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### Moving Governmental Staff to the New Capital City / نقل الموظفين الحكوميين إلى العاصمة الجديدة

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## THE PUBLIC POLICY HUB

# Moving Governmental Staff to the New Capital City

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## I- Executive Summary

This policy paper addresses the current Egyptian Government's decision to establish a New Capital City (NCC) and analyzes the challenges facing the policy of moving the offices of public employees of the Egyptian central government from Downtown Cairo to the new administrative city halfway between Suez and Cairo. These challenges include the size of government bureaucracy as determined by the level of its modernization and technology usage, accessibility to housing and services as determined by the payment methodology, and connectivity between the old and new capital cities based on transportation efficiency and the methods of moving employees. The paper was based on a triangulation method: desk review, interviews, and data collection. The paper refers to the experience of Sadat City as a failed administrative capital in the late 1970s and early 1980s. It also uses few international examples of other countries moving their government to a new capital such as Malaysia, Germany and Tanzania; showing the reasons beyond the move and the challenges faced, with the aim of drawing lessons and learning from them. Finally, the paper concludes with recommendations for policy makers dealing with the process of the movement to the NCC. These recommendations tackle different aspects such as accessibility, affordability, availability of utilities and facilities. Recommendations include the need to provide incentives that would encourage public administrators to move to the new capital, the coordination between the different stakeholders, and offering transportation facilities with discounts and annual membership.



<sup>1</sup> “The proposed new capital of Egypt is a large-scale project announced by Egyptian Minister of Housing Dr. Moustafa Madbouly at the Egypt Economic Development Conference on 13 March 2015. The new, yet-unnamed city is to be located 45 kilometers (28 miles) east of Cairo and just outside the Second Greater Cairo Ring Road in a currently largely undeveloped area halfway to the seaport city of Suez. According to the plans, the city would become the new administrative and financial capital of Egypt, housing the main government departments and ministries, as well as foreign embassies. On 700 square kilometers (270 sq mi) total area, it would have a population of five million people, though it is estimated that the figure could rise to seven million. Officially, a major reason for the undertaking of the project was to relieve congestion in Cairo, which is already one of the world's most crowded cities, with the population of Greater Cairo expected to double in the next few decades.”[https://en.wikipedia.org/wiki/Proposed\\_new\\_capital\\_of\\_Egypt](https://en.wikipedia.org/wiki/Proposed_new_capital_of_Egypt)

## II- Problem Statement

### A. Background:

Greater Cairo is one of the biggest 20 cities in the world. It comprises 20 million citizens every day. That means that it is overcrowded and overpopulated. Other than the over-crowdedness and the overpopulation of the city, the Egyptian government itself is suffering from several problems; centralization, lack of proper citizen-government interface, the over-bureaucracy, and the central location in town and its crowdedness. Therefore, President Abdelfattah El Sisi announced in 2014 the transfer of the capital from Cairo to the New Administrative Capital City of Egypt. It is 60 Km away from the current capital Cairo, on 168 thousand Acres (approx.706 km<sup>2</sup>) which should accommodate 6.5 million people.

The NCC is a solution to the central location of government facilities that are not really connected, but located downtown, including the governmental complex “the Mogamaa” located in El-Tahrir Square in Cairo’s Down Town area, which is on its way to being digitalized as the Egyptian government announced that the United Arab Emirates will help in this process. Therefore, this could be the beginning of decentralization by building an independent NCC.

The NCC includes different important buildings that will move from the city center to the NCC, like government buildings, buildings for the parliament, ministries and conference centers. It will also include ministries and related institutions, some of which are already identified like the Ministry of Defense and War Production, and the Ministry of Housing, embassies, international cooperation institutions, such as UN buildings, and buildings for investors.

The NCC also includes residential units in modern buildings with efficient and eco-friendly energy, water and waste management, buildings of low-cost housing “Mogtamaat el Omraneya” such as seen in the Mostakbal city. The NCC also includes specialized zones such as a medical city, a knowledge city, an expo city, religious institutions, a conference zone, opera house, educational institutions, industrial zone, and an international airport all connected with infrastructure.

### B. Who is moving?

Based on interviews with three professors working closely in the field of urban development and research conducted about the plan to move to the New Capital City, there is no clear idea announced/published about who is moving, whether the whole of the government or parts of the government, but based on the structure of the buildings it is apparent that not only high positioned people will move but also staff and workers in nearby neighborhoods within the NCC. During an interview with a high official in a governmental institution, an idea was presented as an assumption: if 100,000 staff members will be moved then 10% might consider moving and living in the NCC which means about 10,000 people with their families, if they have families, will move if they can afford to live in the NCC<sup>(2)</sup>.

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<sup>2</sup> Note: When the American University in Cairo moved to New Cairo it was hard at the beginning but the staff started to move there).

The NCC is not built from scratch. Rather, the government has built on what already exists in this army-owned geographical area, such as the airport and the train railways. The government will create transportation systems inside and outside NCC linking it to the different cities, making it easily accessible.

