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# Options for municipal interventions in urban poverty alleviation

Emiel A. Wegelin and Karin M. Borgman

**SUMMARY:** *This paper reviews the wide range of options available to municipalities in the South to alleviate or reduce poverty. This includes options for employment creation and improving low income groups' access to justice and protection from crime as well as improvements to urban services such as water supply, sanitation, solid waste management, public transport, health care and education. The paper also outlines how municipal action must encourage and support the activities of community based organizations, NGOs and the private sector in contributing to such improvements and describes how changes in the regulatory framework for land management, urban agriculture and housing can also contribute to poverty alleviation.*

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## I. INTRODUCTION

**OVER THE PAST** few decades, most countries in the South have undergone an unprecedented increase in their levels of urbanization. In 1975, 27 per cent of their populations lived in urban areas; by 2000, the proportion is expected to be around 41 per cent. Projections up to the year 2025 suggest that, by then, 57 per cent of the population in the South may be living in urban areas. Rapid demographic growth will have added about 1.2 billion people to the population of cities and towns in the South during the last quarter of this century, about 63 per cent of the expected total population increase. Of the world's 21 megacities, which are expected to have more than 10 million people by the year 2000, 17 will be in the South.<sup>(1)</sup>

Along with the process of urbanization, poverty is also increasingly being urbanized.<sup>(2)</sup> Urban poverty alleviation has, therefore, become a major area of attention for the international donor community. In setting the thematic agenda for the second UN Conference on Human Settlements (Habitat II) - dubbed "The City Summit" - to be held in Istanbul in June 1996, urban poverty alleviation is one of the main action areas recommended for incorporation in national action plans and in the global plan of action to be adopted at the Conference.

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1. Data from: United Nations (1995), *World Urbanisation Prospects: The 1994 Revision*, Department for Economic and Social Information and Policy Analysis, ST/ESA/SER.A/150, New York.

2. UNDP (1990), *Human Development Report 1990*, Oxford University Press, New York, page 86. In this paper, no attempt is made to contribute to the significant literature on the identification and definition of (urban) poverty, its incidence and its attributes (see for example, the articles in the special issue on urban poverty of *Environment and Urbanization* (Vol.7, No.1, April 1995) for a wide-ranging review of this). The purpose of this paper is to identify a framework for possible municipal action in poverty alleviation, in a pragmatic appreciation that urban poverty is defined very differently from one city environment to another.

3. For a summary of these sources see: Wegelin, E.A. (1994), "Urban shelter, municipal services and the poor" in Ernesto M. Pernia (editor), *Urban Poverty in Asia: a Survey of Critical Issues*, Asian Development Bank/Oxford University Press, Hong Kong; and Urban Management Programme (1994), *Options for Urban Poverty Alleviation Actions at Municipal and City Government Level (draft)*, UNDP/UNCHS/World Bank, Nairobi.

4. Stren, R. and C. Gombay (1994), *The Alleviation of Urban Poverty at the Municipal Level: A review of the Literature*, University of Toronto for the Urban Management Programme UNCHS (Habitat), page 14.

The perception that substantial economic growth during the 1960s did not sufficiently address the needs and concerns of the poor paved the way for the "basic needs approach". The starting point of this approach is that priority should be placed on satisfying basic needs of people for food, water and shelter rather than focusing exclusively on economic growth indicators. However, as a result of the oil price shocks in the 1970s, deteriorating terms of trade and high real-interest rates, many countries in the South became increasingly indebted, leaving hardly any room for poverty alleviation programmes. Stabilization and adjustment programmes supported by the World Bank also relegated investment in poverty programmes to a lower priority, based on the idea that economic growth would lead towards eliminating poverty. By the late 1980s and early 1990s, poverty alleviation was predominantly approached from the perspective of reducing the social costs of adjustment programmes.

In developing and implementing these poverty alleviation programmes two policy directions emerged: policies emphasizing poverty alleviation through macro-economic growth, and approaches focusing on specific community level programmes targeted directly at the poor. Thus, poverty alleviation has generally been addressed at national government level and at community level. Despite increasing global attention to urban poverty, to date, poverty alleviation approaches have hardly focused on concrete policy interventions to be implemented by municipal authorities. This article reports on possibilities to fill this gap. It draws in particular on earlier work done on urban poverty alleviation issues in Asia and on the recent urban poverty alleviation work at municipal level initiated by the UNDP/UNCHS/World Bank Urban Management Programme (UMP).<sup>(3)</sup>

## II. THE POTENTIAL ROLE OF MUNICIPAL GOVERNMENT

**IN PRINCIPLE, THE** municipal government level can play an important role because it is responsible for the provision of municipal services (and for their coordination), for facilitating community initiatives and for issuing building permits and related licences for commercial and transport activities.

The Urban Management Programme has identified the following broad urban poverty alleviation intervention areas at municipal level:<sup>(4)</sup>

- regulatory framework
- access to municipal services
- employment creation
- protection from crime and natural disasters
- coordination and integration

The options for municipal action in each of these areas are reviewed below. Although discussed in separate sections, these intervention areas have many interconnections and need to be considered as part of an integrated policy framework for action at the municipal level. For example, regulatory reform not only

affects urban land management (legislation regarding land use, ownership and tenure) but also the productivity of small enterprises in the informal sector whereas tariffs for water also influence productivity. To perceive the range of options for poverty alleviation in each of the five above areas together as a framework, conceptually facilitates the identification of priorities and the formulation of an operational municipal strategy for urban poverty alleviation in a specific local situation.

The range of options for poverty alleviation at municipal level suggested here is predicated on the following:

1. That governments increasingly recognize the role and importance of municipalities as the providers of basic urban services, and their direct relevance to the day to day lives of the people within their jurisdiction.
2. That municipalities increasingly assume legally enshrined policy-making and implementation powers to facilitate effective decision-making.
3. That municipal institutional capacity to manage existing resources and to mobilize additional resources is gradually increased.
4. That it is increasingly recognized that civil society initiatives at local level (by NGOs and CBOs) require local government support in order to have maximum impact.<sup>(5)</sup>

5. See reference 3.

Municipalities are strategically placed to undertake local long-term planning in the area of urban poverty alleviation in association with the private sector, NGOs and CBOs. It is the function of municipal authorities to generate and manage large-scale urban projects whose aim is to remedy inequalities between citizens as they are the key authority able to mediate the public good. The current worldwide trend of decentralization (i.e. devolution of responsibilities and resources from central to local governments) further emphasizes the importance of developing a policy framework for urban poverty alleviation at municipal level; as such decentralization increasingly also incorporates a shift in responsibility for social policy towards the local government level.

The options discussed below are largely sectoral, dealing specifically with the different facets of the built environment. However, they form part of a broader thrust by national and regional governments to address the problems of social and economic development, taking the broad area of legal municipal responsibilities as their point of departure.<sup>(6)</sup> Many of the action areas suggested are not new or innovative in themselves. What is new, however, is the attempt to integrate all these sectoral options into an overall municipal policy approach to alleviate urban poverty at the local level.

6. See reference 3.

Whereas to date not many municipal governments have considered such a range of actions as a consolidated programme for municipal poverty alleviation, the outcomes of initial consultations in four cities (Cebu, Philippines; Dakar, Senegal; Sukkur, Pakistan; and Lota, Chile) supported by the Urban Management Programme suggested considerable interest in this approach

on the part of municipal policy makers. In Cebu, one of the most interesting outcomes of the consultation was the decision to establish a poverty monitoring programme in the municipality, reporting directly to the mayor, with the objective of not only monitoring progress in the implementation of sectoral programmes from a poverty perspective but also of ensuring their logical compatibility and complementarity.

