



Background Paper of the Task Force on Improving the Lives of Slum Dwellers

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Note to the reader

The Background Paper provides a preliminary overview of existing knowledge and scopes out the questions addressed by this Task Force. The analysis, conclusions and recommendations contained herein should be considered as very preliminary as they are likely to evolve as the Task Force works toward its final report at the end of 2004. Comments and suggestions are welcome. Please cite this paper as "Background Paper of the Millennium Project Task Force on Improving the Lives of Slum Dwellers".

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1 The Global Context of 21st Century Urbanization

1.1 Facts and Projections¹

The problems of globalization in the 21st century are largely going to be challenges of urbanization. While the global population is expected to increase at an annual rate of less than 1 percent per annum (.97 %) over the next thirty years, the urbanized population of low- and middle-income countries will increase by almost 2.4 percent per annum. The doubling time for the urban population in these areas is 29 years, while for high-income countries it is 185 years.

Indeed, almost two billion people today live in the urbanized regions of low- and middle-income countries. The implications of this are enormous, as three-quarters of them face problems of wrenching poverty, malnutrition, inadequate or no housing, poor quality drinking water and all the other problems that stimulated global concurrence over the Millennium Development Goals. By 2030, that number will easily reach the conservative figure of four billion – in a global population of about eight billion.

In other words, it is clear that the *urban areas of the world's low- and middle-income countries will absorb most of the global population increase expected over the next three decades.* Most of these new urban dwellers will be poor, translating into the “urbanization of poverty” and highlighting the crucially important value of effective urban policies capable of dynamically addressing the bulk of the world’s poverty problem. A major source of this rapid urbanization, particularly in parts of Asia, Africa, and Latin America, is the accelerating rural-urban migration patterns these regions are experiencing and the transformation of rural settlements into small cities. The UN Population Division predicts that this rural to urban transformation trend (i.e., the scenario of a decreasing rural population and increasing urban population, with the only possible exception of the African continent) will be exacerbated by expected universal reductions in fertility levels. If this occurs, one outcome will be an eventual reduction in the rural population of low- and middle-income countries outside of Africa. Indeed, the UN prediction is that by 2020 the rural population growth rate will turn negative for the first time. This rural population decline that parts of Asia, Africa, and Latin America are about to experience is similar to the one that has been underway among the rural population of high-income countries since 1950.

A working assumption for our Task Force is that these trends are not likely to change and that policy initiatives to change them by reversing urban growth will prove futile. We believe that we must take the planet’s transformation into a “world of cities” as a starting point in the positive reversal of present trends toward the urbanization of poverty, and work to improve the outcomes.

¹ Facts and projections are based on two reports from the UN Population Division: *The World at Six Billion* and *World Urbanization Prospects: The 2001 Revision - Data Tables and Highlights*.

1.2 Urbanization Trends and Levels: A Regional Glimpse²

There are marked differences in the existing level of urbanization and the rate of growth of urbanization among the low- and middle-income portions of the world. Indeed, there is significant variance *within* regions – *even within countries* – where these levels and rates are concerned. Though regional averages admittedly cloud specificity regarding urbanization levels and rates at national and city-specific scales, they provide helpful macro-level benchmarks of the situation at hand.

The Latin American - Caribbean region is presently highly urbanized – seventy-five percent of its population now lives in cities. Asia and Africa present much lower urbanization levels: in Asia 37 percent of the population lives in urban places and in Africa the comparable figure is 38 percent. Nonetheless, Africa and Asia are expected to experience rapid urbanization rates in the next three decades. By 2030, 54 percent of Asia's and 53 percent of Africa's populations are expected to be urban residents. At that time, the urbanized population of Latin America and the Caribbean is expected to nudge up to about 84 percent. In a similar vein, the European and Northern American urbanized population proportions are predicted to also grow slightly from 73 and 77 percent, respectively, to 80 percent and 84 percent in the same time frame. The increase in Oceania is likely to be even smaller, rising from 74 percent to 77 percent by 2030.

It is also important to distinguish between *rates* of urbanization and the *total number* of urban dwellers. Despite the higher levels of urbanization in Europe, Northern America, Latin America and the Caribbean compared to Asia and Africa, the total number of urban residents tells a different and important story. The combined number of urban dwellers in these first three regions is 1.2 billion people. That is not even as high as the figure in Asia at present (1.4 billion), the least urbanized major area of the world today. Furthermore, by 2030, Asia and Africa will both have higher numbers of urban dwellers than any other major area of the world. In other words, the total number of urban dwellers in Asia and Africa alone merits attention, despite the relatively lower levels of urbanization in these areas at present, particularly given the projected increases in urbanization rates and the context of cities ill-equipped to adequately service and provide for such significant populations. This is another way of looking at the urbanization of poverty. The highest number of urban dwellers will live in the two regions of the world currently registering the lowest GDP per capita, though of course such urban population increases are contingent upon several driving factors – not the least of which is the economic performance of countries in these regions. Proactive and strategic policies addressing future population change must be transformed into practice in order to minimize the growth and spread of degraded living environments.

² Population data are from the UN Population Division's *World Urbanization Prospects: The 2001 Revision – Data Tables and Highlights*.

