub's measures reflected a lack of foresight. For instance, the many building licenses issued by his administration led to a surge in activity that aggravated service-delivery problems in some areas. Mohamed Awad, director of the Alexandria and Mediterranean Research Center at the Library of Alexandria, said in a 2004 interview: "There is no planning going on. We don't really have a 'planning' authority—what we have is an implementer. When the Corniche was widened, for example, they destroyed some important archaeological sites and left no beaches. Can you imagine? We have one of the longest corniches in the world, yet there are 25 kilometers with no sand beaches, and Alexandria used to be famous for its beaches."²³

People also opposed the location of Veolia's landfill, a dumping site for 3,000 tons of solid waste daily. The site, located close to popular beach resorts, affected local revenues. Residents complained of health problems as well. The ensuing public outcry led the governorate to relocate the landfill to a site farther away in 2003.²⁴

Mahgoub's collaboration with business people also came under fire. Newspaper articles questioned the voluntary contribution that businesses made to the city development fund, claiming that Mahgoub was favoring the private sector at the expense of the public good. In 2000, for instance, the courts overruled his proposal to rent out a public park to a local businessman. Mahgoub said he based proposals on his inclusive approach to governing: "Public rights will not be violated because every case is subjected to study on multiple levels: local councils, executive bodies and sometimes the courts. If all these agree, then

we must rest assured that public rights are intact.”²⁵

Tensions also surfaced between development enthusiasts and citizens who worried that Alexandria’s growth came at the expense of the city’s architectural heritage and character. Mahgoub countered the criticism in a 2001 interview with *Al-Abram*. “We are the only governorate that has completed a comprehensive survey of all the buildings that are exceptional and are considered a component of the city’s heritage,” he told the newspaper. “... Buildings are brought down, of course, but these are not on the heritage list.”²⁶

In 2006, President Mubarak promoted Mahgoub to the cabinet as minister of local development. Adel Labib, formerly governor of Qena, became the new governor.

Because Labib did not build upon Mahgoub’s strategies, most of the recommendations made in the World Bank-sponsored City Development Strategy were not implemented. The two-year study, completed in 2006, had already contributed in other ways, however. Alexandria was exposed to international donors, who remained keen to invest in the city. The study also aided in the formulation of central-government policies on land and city planning, traffic management, urban codes and regulation. The World Bank and other partners used the Alexandria experience as a template for a similar process in the Cairo area.

While priorities shifted under the new governor, some changes could not be reversed.

The business community had become an active partner in the city’s progress. Hanno, of the Alexandria Business Association, pointed out in 2010, “We are still heavily involved in education initiatives that are still going on. The Chamber of Commerce, a local business institution, also got very close to the local government here in Alexandria during Mahgoub’s time. They have kept this relationship until now.”

REFLECTIONS

In 2010, Mohamed Hanno of the Alexandria Business Association reflected, “With small problems you can depend on the system. But with big problems, you need someone who can inspire and support you, and you need a vision. That leader must be able to communicate his vision to the rest of government and employees, and be able to tackle problems on all fronts.” Mohamed Abdel Salam El-Mahgoub was this kind of leader during his nine years in Alexandria, and he created a responsive local government that had strong public support, Hanno said.

With an eye to building sustainability for his reforms, Mahgoub set priorities for the city’s growth, tapped the talent of its residents, generated new revenue streams and created a long-term development strategy. Winning public trust and including citizens in development projects played important roles in the success of his efforts. “Mahgoub brought the ideal model of administration and leadership to Alexandria,” said former Secretary-General Mohamed Bassiouny. “People felt that the city belonged to them.”

¹ Stephen J. Glain, “Egypt’s Determined Governor of Alexandria Makes a Splash,” *The Wall Street Journal*, 10

² M. Khalid Dewidar, Mohamed M. El-Raey, Omran E. Frihy, “Evaluation of Coastal Problems in Alexandria, Egypt,” *Institute of Graduate Studies and Research* (Alexandria University: 1996), 282.

³ Dewidar, El-Raey and Frihy, 282.

⁴ World Bank, *Alexandria City Development Strategy: Process and Results: 2004–2008*, (2008), 35.

⁵ Glain, “Egypt’s Determined Governor of Alexandria Makes a Splash.”

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- ⁶ Khaled A. Abbas, "Framework for Assessing Traffic Impacts Generated by Mega Complexes: A Case Study of San Stefano Grand Plaza, Egypt," *Impact Assessment and Project Appraisal* 22:4 (2004): 323.
- ⁷ Christian Arandal, Manal El Batran, "The Informal Housing Development Process in Egypt," *Centre Nacional de la Recherche Scientifique* (1997), 28.
- ⁸ *Alexandria City Development Strategy: Process and Results: 2004-2008*, 8.
- ⁹ Dewidar, El-Raey and Frihy, 288.
- ¹⁰ Sherif Hamdy, Frank Sader, "Simplifying Business Start-up Procedures in Egypt," *International Finance Cooperation* (2008), 33.
- ¹¹ ArabDev Foundation, *A Socio-demographic Snapshot of Alexandria Governorate*, <http://www.arabdev.org/about/background> (24 April 2012).
- ¹² *Alexandria City Development Strategy: Process and Results: 2004-2008*, 8.
- ¹³ "Egypt National Human Development Report 2005." United Nations Development Programme (2005): 37.
- ¹⁴ Glain, "Egypt's Determined Governor of Alexandria Makes a Splash."
- ¹⁵ Yasmin Moll, "A City Reborn," *Egypt Today*, 5 October 2004.
- ¹⁶ Moll, "A City Reborn."
- ¹⁷ Glain, "Egypt's Determined Governor of Alexandria Makes a Splash."
- ¹⁸ "A Match to the Task," *Al-Abram Weekly On-line*, 7-13 June 2001, <http://weekly.ahram.org.eg/2001/537/fe3.htm> (24 April 2012).
- ¹⁹ "Shuffling the Minor Suits," *Al-Abram Weekly On-line*, 8-12 October 2006, <http://weekly.ahram.org.eg/2006/810/fr2.htm> (24 April 2012).
- ²⁰ *Alexandria City Development Strategy: Process and Results: 2004-2008*, 21.
- ²¹ Dewidar, El-Raey and Frihy, 282.
- ²² Hamdy and Sader, 5.
- ²³ Moll, "A City Reborn."
- ²⁴ Cam McGrath, "Raising a Stink," *Egypt Today*, 13 August 2003.
- ²⁵ "A Match to the Task," *Al-Abram Weekly*.
- ²⁶ "A Match to the Task," *Al-Abram Weekly*.

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