### III. THE REGULATORY FRAMEWORK

#### a. Introduction

**THE REGULATORY FRAMEWORK** impacting on the poor is established by both central and local governments and, therefore, is designed to apply nationally and locally. The framework sets the rules and standards for development in general but, more specifically, for the functioning of the built environment.

Some degree of accountability to central government through a national regulatory framework is appropriate to any structure of municipal service delivery, particularly with respect to areas of operation where the impact of such service delivery will be felt outside/beyond the jurisdiction of the local government concerned. Where the impact of local government behaviour is largely localized, and regulation requires detailed knowledge of local conditions and priorities, the case for central regulation is more difficult to justify. In such cases, regulations posed by central government are a restraint or an inhibition to local government responsiveness.<sup>(7)</sup>

In many countries in the South, the existing municipal regulatory framework is still primarily attuned to the administrative and operations/maintenance functions of local government. Municipal laws or ordinances often do not recognize the role of local governments as a development agency; this often reflects a colonial legacy.

Rules and regulations often also prescribe high social and physical infrastructure standards (particularly regarding land, infrastructure and housing delivery), which cannot be implemented and enforced city-wide, because they are neither affordable to the municipality nor to the populace, particularly the poor. Hence, the regulatory framework often is not responsive to the basic needs of the urban poor.

Depending on the degree of decentralization, municipalities can reform specific areas of the regulatory framework. These may include rules and regulations governing land and housing management, local building bye-laws, regulations on urban transport, and bye-laws governing the operation of informal sector activities. Apart from reform in these areas (generally inserting more flexibility or deregulation), this would also be facilitated by participation from relevant organizations of the urban poor (neighbourhood associations, informal sector operators organizations, unions, etc.) in the policy-making and negotiation process.

Against a background of increasing awareness of the coun-

7. Dillinger, W. (1994), *Decentralization and its Implications for Urban Service Delivery*, Urban Management Programme Discussion Paper No.16, The World Bank, Washington, D.C. pages 34-35.

8. Farvaque, C. and P. MacAuslan (1992), *Reforming Urban Land Policies and Institutions in Developing Countries*, Urban Management Programme Policy Paper No.5, Washington DC. Based on a detailed review of 21 case studies from across Africa and the Arab States, similar conclusions were reached at the Inter-regional UMP/UNCHS Seminar on *Urban Land Management, Regularization Policies and Local Development in Africa and the Arab States* held in Abidjan during 21-24 March 1995; also Durand-Lasserve, Alain (editor) (1995), *Gestion Foncière Urbaine, Politiques de Régularisation et Développement Local en Afrique et dans les Etats Arabes*, Abidjan, 21-24 mars 1995, Conclusions de l'Etude et du Seminaire, Paris.

terproductive impact of elements of the local regulatory framework - or at best its ineffectiveness - local governments increasingly feel local political pressure to reform certain ordinances and codes within their jurisdictions to enhance their enabling role in development with an emphasis on effective and efficient urban management.

The need for regulatory reform is evident in virtually all sectoral areas of municipal responsibilities impacting on the poor, as discussed below. In most cases, the direction of reform required to develop functional, pragmatic rules and regulations is towards less prescription and proscription, more flexibility and simplicity (if only in recognition of the very limited enforcement capabilities of complex rules at local level) and increased transparency in their enforcement.

## b. Land Management

Access to land is a basic condition for housing the urban poor and formal acquisition of a plot of land is often difficult for them. Access to land, registration of land, and permission to develop land involve time-consuming and costly procedures which make the legal system difficult to access (see Box 1).<sup>(8)</sup> Improving the efficiency of urban land markets through an enabling regulatory framework could, in particular, promote access to land by the poor.

### Box 1: Obstacles to Access to Land and Recommendations to Address Them

**Based on a review of 21 case studies across Africa and the Arab States, the main conclusions of a recent inter-regional seminar noted a surprisingly high degree of similarity in common obstacles to access to land:**

- **A multiplicity of land delivery mechanisms in urban areas, which has not been acknowledged by government. This has led to the emergence of large irregular settlements which are not or are undersupplied with basic municipal services.**
- **Land information systems that are not uniform and are generally inadequate.**
- **Access to land for women and the poor is impeded by legal, economic and cultural obstacles.**
- **Direct central government interventions in the land market have generally been found to be ineffective and wasteful, while the positive potential for local government has not generally been utilized. In consequence, the public land delivery system has generally not been responsive to people's needs.**

**Recommendations for action to improve the land tenure situation for the poor (from this same seminar):**

- **Central government should recognize the multiplicity of land delivery mechanisms in urban areas and accept the roles played by the various actors and rationalize them as appropriate.**
- **Public land delivery will need to be carried out in a transparent and market oriented manner. It is recommended that, in the interests of efficiency and equity, this be devolved to the local government level. For this to work effectively, it will be necessary to strengthen local governments' institutional, fiscal and human capacities.**



- **Expeditious land tenure regularization of irregular settlements should be pursued as a central element of (local) government land delivery. In addition, but not necessarily in conjunction, high priority should be given to the provision of basic services in these settlements.**
- **These efforts should be supported by simple, unified systems of land information assembly, management and documentation, accessible and comprehensible to the public to ensure that land title registration will be cheap, quick and simple.**
- **The use of fiscal instruments (property tax, capital gains tax, incentive subsidies) in the management of land delivery should be promoted by central and local government.**
- **The state should actively promote the economic empowerment of the disadvantaged members of society, particularly women, and especially remove structural impediments to their access to land.**
- **The customary land tenure system should be made more market oriented through enhancing the transparency of its availability, utilization and pricing, supported by the development, integration and adoption of a land information system as well as dialogue with the customary controllers of land.**
- **The role of NGOs and CBOs in mobilizing resources for land and housing delivery, dissemination of information on land related issues (management and delivery) and mobilization and organization of the community must be utilized as a positive force in enhancing transparency in the land market.**

**The seminar also suggested that external support agencies should promote the above policy directions recommended to governments and support this through assistance efforts geared towards consensus-building and capacity development.**

**SOURCE:** Drawn from the report and preparatory documents of the Inter-regional UMP/UNCHS Seminar on *Urban Land Management, Regularization Policies and Local Development in Africa and the Arab States* held in Abidjan during 21-24 March 1995.

9. Farvaque and MacAuslan 1992, see reference 8.

First of all, decentralization or at least deconcentration of authority to municipal level concerning reform and coordination of land management has to take place. Direct involvement of central government in land management and delivery obstructs adequate policy and decision-making at municipal level because it lengthens bureaucratic procedures and widens the gap between the planning process and implementation at the municipal level.

Outdated, complex and inflexible regulations and legislation is another factor hampering an efficient and effective working of the urban land market.<sup>(9)</sup> Overcoming this requires regularization of land tenure and simplification of the registration process particularly to improve the access of the poor to newly acquired and serviced land. A central role for the municipality requires capable institutions at this level and a political constituency at higher government levels to leave this in the hands of local government.

Apart from insufficient municipal autonomy, and regulatory and legal constraints, the limited financial and institutional capacity of municipalities are major constraints to improving access to land for the urban poor. These factors are interrelated. Tools such as an operational cadastre contribute to the improvement of municipal performance in land management.

10. Tiedeman, E. (1994) *Van wie is de grond? Nederlands kadaster adviseert ontwikkelingslanden*, Elsevier (23), Amsterdam, pages 67-68.