The service ministries have centralized services that are offered to the public, therefore, citizens usually commute by train/microbus to reach the current ministries' location. Not only Cairo citizens will move to the NCC, but citizens from other governorates, as well, to reach their jobs and to receive the needed services. The scheduled date for the move was June 2018 and now it is June 2019. Some agencies and ministries are newly constructed and their locations are excellent, so there are some questions about their movement. The number on how many will move to the NCC will differ from one ministry to another, but in general, the top level management and directors will move.

### **C. Challenges of Moving:**

#### **1. Modernization of Government and cooperation between the government institutions:**

What is good about the NCC is that it comprises all government institutions in one place, or at least a representation of the embassies, international agencies and financial institutions. All these institutions, as well the government and the parliament, will need supportive services of each institution. What is needed is the cooperation between all these institutions to ensure the connectedness, and by that, their efficiency. Digitalizing the governmental institutions will insure the efficiency in quality and time, especially at the first phase of moving to the NCC. Therefore, advanced technology and infrastructure for the ministries is important in order not to repeat the same mistake of standing paralyzed in Cairo traffic and losing time and energy. Having the New Capital City in proximity to Cairo makes it easier to come and go by car, bus or monorail.

#### **2. Affordability of Moving to the NCC:**

The New Capital City is being designed and planned based on different urban planning models accommodating different social levels. There are houses for each income level which is considered a point of attraction and will lead to the success of the move, not only of the public civil servants, but also the success of the move of Cairo residents. To make the New Capital City attractive for citizens to reside in, the government first constructed the district of the ministries. This step will make the units sellable towards the private sector. Installments with 5% to 10% down payment and long term payment of the units attracts a lot of young people in the construction phase, especially since the prices increase once the buildings are finished in Egypt. Private sector companies are investing in the construction of the different districts of the New Capital City and started to sell units in the different districts of the city. Real estate investment is the booming sector and is fashionable in Egypt. It is preferred more than bank deposits for most of Egyptians. Young people in Egypt are more into moving

outside of the center of Cairo to live in a cleaner place with less pollution and less crowded streets.

### **3. Connectivity and Transportation:**

The most important thing is that there will be “pull” factors that the government offers for families, such as health facilities and education, as well as incentives for people to go live there, like transportation for commuters. Based on “media reports” there will be local transportation and a monorail that will connect the New Capital City to the suburban parts of Egypt like, AinSukhna, New Cairo, 6th October and Alexandria. This is within the transportation development strategy in Cairo’s move to the NCC.

Inside Cairo, there will be new metro lines connecting different parts of the city. The advantage of moving to the New Capital City is its proximity to Cairo which facilitate transportation means: public transportation as well as private transportation, whether buses or minibuses. The New Capital City will use the existing train railways as well as the existing airport with some modifications to facilitate transportation and linkages.

### **4. Attitudes of Employees towards the Move:**

The current timeline of the move of public employees to the New Capital City is announced as a gradual operation starting in June 2019 with the leaders in each ministry and related public entity facilitating. The Ministry of Planning is the one responsible for the operation and is studying the options based on the number of employees and current situation in each ministry.

The gradual moving operation is not yet clear for the employees: this situation of ambiguity has created questions and discussions among employees in the different entities about who is to move? When? How? Employees have some concerns about the means of transportation, commuting time, effort exerted to reach their new office on daily basis. The most important element for them is cost.

The employees believe that free transportation might be an incentive in the first phase but there has to be another solution for the time of arrival and departure of the staff on a daily basis. Some families will face logistical issues such as collecting their kids from school or going back home in the normal end of business day hours to stay with their kids.

Working remotely makes the good internet connection an urgent need to operate smoothly via internet and electronic signatures and authorizations.

In order to attract the largest number of public employees, some incentives are to be offered in case of employees moving to live in the New Capital City early, such as subsidies, the low rental fees of the new units or long term payment of units’ price. Other incentives in case employees will commute only should be provided, such as free transportation or to receive an additional monthly allowance for transportation.

The gradual move is a phases' operation planned by the Ministry of Planning. The first step is a partial move of the ministries and not everyone will move, especially in the first phase. The first to move are the executive offices of the ministries, such as the undersecretaries and director generals. Some entities related to the ministries with small numbers can move in full number. Some ministries who are serving a citizens mandate will move at a later stage in order to facilitate commuting citizens, especially those living outside of Cairo. Also, some ministries have new buildings that are not causing any congestion problems in Cairo and, therefore, these ministries will have a representation only in the Ministries District of the New Capital City.

Some social concerns were raised during the interviews, like what would happen to single female employees living in Cairo with their parents and cannot move to the New Capital City for social and traditional reasons? Drivers and messengers live already outside of Cairo and commute for hours to arrive to their work; these categories of workers find the move impossible. If these categories will be replaced by new officials, how will one find residents of the city while none lives there yet?