11. See reference 7.

12. Memon, P.A. and D. Lee-Smith (1993), "Urban agriculture in Kenya", *Canadian Journal of African Studies* Vol.27, pages 25-42; and Yeung, Y.M. (1992), "China and Hongkong" in Stren, R., R. White, and J. Whitney (editors), *Sustainable Cities: urbanization and the environment in international perspective*, Westview Press, Boulder.

13. IDRC (1993), "Farming in the city: a rise of urban agriculture", *IDRC Report* Vol.21, No.3.

Formalization of property titles would advance an efficiently working market and would advance economic growth. The poor are likely to be the main beneficiaries of increases in transparency of title status, as well as of an increased effectiveness in the functioning of the local land market (the case studies reviewed in Abidjan suggested, not surprisingly, that richer groups benefit from non-transparency). A cadastre is not only important in providing the urban poor with security of tenure but also in augmenting municipal resources, particularly through property tax. However, high costs often form an impediment restraining municipalities from setting up a new cadastre.<sup>(10)</sup> In addition, establishing a cadastre often requires regulatory reform (and a political constituency), both at national and municipal level. Of particular importance are also the issues of availability of skilled personnel, improvement of existing systems and properly functioning tax collection systems. Global experience in technical cooperation in these areas suggests that inter-governmental relations often form major obstacles to such improvements.<sup>(11)</sup>

## b. Urban Agriculture

Possibilities for urban agriculture are closely related to adequate land management. Urban agriculture has come to be recognized as an important survival strategy for the poor. It provides household income and a cheap source of food. Many municipalities in Africa, Asia and Latin America discourage or prohibit rather than promote urban agricultural activities. An encouraging municipal policy, as in Shanghai, would enable many of the urban poor to produce beyond subsistence for themselves. Research in Kenya and experience in Shanghai<sup>(12)</sup> have shown that incorporation of urban agriculture into the economic structure will positively affect the position of the poor. Besides, urban agriculture is not only an income-generating opportunity for the urban poor but also improves their state of health.<sup>(13)</sup>

Municipalities can support the development of urban agriculture by developing and disseminating information on land tenure, land capacity, markets and water, and providing for urban agriculture in urban planning. Redefinition of land use and creation of market places, for instance, are necessary. The provision of technical extension services to urban farmers in terms of agricultural practices, soil conservation, proper water use, cropping patterns, small livestock breeding and access to credit may also be an important support action to be promoted and coordinated by municipalities (the actual implementation of the extension services could best be handled by specialized cooperatives, NGOs or other institutions). Such actions are currently undertaken under the auspices of Dar-es-Salaam Municipality as part of the Sustainable Dar-es-Salaam Programme. At a recent consultation in Lota, Chile agreed that there is a need for such support actions for a successful community based scheme of hydroponic agriculture (leading to a significant increase - about 30 per cent per participating family - in household income).



### c. Housing

Shelter is an important element in the living conditions of the urban poor. It affects material and psychological well-being, health, children's school performance, and productivity at work. The problems which the urban poor experience in terms of housing are closely linked to issues of access to employment, land, infrastructure and other shelter related services. In the policy area of housing and related services important changes in perception have been taking place globally. First, the view that the government has to act as a provider of housing or sites and services for the poor has, by and large, been abandoned. Partly, this is in recognition of the fact that the poor often cannot afford access to such schemes and, therefore, have to rely on cheap rental housing. Reliance is increasingly placed on the informal construction sector as a more realistic alternative to the poor. Second, it is increasingly understood that investments in housing are productive, providing not only for a basic need but also promoting the local economy. Third, in conjunction with the increased focus on an enabling strategy (i.e. a facilitating role of the government), the earlier preoccupation with design, standards, building materials and other technical aspects of housing and housing related services has been replaced by an increasing emphasis on institutional and financial support mechanisms required to support the poor in housing themselves.<sup>(14)</sup>

Housing is an important element in the survival strategy of the poor. It provides them with socio-economic stability. Housing can be a major form of asset creation and savings. Housing provides a basis for access to the urban economy and for the poor in particular it is also a key source of employment.<sup>(15)</sup> In the absence of significant subsidized housing schemes, effective demand is articulated in various sub-markets. The sub-markets range from squatter housing to legal and illegal low-income housing sub-divisions to regular developer provided middle-class housing and higher-income housing. The majority of the urban population, however, lives in slums or squatter settlements. For instance, in major Asian cities about 60-80 per cent of the housing supply is provided and financed through informal sector mechanisms.<sup>(16)</sup> Studies in India, Korea, Philippines, Sri Lanka, Bangladesh and Indonesia point out that formal sector response has been inadequate in meeting shelter demand. In the Philippines, Bangladesh and other Asian countries, for instance, government assistance for housing construction and development favoured the middle-, and higher-income groups leaving the urban poor in a vulnerable situation.<sup>(17)</sup>

This does not mean that (local) government has no supporting role to play. There are several clear action areas for local government to pursue as follows:

1. Municipalities could, in cooperation with central government agencies, develop a city-wide housing sector programme in which low-income housing demand and supply are seen as part of aggregate housing demand and supply.

14. Netherlands Ministry of Foreign Affairs (1994), *Urban Poverty Alleviation*, Sectoral Policy Development of Development Cooperation No.5, page 55

15. Urban Management Programme (1994), *Options for Urban Poverty Alleviation at Municipal Level*, UNDP/UNCHS (Habitat)/World Bank, Nairobi (draft), page 5.

16. Wegelin 1994, see reference 3.

17. See the following case studies prepared as part of the regional study on *Critical Issues and Policy Measures to Address Urban Poverty*, Asian Development Bank, Manila: Balisacan, A.M., A. Cortez and M. Lazo (1994), "Urban poverty in the Philippines; incidence, determinants and policies"; Firdausy, C.M. (1994), "Critical issues and policy measures to address urban poverty in Indonesia"; Kwack, J.G., T.W. Kim, U.J. Kim and Y.S. Kim (1994), "Critical issues and policy measures to address urban poverty: the Korean case"; Mahmood, W. and B. Khundker (1994), "Bangladesh case study"; Mathur, O.P. (1994), "The state of India's urban poverty"; Perera, M. (1994), "The Sri Lanka case"; All in *Asian Development Review* Vol.12, No.1. The case studies are also summarized in: Mills, Edwin S. and Ernesto M. Pernia (1994), "Introduction and overview" in Pernia, Ernesto M. (editor), *Urban Poverty in Asia: a Survey of Critical Issues*, Asian Development Bank/Oxford University Press, Hong Kong.

18. For instance, it took more than a decade for the Orangi Pilot Project in Karachi, Pakistan and the Karachi Metropolitan Corporation to reach an agreement on this with respect to mutual responsibilities for the integration of the community built lane sewers in Orangi (a large informal settlement in Karachi) into the municipal system - Asian Development Bank (1993), *Pakistan Urban Sector Profile (draft)*, Manila, page 51. On the other hand, in South Africa, such intermediation has been recognized by government and communities as inherently productive in an environment where it is essential to catch up quickly with infrastructure deficiencies in disadvantaged communities - for some early examples of successful NGO action in this regard during the transition period from apartheid to democratic governance, see Afesis-Corplan (1993), *Annual Report 1993*, East London, pages 14-15.

19. See reference 15, page 6.

20. See reference 16.

21. See for example, Lall, V.D. (1991), *Drinking Water Delivery System in Urban Settlements: Status, Development, Strategy and Action Plan*, Society for Development Studies, New Delhi; National Development Planning Board (Bappenas), United Nations Children's Fund (Unicef) and Yayasan Dian Desa (1990), *Monitoring and Evaluation of Public Hydrants and Water Terminals in North Jakarta*, Final Report, Yayasan Dian Desa, Yogyakarta; and Ratanakomut, S. (1994), "Urban poverty in Thailand: critical issues and policy measures to address urban poverty", *Asian Development Review* Vol.12, No.1, Asian Development Bank, Manila.

2. Municipalities and central government agencies may modify the regulatory framework related to land supply and building and planning regulations. Such modifications should, for example, be geared towards simplifying procedures, towards greater flexibility in approved building standards and materials, and towards providing opportunities for income-generating activities by the acceptance of multiple uses of dwellings.
3. The quality of housing finance institutions could be enhanced by increasing the physical accessibility of these institutions and by offering the type of services (such as communally collateralized loans) which meet the demands of low-income groups. Municipalities could promote this, which will reduce the urban poor's dependence on expensive informal sector finance. In India, the Housing Development Finance Corporation has recently broken new ground by lending, through NGOs, to slum residents to build or improve their houses at interest rates almost half of the informal market rate, using donor funds for the establishment of a risk guarantee fund.
4. It is a conventional municipal function to provide basic neighbourhood infrastructure and services. Where necessary, this could be matched by a contribution (in kind/labour) from the community. NGOs might function as intermediaries in facilitating cooperation between municipalities and communities, even though experience has shown that it takes time to overcome the often existing mistrust between NGOs and local government.<sup>(18)</sup>

## IV. ACCESS TO MUNICIPAL SERVICES

**MUNICIPAL SERVICES INCLUDE** water supply, sewerage, drainage, flood protection, solid waste collection and disposal, local roads, public transport, street lighting and traffic management. For all such municipal services the poor essentially face the problem of limited access. Poor neighbourhoods are usually not the first targets for road upgrading, water supply, sewerage, drainage or establishing a solid waste collection system.<sup>(19)</sup>

### a. Water Supply

Research has convincingly demonstrated that there is an obvious disparity in the access to formal water supply facilities between different income groups in urban areas. The poor tend to have lower levels of access and poorer quality of water.<sup>(20)</sup> Inadequate municipal supply to the poor is usually substituted by informal sector supply. The poor obtain water through vendors or by installing a handpump paid for by a group of households or through buying from nearby well-to-do households. The quality of water is often affected directly or indirectly by the way people and/or intermediaries store the water.<sup>(21)</sup> In surveys carried out in 12 cities in the South, it was consistently found that the price of water charged by vendors was a multiple of the price charged by the public water agency, with price ratios vary-

22. These examples were reported in a World Bank supported survey in 12 cities; see World Bank (1988), *World Development Report 1988*, Oxford University Press, Oxford.

ing from 4:1 to as high as 100:1.<sup>(22)</sup> Therefore, as informal sector supply is the predominant means of access to water for the poor, their unit cost of water is virtually always much higher than that of the non-poor. Yet, these high informal supply prices are prices which the low-income market can bear because of the relatively small quantities consumed.

This disparity in access is aggravated by the fact that formal supply is generally subsidized in a non-discriminating or insufficiently discriminating manner. As a result, well-intended subsidies on supply do not reach the lower-income groups for which they are intended. Moreover, in countries where such subsidies take the shape of water provision at price levels below provision costs, the financial sustainability of the municipal water supply system is at risk, adversely affecting network extension into areas presently unserved or not adequately served as well as the operation and maintenance of the existing network.

The possibilities for intervention by the municipal government are closely tied to the institutional position of the entity delivering a formal water supply to the city's population. In some cases this is a municipal department but more often than not it is a semi-autonomous body, partly or wholly owned by the municipality. A separate legal entity for the provision of water is preferable from an administrative point of view - such an entity stimulates accountability and financial policies which encourage an adequate provision for the operation, maintenance and expansion of the system. However, to safeguard equity, the municipality needs to have influence over provision standards, area coverage and water-pricing. In the interests of sustainability, water-pricing must be based on marginal provision costs.<sup>(23)</sup> To stimulate economizing on water consumption, there must be a clear relationship between quantities consumed and amounts owed by consumers. To ensure this, water meters, in conjunction with progressive water tariffs, are essential.

Municipalities should involve communities in planning (including conducting demand surveys), implementation and maintenance of small water supply systems, or the tertiary end of large distribution systems. Through such participation, supply will be better targeted to the needs and demands of the community, and maintenance of the network will be safeguarded. Effective participation requires training at community level as well as of the local water agency's staff. Often, agency staff are reluctant to go into a (poor) neighbourhood to seek community participation. Municipalities and their water agencies should acknowledge this and should provide incentives to encourage their staff to work with (poor) communities on the above issues.

## b. Sanitation and Solid Waste Management

As with water supply, there are disparities in access to sanitation and solid waste facilities for different income groups. The disparity between the poor and better-off in terms of these facilities is significantly higher than in the case of water.<sup>(24)</sup> Limitations in access to sanitation services by the poor are largely due to a combination of the financial and institutional inability

23. In Addis Ababa, Ethiopia, for example, the water price is far below provision costs. As a consequence, the local government is unable to operate and maintain the existing system and to cover additional neighbourhoods. See Borgman, K.M. and E.A. Wegelin (1993) *Stedelijke Armoede Profiel Ethiopie*, Netherlands Economic Institute, Rotterdam, page 21.

24. See reference 16.

25. A good overview of municipal solid waste management issues is provided in the proceedings of the SDC/UMP collaborative programme meeting on municipal solid waste management (MSWM), held at Ittingen, 9-12 April 1995. The meeting reviewed a series of global overview papers pertaining to municipal solid waste management, including a conceptual framework paper, a state-of-the art assessment and several papers dealing with more specific topics, such as community and private sector involvement in municipal solid waste management, medical waste management, financial and economic planning, sanitary landfills and waste minimization. See SKAT (1995), *UMP/SDC Collaborative Programme on Municipal Solid Waste Management in Low-Income Countries*, Ittingen workshop, 9-12 April 1995, Proceedings, St. Gallen.

26. See: van der Klundert, Arnold and Inge Lardinois (1995), "Community and private sector (formal and informal) involvement in municipal solid waste management in developing countries", background paper presented at the UMP/SDC workshop in Ittingen, 10-12 April; Netherlands Ministry of Foreign Affairs (1994), *Urban Poverty Alleviation*, Sectoral Policy Development of Development Cooperation, No. 5.

27. See, for instance, Puerbo, H. (1991), "Urban solid waste management in Bandung: towards an integrated resource recovery system", *Environment and Urbanization* Vol.3, No.1, pages 60-70; also Vogler, J.A. (1984), "Waste recycling in developing countries; a review of the social, technological, and market forces" in Holmes, J.R. (editor), *Managing Solid Wastes in Developing Countries*, John Wiley & Sons Ltd, Chichester, pages 241-267.

to adequately operate and maintain existing systems and to extend such systems into low-income areas, combined with unrealistically high standards of provision. Unlike for water, once the system is designed and in operation, individual "consumption" levels can only vary between being served or not being served by the system.

The management of solid waste is an increasingly difficult problem.<sup>(25)</sup> As a city grows, so do the distances between the city areas where waste is generated and this is reflected in increasing costs. In addition, new final disposal sites are harder and more expensive to obtain. The costs of waste management increase; in most instances, the subsidy needed to maintain an effective service is beyond the financial capacity of local governments. In cities where sewerage and/or solid waste charges are incorporated in water charges, financial sustainability of sanitation and solid waste operations becomes dependent on the effectiveness of the water charges collection system.