Some ideas regarding the movement of the staff on a daily basis include meeting points in Cairo or from front doors of the ministries premises. Employees also suggested shortening the daily office hours to be 6 hours instead of 8 hours a day in order to spend the two hours span in commuting. The drivers will accompany the staff, therefore, they won't face a problem of residence. A proposal to avail some places for the lowest staff category to live in the weekdays in the New Capital City for free has been raised. Another idea was suggested that residential apartments to be owned by the ministries in order to accommodate staff who cannot commute on daily basis.

The plan to have the city resided in its full capacity is a long term plan that started with the largest hotel built by the Army called "Al Masa Hotel". Advocacy strategic steps were made by the President El-Sisi to display the NCC. One such step was being present during the celebration of the Christian Coptic Christmas mass prayer on January 7, 2018 in the new cathedral built in the NCC showing the Egyptians as well as the whole world that Egypt and its New Capital City is for everyone. A mosque also has been constructed to represent the two main religions in the New Capital City. The ministries buildings are under construction and the plan is to have them finished by June 2019.

A percentage of the staff accepting to move and to live in the New Capital City was discussed and could be around 10 thousands employees from the 100 thousands who are to be moved from the different entities.

### **III. Sadat city as a Failed Experience of a New Administrative Capital:**

Egypt in President Sadat's time planned to move the capital to Sadat City, but the initiative did not materialize for many reasons, one of which was the culture at that time was not to move outside Cairo, especially since transportation was

not available regularly from Cairo to Sadat and vice versa. Media in the late 1970s was not as powerful as in the year 2018 in terms of promoting positively to invest and buy in the New Capital City. The private sector will play the largest role in making the New Capital City successful as a mega project, while there was no role for the private sector during Sadat's time.

In 1974, President Sadat approved "October Paper" which was representing the main policies that the government will work on during his rule. The decision maker realized that the establishment of new cities is one of the top listed priorities for Egypt's development, not only to face the overpopulation problem, but also to achieve social and economic development. The main aim for founding such cities was to expand the urban housing without the infringement upon the productive agricultural lands.

For this aim, a new mission was added to the Ministry of Housing, which was founding and managing the newly established cities after the foundation of the New Urban Communities Authority as a vital part of the ministry (1).

One of the challenges that faces the new cities in Egypt is the "centralization" of the decision making and management. For instance, in 1978, the new established branch of the new urban communities started to work under the management of the Minister Hasaballah Alkafrawy, who was concerned mainly with the issue of providing the low-income citizens with a reasonably priced housing. In 1993, Dr. Mohamed Ibrahim Soliman was appointed to be the Minister of Housing. He believed in the vital role of the private sector, so he concentrated on establishing new resorts and housing as investment projects (2).

The new cities included: Sadat City, 6th October, Obour, 10th of Ramadan, Badr, and many other cities.

Sadat City was established after the presidential decree no. 123 / 1978 to be located in 93 km from Cairo on the Alexandria desert highway in the north-west of Cairo. The current population reaches 200,000 people, while the target capacity is 1.5 million people in 2023 (3).

In the late 1970s, the decision maker started to establish a "Ministries' Complex", that included many ministries, which consequently means that most of the ministers and their assistants would move to live next to their work. The decision maker believed that this complex would attract more investments there and thus the problem of "funding next stages" would be solved. The employees were not accepting this change as they didn't want to move away from Cairo.

Additionally, the media in this stage was not able to create public acceptance and support as well as the government failed to create an advocacy plan for this decision. The project stopped for ten years then it was given to Menoufia University to be a branch of its operations (4).

## V. International Experience of Moving Capitals:

### A. Background

Capital relocation is the physical move of the central state apparatus from one location to another. It is an unusual tool for nations and states buildings, employees, and governments’ premises. It did not happen once or twice. We have dozens of these instances all over the world. Some of them have succeeded in doing so, and the others have failed. Moving the capital has been done for many different reasons. As we see in the following table, these are some of the countries who moved their capitals at least once<sup>(3)</sup>.

**Table 1: Countries who moved their capitals at least once**

<b>Country</b>	<b>Old capital</b>	<b>New capital</b>	<b>Notes</b>
<b>Malaysia</b>	Kuala Lumpur	Putrajaya	It moved its administrative branch from Kuala Lumpur to Putrajaya in 2002. However, Kuala Lumpur remains the official capital
<b>Russia</b>	Saint Petersburg	Moscow	it returned to Moscow in 1918
<b>Kazakh-stan</b>	Astana	Almaty	From 1997
<b>Brazil</b>	Rio de Janeiro	Brasilia	From 1960
<b>Nigeria</b>	Lagos	Abuja	From 1991
<b>Tanzania</b>	Dar es Salaam	Dodoma	In the 1970s, but even after many decades, the move is not complete.
<b>Myanmar</b>	Yangon	Nay Pyi Taw	From 2005 the new capital reportedly a glaringly lit ghost town.
<b>Germany</b>	Bon	Berlin	From 1999
<b>United States</b>	Philadelphia	Washington DC	Moved from 1800

### B. Why a Country Moves its Capital?

Different stories and different answers have been used to answer this question all over the world. Countries change their capital as they expect some type of economic, political, or social benefit. They hope and expect that the new capitals will develop into a cultural stones, and hopefully make the country a more stable place.