Access to waste collection by (low-income) neighbourhoods, and appropriate locations for dump sites are often a major problem. Community involvement in sanitation and solid waste management offers a solution to the provision of these services and access by the neighbourhood. Municipalities should focus on direct public provision of sewage treatment, the trunk sewer system and main collector lines, and on disposal sites and main routes in the solid waste collection system. At the consumer end, community based solutions, using simple technology, should be stimulated rather than prohibited and considered as second-rate.<sup>(26)</sup>

Moreover, a large number of people make their living in the informal waste-recycling process. The groups involved include door-to-door collectors, formal waste collectors, street scavengers, dump site scavengers, and the traders and dealers in waste materials. Such recycling activities are often not recognized and/or not well integrated into the solid waste collection and disposal system, although the informal recycling process reduces the level of direct removal required. Municipalities can improve the management of their solid waste through working at community level and integrating the informal system with the formal system.<sup>(27)</sup> Municipalities can, for example, encourage small-scale composting to be used for urban agriculture. This will not require further municipal investment in plant and equipment but municipalities could adopt appropriate design standards for sanitation and solid waste management which bear a clear relation to the likely amount of waste water and solid waste that will be generated. Likewise, municipalities could enter into contracts with scavenger groups directly or facilitate such contracts with the formal private sector.

### c. Other Municipal Services

The urban poor also face access problems with regard to other municipal services and infrastructure such as roads, drainage and flood protection. Adequate provision of these services and infrastructure is more complicated than for the above services



28. See reference 16, page 215; also Skinner, Reinhard, John L. Taylor, and Emiel A. Wegelin (1987), *Shelter Upgrading for the Urban Poor, Evaluation of Third World Experience*, Island Publishing House, Manila.

29. See: Peterson, George, G. Thomas Kingsley and Jeffrey P. Telgarsky (1994), *Multi-sectoral Investment Planning*, UMP Working Paper No. 3, Nairobi, for an overview of this approach; also Hendropranoto Suselo, John L. Taylor and Emiel A. Wegelin (editors) (1995), *Indonesia's Urban Infrastructure Development Experience: Critical Lessons of Good Practice*, Jakarta for an in-depth review of the Indonesian Integrated Urban Infrastructure Development Programme experience.

30. See reference 14, pages 73-75.

because of the absence of the direct cost-recovery option. The financial and institutional capability and priorities of municipal governments or other agencies, whether national or specialized, dictate provision levels. Some NGOs, through Food for Work or other programmes, try to fulfill the need for access by the neighbourhood and protection from floods. Municipalities should support these complementary activities at neighbourhood level.

Slum upgrading programmes have considerable impact on the living conditions of the urban poor. These programmes have generally comprised neighbourhood infrastructure upgrading, often complemented by legalization of land tenure and sometimes dovetailed with a home improvement and/or a small business development loan scheme. Cost-recovery and affordability for the urban poor of the services delivered or of developed urban land have been major problems in such schemes.<sup>(28)</sup> Despite this, municipalities should continue to initiate and support slum upgrading programmes as these programmes tend to support the "organic" process of low-income settlement formation and consolidation. To make slum upgrading programmes more cost-effective and demand oriented, the municipality should share the responsibility for such programmes with communities. The upgrading programmes should include adequate security of tenure to safeguard infrastructure investments and avoid eviction of low-income residents. Moreover, the neighbourhood programmes should be carefully linked to major trunk infrastructure.

The environmental impact and influence of slum upgrading schemes on the living conditions of the urban poor, as of other dwellers, of slum upgrading schemes will be limited if the issue of service inter-relationships is not addressed. Governments should, therefore, increasingly promote city-wide integrated municipal service planning, programming and delivery to be carried out at municipal level. Intersectoral priority-setting will enhance the cost-effectiveness of the services delivered in a physical as well as a financial sense but requires coordination and cooperation of multiple agencies often responsible to different government levels.<sup>(29)</sup> Municipalities, generally, need more discretionary powers with regard to planning, programming and budgeting capabilities and, as in slum upgrading programmes, communities, CBOs and NGOs need to be perceived as potential partners in the whole process.

#### d. Urban Transport

In many Third World cities, public transport is a major problem. Its limited capacity, bad connections and relatively high prices mean that low-income groups spend often as much as 30 per cent of their income on transport. In many cities, these income groups walk or use non-motorized transport travelling long distances and taking a long time. Beside its limited capacity, public transport is often not a priority for municipalities. Public transport in, for instance, Mexico City accounts for only 4.5 per cent of the total vehicle stock while it takes care of 80 per cent of the transport needs.<sup>(30)</sup> Ironically, low fares for pub-

lic transport have, through their adverse impact on cost-recovery, tended to achieve the opposite of what was intended, i.e. reduce the coverage of public service.

Urban transport is of particular importance to the urban poor because its non-availability can considerably limit their job opportunities and/or impede access to market places. The familiar problems of access and affordability faced by the poor clearly also apply to transport. In response to these gaps in access, informal sector mechanisms take over: in Lagos for instance, motorcycles carry passengers from these neighbourhoods to the main transport interchanges or terminals. Similar informal operations use old cars and mini-buses operating in a demand-responsive manner.

Such informal services provide substantial relief to the urban poor unserved by conventional public transport but often at relatively high costs. However, these unconventional, unregulated and unregistered services are increasingly becoming more acceptable to governments, particularly where no realistic alternatives are in sight. For instance, they are the most significant means of public transport in Lagos.<sup>(31)</sup> In many cities in the South, such (often unsafe) means of public transport are the only options for the poor.

Deregulation in mass transit is an on-going trend in many cities. However, this has not always led to an improvement in services. In Santiago de Chile, for example, complete deregulation has led to a doubling of the city's bus fleet in ten years. During this period, the bus fleet has aged considerably. This doubling of the city's bus fleet resulted in an oversupply of buses and aggressive competition, while it also aggravated the congestion problem and the absence of any order in regulating stops and routes.<sup>(32)</sup> This has forced the government to re-regulate public transport again.

Municipalities can promote appropriate measures to restore or ensure proper service and regulate routes. As demonstrated in the well-known example of Curitiba, such measures will primarily have to rely on indirect means such as land-use planning, traffic management and a well-thought out system of public transport licensing, covering service frequencies, routings, pricing and intermodal arrangements.<sup>(33)</sup>

Non-motorized transport, most notably bicycles, is seen by the majority of people as backward and unappealing, especially for the socially upward mobile groups. However, bicycles are gaining popularity in a number of countries. Promotion of bicycles would reduce environmental problems and would increase the mobility of the urban poor. Major constraints, unfortunately, on greater bicycle use include unsafe operating conditions, the view of backwardness and high prices relative to income.<sup>(34)</sup>

Municipalities should develop knowledge on mobility needs and the bicycle's role in urban transport systems and incorporate bicycles in a long-term urban transport solution. Other forms of popular cheap, mostly non-motorized, transport such as rickshaws, *becaks* and other types of pedicabs (a major source of employment for the urban poor) are often repressed, eliminated or neglected by municipal authorities in spite of their ob-

31. Bolade, T. (1993), "Urban transport in Lagos", *The Urban Age* (Urban Transportation Issue) Vol.2, No.1, pages 7-8.

32. Figueroa, O. (1993) "Transport and the environment in Santiago de Chile", *The Urban Age* (Urban Transportation Issue) Vol.2, No.1, page 11.

33. See Rabinovitch, J. with J. Leitmann (1993), *Environmental Innovation and Management in Curitiba, Brazil*, UMP Working Paper Series No. 1, UNDP/UNCHS/World Bank, Washington D.C., pages 17-30; also World Bank (1994), *World Development Report 1994 - Infrastructure for Development*, New York, page 58; also World Bank (1986), *Urban Transport*, A World Bank Policy Study, Washington DC.

34. Guitink, P. (1993), "The world's most popular personal transport mode", *The Urban Age* (Urban Transportation Issue) Vol.2, No. 1, page 17.



35. Gallagher, R. (1992), *The Rickshaws of Bangladesh*, The University Press Ltd., Dhaka.

36. Cohen, M.A. (1991), *Urban Policy and Economic Development. An Agenda for the 1990s. A World Bank Policy Paper*, Washington DC, p.68.

37. Nationale Adviesraad voor Ontwikkelingssamenwerking (1994), *Advies Ontwikkelingssamenwerking en stedelijke armoedebestrijding*, Advies nr.103, Den Haag, page 32.

38. See reference 36.

39. See NIKO, (1989), "Volksparticipatie en gezondheid: Hand in Hand. De rol van hulporganisaties in gezondheidsprojecten in Midden Amerika," NIKO Lustrumsymposium, Nijmegen, chapters 2 and 3.

40. See for instance Netherlands Economic Institute (1992), *Re-*

vious economic importance. Rickshaws, for example, account for more than 50 per cent of Dhaka's (Bangladesh) vehicles, 70 per cent of its passengers, and 43 per cent of its total passenger mileage.<sup>(35)</sup> Municipalities should acknowledge, support and regulate these forms of transport after negotiations with users, drivers and owners both in the interests of cheap, safe and convenient public transport for short distances, and in the interests of low-income employment creation.

Municipalities also face major traffic generated air pollution. The growing volume of motorized transport is inflicting damage on the environment. Effective urban management is needed to enforce traffic rules as well as to check the levels of maintenance and sources of pollution and to eliminate traffic jams by encouraging the use of bus transport instead of private cars. This needs special measures such as reserved routes for buses and toll roads in some places. Effective urban management is also necessary to avoid the poor being trapped in isolated islands between high speed roads, criss-crossed by rail and road intersections.

### e. Health and Education

Human resource development requires medium and longer-term national investment in education, health, nutrition and family planning to improve labour productivity and incomes of urban households.<sup>(36)</sup> While statistics on access to school, clinics and other services show that urban areas are privileged relative to rural areas, significant intra-urban disparities exist within these services in most cities. Generally, such services are only accessible for a limited part of the urban population. In particular, the urban poor who need these facilities most cannot bear the costs.<sup>(37)</sup> Among the urban poor, the position of women and children is most critical, given the complex mutually reinforcing effects of education and health care on family size, labour force participation and income levels. Municipal actions in these sectors need to pay special attention to the lack of access experienced by low-income groups and specific sub-groups such as women and children.<sup>(38)</sup>

**Primary Health Care:** Primary health care in urban areas (comprising both preventive measures and curative facilities at neighbourhood level) has generally not been targeted at the poor and has generally not been seen as part of municipal services. The urban poor again lack access because primary health care is seen in most countries as an extension of the national health care system rather than as a municipal service. Municipalities need to stimulate the provision of appropriate primary health care targeted towards the low-income (slum) neighbourhoods. This may include coordination and even redirection of NGO or other donor activities and direct provision of clinics, personnel, medicines and equipment. Training of local health volunteers may be particularly beneficial. As demonstrated in Villa El Salvador in Lima and in other experiences in Central American countries, community participation in primary health care is of particular importance to the sustainability and affordability of the system.<sup>(39)</sup>

public of Yemen, *Dhamar Health Improvement and Waste Disposal Project - Report of Evaluation/Formulation Mission*, Rotterdam; also Borgman, K.M. (1992), *Operation and Maintenance of Urban Drainage Systems in Bandung, Indonesia: Physical Infrastructure Related Policy and Decision-Making*, Master's thesis, Faculty of Political Science and Public Administration, University of Amsterdam, Amsterdam.

41. Borgman, K.M. and E.A. Wegelin (1993), *Stedelijk Armoedeprofiel Ethiopie*, Netherlands Economic Institute, Rotterdam, page 19; also Gertler, P.J. and O. Rahman (1994), "Social infrastructure and urban poverty" in Pernia, Ernesto M. (editor), *Urban Poverty in Asia: a Survey of Critical Issues*, Asian Development Bank/Oxford University Press, Hong Kong; also Lilla, K. (1992), "Urbanization and education in Nairobi", in Coulby et al., *World Yearbook on Education*, London, pages 151-160.

42. See Bakhteari, Ouratul Ain and Madeleen Wegelin-Schuringa (1992), *From Sanitation to Development - The Case of the Baldia Soakpit Pilot Project*, IRC, The Hague, pages 49-61, for an account of how such home schools were established in a slum community in Karachi, Pakistan with NGO support, basically in response to the need for community education on sanitation. It was found that, in order to make some headway in this area, imparting basic literacy among girls and women in the community, who had been bypassed by the formal primary educational system, was a prerequisite. Unfortunately, after these schools had been functioning for several years with UNICEF support (which was coming to an end), attempts to sustain the effort by gaining recognition and support from the Sindh provincial department of education (and hence linking the home schools to the formal government education system) did not succeed.

Municipalities should integrate primary health care with the provision of micro-infrastructure affecting public health (water supply, sanitation, inclusive solid waste disposal, roads and footpaths, drainage and flood prevention) in slum areas.

Provision of primary health care, as in the case of other municipal services, has also been hampered by the conflict between provision standards and financial constraints, effectively further limiting access by the poor. These standards, therefore, should be modest, with strong emphasis on preventive measures, including information campaigns in conjunction with the provision of sanitation services. Such campaigns have proven to be particularly effective in conjunction with solid waste collection services.<sup>(40)</sup>

**Primary Education and Vocational Training:** Literacy and vocational training are two basic factors which enable poor children to be prepared for entry into the labour market. Primary education plays a crucial role in the social and economic integration of children into a city or a nation. Like primary health care, primary education has generally not been targeted at low-income (slum) neighbourhoods and has generally not been well integrated with municipal services. The experience of the last decades indicates that the percentage of drop-outs and illiterate youngsters originating from low-income families is increasing in some countries. This is not only caused by affordability problems but also by the decrease in quality of primary schools as a result of the elimination of subsidies. In addition, as a recent Asian study illustrates, in many countries public subsidies in education are typically regressive in that such subsidies ultimately benefit the non-poor more than the poor.<sup>(41)</sup>

Municipal investment in education should target primary schools and the quality of teachers, equipment and environment. These investments should be integrated with the provision of other services such as health services and micro-infrastructure in slums. In addition, municipalities have a role to play in coordinating and supporting NGO activities in this area. Municipalities could also provide incentives to encourage poor children to attend school such as through the provision of breakfast at school and subsidies on school uniforms. Parent participation in the support or management of primary schools may also serve this objective. Parental involvement will have a positive effect on school attendance and primary schools may become cultural centres or meeting places for the poor. Municipalities could organize short courses for illiterate adults and children. Depending on their age, children may become eligible for school attendance or vocational training. The municipality can use religious structures or organizations to achieve this.

Coordination with and support of NGO literacy activities should be considered. In societies where girls customarily face culturally determined barriers to entry into the educational system, the development of home based schools for girls deserves the attention and support of municipalities.<sup>(42)</sup> Vocational training is another area needing support from municipalities. Vocational training can often be organized in partnership with the private sector, increasing access to resources and appropriate equipment.