<sup>3</sup> Russia moved their capital twice Moscow was the capital of the Russian Empire from the 14th century until 1712.It then moved to St. Petersburg to be closer to Europe so that Russia would become more “western.” The Russian capital was moved back to Moscow in 1918

- Since 1960, the capital of Brazil has been moved from Rio de Janeiro because of overcrowding, to encourage inland growth, to make the location of the capital more regionally neutral as laid out in the Brazilian constitution in 1891, and to avoid the vulnerability to attacks by sea. Those reasons were the obvious reasons declared for moving.
- Nigeria's capital since 1991, moved from Lagos in order to provide a capital city that was a mix of the three major ethnic groups, the Yoruba, Igbo, and Hausa-Fulani. Other reasons include a more central geographic location, and to avoid the overcrowded old capital Lagos.
- Myanmar Capital moved from Yangon to have their military government more centrally located geographically and "to keep an eye" on rebel groups forming and training for coups in the jungles and away from the political activities of Yangon
- A little room to expand was one of the main reasons in Kazakhstan, Almaty, in southern Kazakhstan, was the Kazakh capital when the country gained independence from the Soviet Union in 1991. Government leaders moved the capital to the northern city of Astana, formerly known as Aqmola, in December 1997. Adding to the former reason Almaty might experience an earthquake, and was very close to other newly independent countries, which could experience political turmoil. Almaty was also far from the region where ethnic Russians, who comprise about 25% of Kazakhstan's population, live.

In Egypt, moving to a new capital becomes a priority after the tremendous overpopulation, especially in Cairo; this step was delayed for decades since the failure of the project of Sadat City. Moving to a new capital needs a review for the different international experiences. We are taking Malaysia (2002) as a successful model, Germany (1999) as a partially successful with complications, and Tanzania as an example of failure to move (1970).

### **C. Examples: Malaysia, Germany and Tanzania**

#### **1. Malaysia**

##### **a. Reason behind the movement:**

In the early 1990s, the Malaysian government thought of a new federal administrative capital to be built called Putrajaya. Putrajaya is the new administrative capital of the Federal Government of Malaysia. Strategically located within the Multimedia Super Corridor (MSC)<sup>(4)</sup>, Putrajaya is considered Malaysia's first Intelligent Garden City. It was begun in 1995 as an urban masterpiece for the country, intended to demonstrate both to Malaysians and to foreigners that Malaysia is a stable, prosperous, liberal, and technologically sophisticated Muslim country. It is considered as a model city and as the heart of the nation,

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<sup>4</sup> MSC is a high-tech zone stretching between KL south to the new national airport, and the Kuala Lumpur Metropolitan Area, which includes Putrajaya, Cyberjaya (Putrajaya's high-tech twin city), Petaling Jaya, Shah Alam and Klang

and has become an attractive place to live and work. Putrajaya is supported by commercial centers and public amenities that integrated the garden city theme which became an ideal 'live-work' environment.

It is located 25 km south of Kuala Lumpur (KA). It was selected in 1993 from various sites and in 1996 formally declared as the Federal Government Administrative Center and named after the nation's first Prime Minister, Tunku Abdul Rahman Putra. One of the main reasons for choosing Putrajaya is its location within the proximity of the newly built Kuala Lumpur International Airport (KLIA) and Sepang International Formula One racing circuit. Putrajaya spreads on an area of 4,581-hectare.

Putrajaya Precinct 9 is one of the first residential precincts of the Putrajaya project being developed, comprising a total of 7,000 units made up of double story garden terraces, apartments, houses, semi-detached houses and sub-commercial centers. It has developed in 3 phases spread over a period of roughly five to seven years. The border area comprises 14 residential neighborhoods. Most surroundings have community and neighborhood centers, parks, places of worship and many other state-of-the-art public services. There are 67,000 units of housing for all income sectors.

### **b. Who has moved and why:**

The Prime Minister's Official Residence and Office moved to Putrajaya in 1999. Since then, the Federal Court and twenty out of twenty-five government offices to be relocated have also moved to the new capital. The relocation of the government offices was projected to complete by 2010, 11 years after start the moving process, but the Ministry of Defense, Ministry of International Trade and Industry, and Ministry of Public Works stayed in Kuala Lumpur.

The Parliament secretariat does not have a branch office for association and coordination in Putrajaya, and government ministries do not have offices in Kuala Lumpur either. During Parliament sessions, plenary sessions are held in Kuala Lumpur from Monday to Thursday every week. Cabinet meetings are held in Putrajaya every Wednesday. Traveling time between the old and new capital has never been a problematic issue. It is only 25 kilometers.

The three major justifications concerning the relocation of the government offices are as follows:

- i. The heavy congestion and traffic jams in Kuala Lumpur resulting from over-concentration in the old Capital city.
- ii. Improving government efficiency with e-government. Before relocation, government offices were inefficiently scattered about in Kuala Lumpur like the case of Egypt.
- iii. To solve the problems of government office space shortage and high rent.

### c. Housing for employees:

Putrajaya is the new home to all federal-level government ministries, civil servants and their families with a capacity of 350,000 residents. For the federal government to ensure enough housing to accommodate the workers, more sections of the area within the residential boundaries had been allocated by the federal government to build the government housing either the multi-levels apartments, double-level link terrace housing or even the semi-detached double story chalets or double story bungalows for higher ranking officers. This has been done when more government office buildings were ready and being occupied by the staff.

Precinct 9 is where public servants' housing is located. It is provided with a wide range of facilities that enrich and simplify their daily life. This blend of world class amenities together with the latest innovations in multimedia technologies offer the residents a standard of living that truly is the envy of communities the world over. Public facilities in Precinct 9 include a clinic, smart schools, kindergartens, a post office, a temple, a mosque, and other religious facilities, public market, community hall and a bus depot.

In late 1999, the first group of residents had been starting to move in and beginning to get the 'eco-living' feeling of the residential precinct in Putrajaya.

This area is inhabited by the general public, not only public employees. It is very interesting and bold to say that Precinct 9's double story garden terrace houses can be considered as Malaysia's first neighborhood community to introduce 'fenceless' housing in order to create 'openness' into the neighborhood structure.

There are no concrete fences in between the link houses as has been seen at the typical Malaysian terrace housing. With the government's serious intention to create no barrier among the community living together, regardless of the race and religion, as Malaysia is a multi-racial country, the implementation of this new neighborhood concept achieved that. The 'fenceless' house is the new concept for this type of housing in Malaysia. We can consider this one of the main reasons for successful moving. Table 2 gives better understanding on the phasing and unit tabulation of the government housing at Precinct 9.

In Egypt, the New Capital City (NCC) is designed in the light of the Malaysian model; the administrative capital in Putrajaya is the closest case to the Egyptian experience.

**Table 2: The phasing and unit tabulation of the government housing at Precinct 9.**

	<i>Projects</i>	<i>Types</i>	<i>Units</i>
1	Built 362 units (307 units for Government housing) Double story terrace link house (Phase 1)	Type A	50
		Type B	257
2	Built 3 blocks - 188 units apartment (8-10 stories) Apartment:	Apart-ment: Type B	188
	Built 5 blocks - 344 units apartment	Apart-ment: Type B	344

3	Built 316 units (200 units for Government hous-ing)	Type A	119
		Type B	81
4	Built 204 units Double story terrace (Phase2)	Type A	125
		Type B	79
5	Built 3 blocks –350 units apartment (15-16 sto-ries)(Phase 1A)		350
6	Built 6 blocks –520 unit apartment (11-15 sto-ries)(Phase 1A)		520

**Table 2 Precinct 9 units tabulation as per November 2000**

About the housing rental prices: 100 % of the surveyors in a survey conducted on Putrajaya’s moved employees, said current rentals are lower and with lower rates than what they used to have back in KA.

**d. Challenges and shortcomings of the new Capital (Putrajaya):**

While Putrajaya has been criticized in academia and in the press, it is widely viewed as a success story by government officials in the Muslim world. Putrajaya has already attracted many Malaysian critics whose views about the city are voiced primarily in the blogosphere. The problem of barren, un-walkable streets in Putrajaya cannot be underestimated (like in Brasilia the moved capital of Brazil). One of the main shortcomings is that the climatic response in planning, architecture and landscape architecture is slight. With great design freedom, an expansive budget and an explicit goal of creating a ‘garden city’, the designers for Putrajaya neglect the opportunity of microclimatic design. Moreover, they failed to create a ‘green’ city cooled passively through design and planting rather than relying primarily upon air-conditioning, solely. For instance, rather than narrow streets that provide shade throughout the day, Putrajaya’s wide, formal avenues expose pedestrians, buildings and traffic to direct sunlight.

Furthermore, Putrajaya’s master plan is spacious, comparatively low density and is peppered with grand, and open plazas with no shade, which makes it hard or even impossible for pedestrians to walk in the street during the summer days. Hence, it is not a green city after all.

**e. Transportation in Putrajaya:**

Putrajaya transportation facilities are ranging from taxis to airplanes. There are several excellent transportation options available in Putrajaya. Some of those means of transportation are mainly dedicated to tourists like Intra-City “Green” Bus, boat tour, and NadiPutra Bus. Putrajaya people depend mainly on the KLIA transit in their commuting. KLIA is an inexpensive rapid rail service. The trip takes around 25 minute from KA station to Putrajaya.