## V. EMPLOYMENT CREATION

**(URBAN) POOR INCOMES** consist of the returns from their own labour, since it is the main, and often the only, income-generating asset at their disposal. The poor obtain their income through self-employment or through wage employment. Many of the poor, however, are un- or underemployed. In recent years urban unemployment has worsened. This is due to the high rate of urban population growth (in Asia and Africa), combined with the failure of the formal sector to generate sufficient employment, mainly as a result of relatively high capital intensity in formal private sector operations, in a number of countries fuelled by the adverse impact of structural adjustment programmes.<sup>(43)</sup> The informal sector, therefore, has become increasingly important to the urban workforce, in particular for the chronically poor (unemployed youths, female headed households and street children). House building, for instance, is by and large an informal sector activity. In turn, availability of house space is often a condition of starting a small business such as food-selling.

Informal sector activities cover multiple economic sectors and vary in size, equipment, capital and employment.<sup>(44)</sup> Expansion of informal sector activities requires an integrated approach: space, infrastructure facilities (supply of power and water, roads, etc.) improved tools, appropriate machinery, innovations, capital, training, workshops, organization of entrepreneurs, and building effective relations between the informal and formal sectors. Through the provision of infrastructure, an enabling regulatory framework<sup>(45)</sup> and other enabling actions, the municipality can enhance informal sector productivity. In that context, it is also important to integrate spatial and infrastructure planning, as informal sector enterprises often directly depend on formal sector enterprises, and hence physical proximity is essential for both their productivity. The municipality may also facilitate access by small-scale enterprises to commercial banks as credit suppliers<sup>(46)</sup>, or support the creation of community saving banks. Examples of the latter are the Grameen Bank in Bangladesh, the Banca del Sol in Bolivia, the Community Bank in Nigeria and the initiative of Redd Barna (a Norwegian NGO) in Ethiopia to support the establishment of the Saving and Credit Cooperatives (SACC) at community level for low-income people and linking it to the financial formal sector through setting up a National Bank department (Saving and Credit Cooperative Development Office, SACEDO) to register and supervise individual SACCs.<sup>(47)</sup>

Informal sector units lack access to resources and markets, particularly access to training and credit from formal institutions. In the training area, therefore, municipalities could review what is being done and liaise with NGO activities to avoid overlap, support NGO activities or promote such initiatives in areas where no such support exists. As indicated in the above Ethiopian example, the urban poor do take part in NGO vocational training activities but lack of space and/or access to credit impede their opportunities to put their skills into practice. The

43. Sethuraman, S.V. (1994), *The Challenge of Urban Poverty in Developing Countries: Coping with the Informal Sector*, International Labour Office, Development Policies Branch, Development and Technical Cooperation Department, Geneva, pages 8-9.

44. See reference 15.

45. The importance of this is highlighted by a recent ILO supported study in Zimbabwe which includes a description of how informal sector entrepreneurs in four cities deal with municipal regulations which they experience as impinging on their operations: 29 per cent of all entrepreneurs interviewed said they lobbied for favourable treatment, 13 per cent ignored the regulations, while the majority sought ways and means to comply, either by shifting location, by ensuring (adequate) sanitation, or by paying rates. Only a very small percentage admitted to bribing officials. See Mhone, Guy C.Z. (1995), *The Impact of Structural Adjustment on the Urban Informal Sector in Zimbabwe*, Discussion Paper 2 on Issues in Development, ILO, Geneva, Table 66, page 82.

46. Borgman and Wegelin (1993), see reference 41.

47. Redd Barna-Ethiopia (1993), *A Brief Exposure of Income Generation Programmes of Redd Barna in Ethiopia*, prepared for the Redd Barna-Africa Regional Workshop on Credit and Income Generation, Addis Ababa, page 2; also Sethuraman (1994), see reference 43.

municipality can provide an environment where training will be dovetailed with opportunities to establish a small business, and where training output matches skills to the needs of entrepreneurs.

The municipality may also promote the participation of small entrepreneurs in the local Chamber of Commerce. In addition, small informal sector entrepreneurs could be strengthened by becoming organized through the establishment of professional organizations or unions which will be able to exert pressure to stimulate policy changes which benefit small informal sector entrepreneurs.<sup>(48)</sup> Another important example of a potential facilitating role for the municipality in this field is the establishment of technology centres or the promotion of access to existing technology centres to upgrade technology, to innovate products and to improve product quality. These improvements will enhance informal sector productivity and become, like location, credit and training, instruments to link the formal and informal sector support systems in order to avoid dichotomization of markets and/or institutions.

## VI. ACCESS TO JUSTICE AND PROTECTION FROM CRIME AND NATURAL DISASTERS

### a. Access to Justice and Protection from Crime

**ACCESS BY THE** poor to the judicial system is increasingly being recognized as a major challenge facing both municipalities and national governments in the South. The lack of fairness in administrative justice, the increase in urban violence and environmental insecurity adversely affect the urban poor.

The urban poor generally perceive the formal judicial system as slow and unpredictable, lacking legitimacy and efficiency for successful urban management. Consequently, informal judicial systems at neighbourhood level have evolved. These systems deal with criminal matters and disputes over land ownership. Within the formal system, the practice of administrative justice also contributes to the perception of inequity and inefficiency. Local officials have considerable discretion over the allocation of resources. The informal systems, therefore, often extend to the administrative sphere.<sup>(49)</sup> Municipalities (and national agencies, where appropriate) should work more closely with community organizations in low-income areas and support these informal arrangements. Administrative injustice may be reduced by greater accountability and transparency as a result of multi-party elections, particularly in Africa, but this needs to be dovetailed with specific action at local level to fill the administrative vacuum which often exists. Another, complementary way of reducing the perception of administrative injustice is by leaving the allocation of land and housing increasingly to the market.<sup>(50)</sup>

Accountability and transparency of municipal actions are also required to reduce urban violence. The causes of urban vio-

48. See reference 43, page 25.

49. Stren, R. (1988), "The African state and the practice of administrative justice: evidence from the urban sector" in Simbi, P. and J. Ngwa (editors), *Administrative Justice in Public Services. American and African Perspectives*, Worzalla Publishing Co., Stevens Point, Wisconsin, pp. 103-131; see also reference 15, page 21 and reference 4, pages 51-52.

50. Temple, F. and N. Temple (1980), "The politics of public housing in Nairobi" in Grindle, M. (editor), *Politics and Policy Implementation in the Third World*, Princeton University Press, Princeton, pages 224-249.

51. Hasan, A. (1993), "Karachi and the global nature of urban violence", *The Urban Age* (Urban Violence Issue) Vol.1, No.4, page 4.

52. Carvalho de Noronha, J. (1993) "Drug markets and urban violence In Rio de Janeiro: a call for action", *The Urban Age* (Urban Violence Issue) Vol.1, No.4, page 9.

53. Moser, C.O.N. (1993) "Domestic violence and its economic causes" and Rai, U. (1993), "Escalating violence against adolescent girls in India",

54. Guerrero, R. (1993), "Cali's innovative approach to urban violence", *The Urban Age* (Urban Violence Issue) Vol.1, No.4, page 12.