At the planning stage of Putajaya there was a proposal of a monorail train between KA and Putrajaya , but unfortunately this project was abandoned in mid-2004 due to lack of funding. The government suggested introducing the tram instead. Trams would be a replacement for a planned 18km monorail project. It is

expected to operate by 2019. According to Tukuadnan<sup>(5)</sup>, the tram service is a suitable alternative to overcome traffic congestion in the two areas which are experiencing rapid increase in population. Moreover, trams are cheaper than a monorail.

Malaysia's experience in moving its capital is a quite successful story to tell. They almost account for each single detail, with little obstacles faced. A small number of public servants needing to move was one of the serving factors, there.

It is worthy to be mentioned that none of the embassies, consulates, or high commissions in Malaysia moved to the new capital, and their assigned locations are still unutilized in Putrajaya. The Putrajaya Diplomatic Precinct in Precinct 15 covers an area of 83.7ha. The main development component is the 61 lots of embassy land offered for sale to foreign missions with basic infrastructure.

## **2. Germany (the unsolved problem of two capitals)**

After the fall of the Berlin Wall in 1989, the two independent countries on opposite sides of the Iron Curtain - East Germany and West Germany - worked toward reuniting after more than 40 years as separate bodies. With that unification came the question, "What city should be the capital of a newly united Germany – east capital Berlin or west capital Bonn?"

### **a. From Berlin to Bonn, Then Bonn to Berlin**

Prior to the division of Germany after World War II, Berlin used to be the capital of the country. With the division into East Germany and West Germany, the city of Berlin (totally surrounded by East Germany) was divided into East Berlin and West Berlin, divided by the Berlin Wall.

Since West Berlin could not serve as a practical capital city for West Germany, Bonn was chosen as an alternative. The process to build Bonn as a capital city took about eight years and more than \$10 billion.

More than 150 national embassies had to be constructed or developed in order to serve as the foreign representation in the new capital city.

Finally, on April 19, 1999, the German parliament met in the Reichstag building in Berlin, signaling the transfer of the capital of Germany from Bonn to Berlin.

Bonn is called the "Federal City" for its role as the second capital of Germany. According to the New York Times, as of 2011, "Of the 18,000 officials employed in the federal bureaucracy, more than 8,000 are still in Bonn."

Bonn has a fairly small population for its significance as the Federal City or second capital city of Germany, a country of more than 80 million (Berlin is home to nearly 3.4 million).

### **b. Problems with Having Two Capital Cities**

Some Germans today question the inefficiencies of having more than one capital

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5 Malaysian Minister of the Federal Territories from 2013 to May 2018

city. The cost to fly people and documents between Bonn and Berlin on an ongoing basis costs millions of Euros each year.

Germany's government could become much more efficient if time and money saved and not wasted on transportation time, transportation costs, and redundancies due to retaining Bonn as the second capital. At least for the near future, Germany will retain Berlin as its capital and Bonn as a mini-capital city.

### **3. Tanzania (as a failed attempt)**

In the 1970s, Tanzania's capital began the move from coastal Dar es Salaam to centrally located Dodoma, but even after many decades, the move is not complete. Despite four decades of efforts and deadlines to move to the new capital, the presidential office is still in Dar es Salaam.

The current failure of the government to relocate itself from Dar es Salaam is a result of several economic as well as political factors. The lack of enthusiasm and seriousness to move for the new capital from key national political leaders and the government were one of the main reasons of failure. Adding to those, the wrong prioritizing on the part of the Capital Development Authority (CDA), and unwillingness to move by government officials have all contributed to the continued stay of the government in Dar es Salaam as much as have economic constraints. It is worthy to be mentioned that the distance between the two capital is 584 kilometer which is considered as a very long distant to move.

To encourage people to move in 1989, President Mwinyi declared Dodoma a special investment area - generously removing income taxes for anyone who set up an industry there, and throwing in some enticing benefits, like 50% off water and electricity charge.

President John Magufuli, announced on July 23, 2016, his commitment to relocate all the ministries to Dodoma before the end of his first five-year term in office in October, 2020.

## **VI. Policy options:**

To conclude, moving the Capital to the NCC is a big project that requires dedication and includes different challenges. This policy paper describes these challenges and sets recommendations for policy makers that are running the project to make it run smoothly and to avoid mistakes of other countries.

The different scenarios for the movement of the public employees' staff can be imagined as follows:

1. Some staff members will commute two ways on daily basis from the ministries locations in Cairo to the new ministries location in the New Capital City with the transportation provided by the ministry.
2. Some staff members will commute on Sunday early morning from their home towns to the New Capital City and will come back from the New Capital City to their home towns on Thursday end of working day. They live in

residential apartments owned by the ministries during the weekdays and will go back to their home towns for the weekend.

3. Other staff will buy with long term installments or will rent in the New Capital City and will live there.

The three scenarios can go in parallel and not one of the three is against the other option. For instance, if the government is moving some ministries in the near future, the commuting option will be the first option as a temporary solution, until there are residential units for the employees to settle down in the NCC. Additionally, there should be affordable public transportation between the NCC and surrounding cities such as El Sherouk, Obour, 10th of Ramadan, and New Cairo. These ideas will help make the move easier especially if the services offered in the New Capital City are at the same prices as in the other cities.

Looking at the different national and international experiences (which will be mentioned later in this paper) of the move of the Capital to a new location, the New Capital City will be easier in terms of accessibility for its proximity from Cairo as well as from the Greater Cairo compounds and Suez Governorate. The proximity factor connects Cairo to the ports via the Regional Road. The plan also to have some cities built around the NCC, such as Mostakbal City with its compounds and international university to be built soon, make the move more attractive to many citizens.

There is also an idea of equality of chances for all citizens when it comes to moving to the New Capital. The families can move with their different social levels to the New Capital City to live in a better place and a cleaner environmental spot. Usually the people who can afford to move to high level places are the rich people but this New Capital City is for everyone.

## VII. Recommendations:

- The government should guarantee that the "New Capital City" project will be finished according to the current plan even if with the cabinet reshuffling in order not to repeat what happened in Sadat City.
- The coordination between the different stakeholders, especially the New Urban Communities Authority, the ministries, and the different governorates. Public announcement about the plan and the staff to move is very important for transparency issues as well as for the buy-in of the governmental staff.
- The decision maker should ensure that the units of the "New Capital City" are not restricted to the high income citizens and is available for all citizens of different socioeconomic levels which already started partially on the advocacy level as well as on the marketing of housing to be constructed in the NCC.
- Incentives especially for payment to live in NCC, which should be convincing and suitable in order to avoid the problem that happened in Tanzania. For example, to offer subsidies/discounts on the apartments and long term payment plans.
- Working hours to be reduced from 8 to 6 hours per day, counting commuting two hours of commuting on daily basis.
- Electronic approval/signature is to be used and Internet connection and infrastructure have to be good.
- Services to be provided with the same prices offered in Cairo.
- Transportation facilities inside and from/to the New Capital with discounts or annual membership.
- It is good to have dorms for single women and single men and small apartments for small families.
- Like Germany, it is not good to have two capital cities as this has a cost in terms of transportation and flying over documents, which could be solved through the internet, but what about individuals?
- Ensuring that the public servants will move, to avoid what happened in Malaysia
- Ensure the funding of the transportation system to avoid what happened in monorail of Malaysia

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**Tables:**

Table 1: Wikipedia. (n.d.). List of purpose-built national capitals. Retrieved from [https://en.wikipedia.org/wiki/List\\_of\\_purpose-built\\_national\\_capitals](https://en.wikipedia.org/wiki/List_of_purpose-built_national_capitals).

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## IX. Appendix:

### All countries that moved their capitals for further Analysis

#### Asia

- Since 1982, Sri Lanka's Parliament has met in Sri JayawardenapuraKotte, but some other government functions remain in Colombo.
- Malaysia moved some of its administrative functions to Putrajaya in 1999. The official capital remains Kuala Lumpur.
- Former capitals of Iran include Esfahan and Shiraz. It is now Tehran.
- A former capital of Thailand is Ayutthaya. It is now Bangkok.
- Hue was an ancient capital of Vietnam. It is now Hanoi.
- Pakistan from Karachi to Rawalpindi to Islamabad – changes occurred in 1950s and 1960s.
- Laos from LuangPrabang to Vientiane – 1975
- Turkey from Istanbul to Ankara - 1923
- The Philippines from Quezon City to Manila – 1976
- Japan from Kyoto to Tokyo – 1868
- Israel from Tel Aviv-Jaffo to Jerusalem – 1950
- Oman from Salalah to Muscat – 1970
- Saudi Arabia from Diriyah to Riyadh – 1818
- Indonesia from Yogyakarta to Jakarta – 1949
- Bhutan from Punakha (former winter capital) to Thimpu - 1907
- Uzbekistan from Samarkand to Tashkent – 1930
- Afghanistan from Kandahar to Kabul – 1776

#### Europe

- Former capitals of Italy include Turin, Florence, and Salerno. The current capital of Italy is Rome.
- Bonn was the capital of West Germany from 1949-1990. Reunified Germany's capital began as Bonn but was moved to Berlin in 1999.
- Kragujevac has served as the capital of Serbia several times. It is now Belgrade.
- Durres was briefly capital of Albania during World War I. It is now Tirana.
- Lithuania from Kaunas to Vilnius - 1939
- Malta from Mdina to Valetta – 16th century

## **Moving Governmental Staff to the New Capital City**

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- Poland from Krakow to Warsaw - 1596
- Montenegro from Cetinje to Podgorica – 1946
- Greece from Nafplion to Athens – 1834
- Finland from Turku to Helsinki – 1812