55. See reference 4.

lence as found in cities in both the North and the South include ethnic conflicts, political disagreements between the interests of the city and the province, the absence of basic physical and social infrastructure, social and economic pressures, poor public administration, corruption in city management, and the coming age of a "second generation" of squatter settlers in informal areas who are alienated from the mainstream of urban life.<sup>(51)</sup>

Urban violence in various Latin American countries is vividly illustrated by the increase in murder rates. The killing of street children or poor people led by para-military death squads profoundly affects the lives of the urban poor. Homeless children often become involved in drug-selling and consequently in the civic (and legal) order of drug lords established in the shanty towns of the city.<sup>(52)</sup> Growing violence against adolescent girls is a problem in Maharashtra, one of India's most socially and economically advanced states. Recent research revealed that there is an increase in violence against women and children.<sup>(53)</sup>

Municipal action in the field of public safety must extend beyond increasing the size of the police force. Community participation, sharing responsibility for decreasing urban violence, should be a main feature of the approach, as experience in Uganda and in Cali, Colombia suggests. In Cali, the municipal programme acknowledged the importance of operating at community level in its three action areas: law enforcement (public safety councils), education for peace (conciliation centres and school programmes), and social development (micro-enterprise development and sites for low-income housing).<sup>(54)</sup>

## b. Protection from Natural Disasters

The urban poor suffer most from degradation of the urban environment. The poor are often forced to live on marginal land (in floodplains or on land most at risk from earthquakes, on slopes which suffer from erosion, or are most at risk from being washed away as a result of streams of mud during heavy rains). Likewise, people living in overcrowded areas, lacking access to sewage disposal, sanitation and/or solid waste disposal are exposed directly to water and soil pollution. The urban poor are directly affected by air pollution caused by fires or the use of cheaper fuels.<sup>(55)</sup>

Municipal regulatory frameworks are often inadequate in addressing environmental problems, and municipalities often lack the capacity to enforce legislation in this area. Regulatory reform and enhancing the capacity of appropriate municipal institutions should be a priority. Primarily, however, municipalities need to become aware of environmental risks and their incidence among different groups of the urban population.

## VII. COORDINATION AND INTEGRATION

**MUNICIPALITIES PLAY A** key role in monitoring and coordinating developmental actions within their jurisdictions. Effective actions to alleviate urban poverty require not only knowl-



edge of the state and incidence of poverty within their jurisdictions, but also a need to monitor and integrate the activities of private sector organizations and of donor agencies. Moreover, these activities should fit into a long-term municipal development framework. Increased local (political) accountability will enhance the responsiveness of local government and local administration to local demands and needs, in particular of the urban poor.

The geographical deconcentration of specific municipal services to sub-municipal branch offices will strengthen municipal accountability by bringing providers closer to clients. Some services are financed through earmarked grants or are delivered directly by the field administration of central government ministries. Coordination and integration of interventions targeted at the urban poor require synchronization of the various programmes supported by different financial streams.<sup>(56)</sup>

A participatory decision-making culture, involving the majority of the urban residents, would also contribute to responsiveness and accountability by local government and local administration. Such a culture not only would enhance legitimacy of rules and regulations among the urban poor but also would stimulate participation in development (in particular where community based solutions are most appropriate).<sup>(57)</sup>

Despite the worldwide trend in decentralization, municipal capabilities are still too limited to perform their functions and deliver services effectively and efficiently, let alone provide adequate coordination and integration of urban poverty alleviation programmes. The main constraint, again, is the degree or type of transfer of power from the central government administration.

Municipalities, therefore, often lack the powers for effective political and economic decision-making. Consequently, they are often unable to extract resources to enlarge their discretion in policy and decision-making. Administrative and financial relationships with national and provincial government should be addressed to enhance municipal autonomy in local decision-making.

In spite of all this, municipalities often implement significant urban poverty alleviation action, although, more often than not, that action may not be labelled as such. Coordination and integration vis-à-vis urban poverty alleviation requires local institutional capacity-building.

A practical initial step towards monitoring and coordinating various urban poverty alleviation actions which may be implemented by the municipality is the designation of one of the existing departments as municipal poverty alleviation coordination office within the municipality, with direct access to the municipal political leadership. This has proved effective in some cases in enhancing the awareness of what can be done (and what is already done) in this regard at municipal level.

In addition (and this is increasingly done as a matter of course), effective networking between the various municipal departments and between the municipal departments and outside stakeholders is essential for ensuring successful coordination.

56. See reference 7.

57. See reference 15.



The Urban Management Programme supported city consultations held to date on municipal options in urban poverty alleviation have not only demonstrated the importance of bringing together all the stakeholders but have also indicated that such consultative processes fulfill an important learning-by-doing training function, after which participants appreciate better the importance of communicating across departmental/organizational fences.

### VIII. SUMMING UP: THE LOGIC AND FEASIBILITY OF A MUNICIPAL POLICY FRAMEWORK FOR URBAN POVERTY ALLEVIATION

**WHAT IS THE** upshot of the above on the options for action for municipal poverty alleviation? There is the emerging interest in this at municipal level and a limited number of success stories. But with a history of mismanagement and corruption at local level, the sceptics will not necessarily be convinced by the opportunities and pressures for action at municipal level described in earlier sections. However, we feel that the global trend of decentralizing roles and responsibilities (and hopefully resources with that) will force all of us to consider the potential in this regard more seriously than in the past. The opportunities for actually embarking on municipal poverty alleviation strategies are being enlarged by this worldwide decentralization trend, which shifts both authority and responsibility for social policy development and implementation onto local governments. To not grasp these opportunities has potentially high political and social costs.

Moreover, it is important to also remind the sceptics that municipalities can (and often successfully do) improve urban poverty along some of the lines discussed, even though often not ostensibly as part of a coherent urban poverty alleviation programme but, for instance, simply under the banner of urban service delivery.

Third, many of the municipal actions discussed are enabling and facilitating in nature and do not require very significant investment resources. In addition, there is a need to work through an integrated approach, requiring coordination and monitoring which, at the local level, can only be provided by local government. For this to take place effectively, it is essential that possible municipal actions are not looked at in isolation but are clearly perceived as part of an overall municipal policy framework to address urban poverty.

The above suggests that one of the major interventions, although not directly alleviating urban poverty but constituting a pre-condition for urban poverty alleviation, is to strengthen the capabilities of both municipal government and municipal administration. This requires a clear delineation between municipal, provincial and central government responsibilities in the discharge of public services, and depends on the degree of decentralization to the municipal level.

To enhance the quality of municipal interventions, it is important to continue to develop the municipal information base on the state and incidence of urban poverty within the municipal jurisdiction. Based on this information, municipalities are likely to primarily focus on reform in the regulatory area. Such action is relatively straightforward as long as it can be accommodated within existing local government ordinances and/or codes. However, when effective municipal actions require modification of such ordinances or the establishment of new ones, regulatory reform requires the active and supportive involvement of the national government, which obviously makes it a much more complex intervention.

Community participation is an essential ingredient in municipal interventions in urban poverty alleviation. Community involvement is of particular importance in the delivery of services and in the ability to assess the needs of the urban poor. In conjunction with strengthening the municipal capacity, a participatory approach will allow the gap to close between the community and the local bureaucracy. Through closing such gaps municipalities will be able to better target interventions towards the basic needs of the urban poor.

The above trends have been recognized in the preparations for the Habitat II Conference in Istanbul in June 1996. The preparatory process explicitly highlights the role of local governments in managing the urbanization process globally. For the first time in the history of global UN conferences, local government representatives will sit at the table in Istanbul as equal discussion partners with central government delegations. More specifically, the preparatory process highlights possible municipal actions on poverty alleviation as elements of Habitat II country action programmes. Cases of good practice in municipal poverty alleviation programmes (among other examples of good practice) are also being brought together as part of the preparatory process. Therefore, the Habitat II conference and its preparatory process are expected to catalyze awareness of the role of municipal government in urban poverty alleviation.