### **Africa**

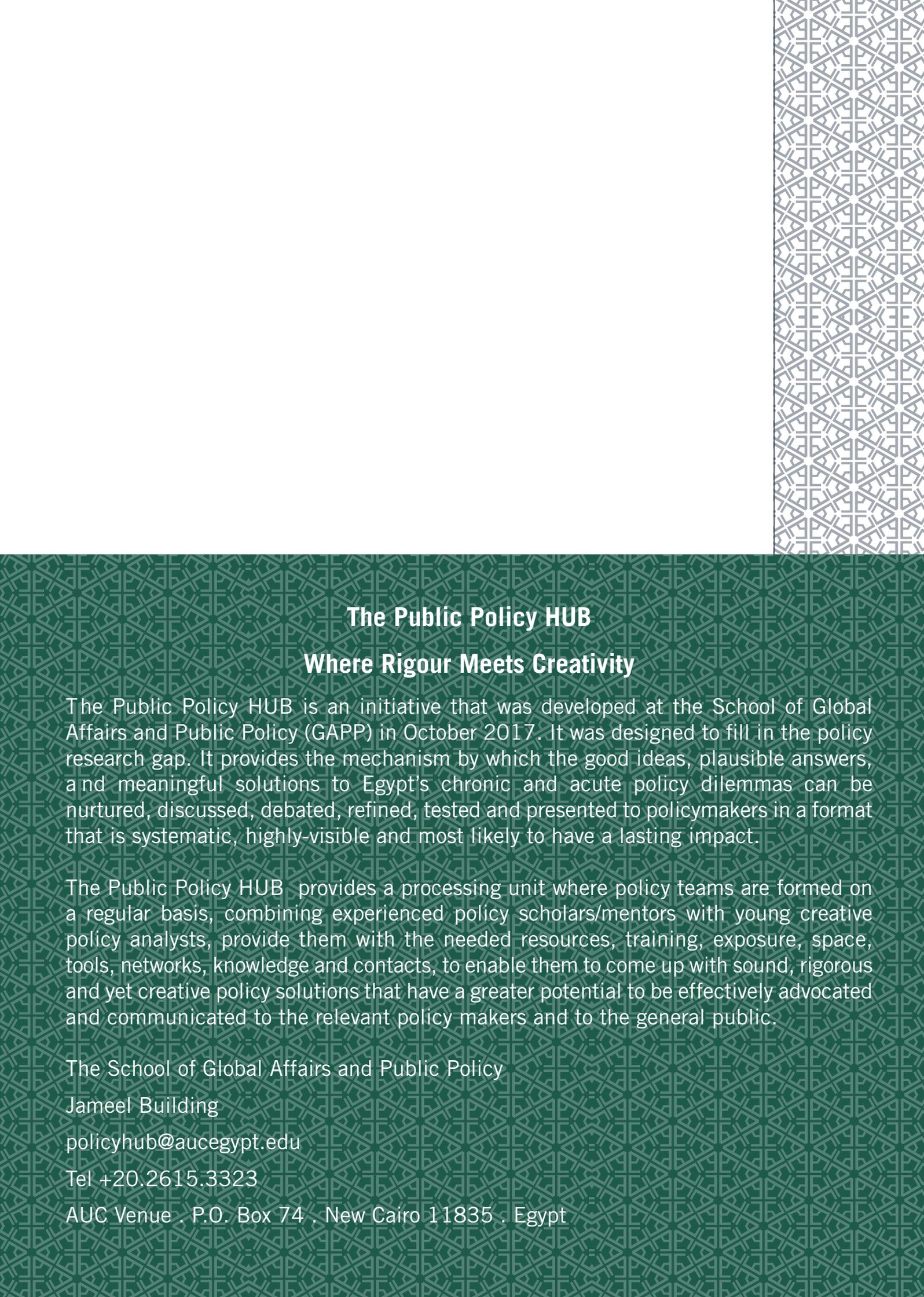
- Ghana from Cape Coast to Accra – 1877
- Botswana from Mafeking to Gaborone - 1965
- Guinea Bissau from Madina do Boe to Bissau - 1974
- Cape Verde from CidadeVelha to Praia – 1858
- Togo from Aneho to Lome – 1897
- Malawi from Zomba to Lilongwe – 1974

### **The Americas**

- Trinidad and Tobago from San Jose to Port of Spain – 1784
- Jamaica from Port Royal to Spanish Town to Kingston – 1872
- Barbados from Jamestown to Bridgetown – 1628
- Honduras from Comayagua to Tegucigalpa – 1888

### **Oceania**

- New Zealand from Auckland to Wellington –1865
- The Federated States of Micronesia from Kolonia to Palikir – 1989
- Palau from Koror to Ngerulmud – 2006



## **The Public Policy HUB**

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The Public Policy HUB is an initiative that was developed at the School of Global Affairs and Public Policy (GAPP) in October 2017. It was designed to fill in the policy research gap. It provides the mechanism by which the good ideas, plausible answers, and meaningful solutions to Egypt's chronic and acute policy dilemmas can be nurtured, discussed, debated, refined, tested and presented to policymakers in a format that is systematic, highly-visible and most likely to have a lasting impact.

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