2 Defining the MDG Target for “Slum Dwellers” and the Role of the Task Force

2.1 The Target

The “Slum Dwellers” Target outlined in the Millennium Declaration aims at the significant improvement of the lives of at least 100 million slum dwellers by the year 2020. A few major concepts in this Target require greater elucidation:

1. Firstly, this target is not simply about the physical environment of “slums”. Rather, *the objective is to provide for and address the needs and priorities of urban populations who live in poor quality housing or settlements* (or what might be termed “slums”)³. This often translates into supporting them in their choice to purchase, rent, or build better quality housing, helping improve their income opportunities, and finally, ameliorating their living conditions, to name but a few critical components of this goal.
2. Furthermore, let there be no confusion from the ambiguity of the term “significantly improving”. The original target was clearly inspired by the “Cities Without Slums” initiative, to which reference was specifically made in the Millennium Declaration. This initiative highlights that “Cities Without Slums” *should not* directly translate into slum clearance or slum eradication since this is certainly not ‘improving the lives of slum dwellers’. Both slum clearance and slum eradication have proven largely ineffective and socially disastrous practices in high-, middle-, and low-income countries. (Indeed, such policies generally exacerbate the housing problem by forcing evicted dwellers into other tenements or informal settlements). However, some ambiguity remains to be addressed in the “Cities Without Slums” concept. More specifically, this Task Force will aim to resolve the differences in various policy approaches, from those aimed at eradicating such settlements altogether and to those which assume a more human equity-driven approach calling for minimum standards of housing for *all*.
3. Lastly, targeting an absolute number of slum dwellers is not the appropriate central challenge. While it is clearly critical to set measurable goals, such aims are better positioned within the realm of realizing defined policy actions that have wide reach and deep impact on the present *and* future shape of the human and physical urban environment. This Task Force seeks to demonstrate is that changes in policies, plans, investments, attitudes, *and* processes by governments and international agencies can improve the lives of slum dwellers and ensure better living conditions for urban generations to come. More specifically, as

³ The word slum has two uses: First, as a collective term, it involves a settlement of some scale, in which the quality of housing is of an unacceptable standard. In this sense, it is the geo-spatial representation of the divided city, in which rich and poor are separated in a kind of urban apartheid. The second use is singular – a slum is an individual urban dwelling of extremely poor quality, wherever it is situated.

As such, the term “slum-dweller” can mean first, a person who lives in a *settlement* defined as a slum. In this scenario, our emphasis is on improving the settlement as a whole. Second, “slum dweller” can refer to an individual who lives in an unacceptably poor housing *unit*. In this sense, we concentrate on the issue of improving living conditions for individuals, not only the geo-spatial slum settlement.

further discussed in Section 6, these players can reverse the forces creating and sustaining slums, as well as stimulate the forces generating good quality, low-income accommodation and settlements.

2.2 The Task Force

In light of these clarifications, the Task Force specifically aims at achieving the following objectives:

1. Ensure that the main focus of our research efforts and policy recommendations is on the needs and priorities of those that live in sub-standard accommodations/settlements (or are homeless). This implicitly requires an understanding of slums not as a “scourge” or “problem”, but as the spatial manifestation of urban poverty, social exclusion, and/or of inappropriate government policies. Furthermore, it should be clear from this discussion that slums are indeed a proactive, bottom-up *solution* to these noted problems and others, including limited income opportunities.
2. Outline the comprehensive view. More specifically, demonstrate how and why addressing the problems of slum dwellers must be an integral part of international, national, and local development strategies (i.e., recomposing the “Divided City” – see Section 3), as well as good governance policies and practices.
3. Recommend *adaptive* and *integrated*, medium- and long-term citywide development strategies, based on the three pillars of sustainable development - economic, social, and environmental. Out of these development strategies should flow operational plans aimed at institutional and political changes and policies (i.e., comprehensive urban development strategies, as opposed to isolated projects; reliance on the resources and recipes of the poor, as opposed to solely top-down, imposed reforms,⁴ etc).
4. Recognize that the needed changes (for example, expanding infrastructure and service provision, increasing the supply and reducing the cost of land for housing, revising or eliminating inappropriate land development and housing standards, supporting housing finance systems as well as creative general financing systems for the poor, like micro-credit programs, etc.) require a strategic planning framework that draws in and involves all stakeholders, especially those living in “slums”. In this context, *strategic urban planning*, based on the integrated development guidelines noted in point 3, can be an effective tool in strategizing spatial development and infrastructure investment for the benefit of all (i.e., by specifically guiding economic growth, environmental protection, and social inclusion initiatives). Critical in this endeavor are the forging of partnerships that empower the urban poor to identify appropriate solutions to improving their lives (rather than forcing upon them top-down policies like arbitrary evictions). In terms of governance, this translates into the necessary adaptation of the following principles:

⁴ Such strategies may also include policy reforms and practical measures to provide security of tenure to slum dwellers via upgrading projects where feasible (as highlighted in UN-HABITAT’s Global Campaign for Secure Tenure), and to support community-led initiatives that avoid conflicts and ensure sustainability in cases where relocation is necessary.

- a. Fighting urban poverty without fighting the poor;
 - b. Fighting squatting, not squatters, through improved capacity in urban physical planning;
 - c. Recognizing gender or the specific situation of women and men as a consideration in all slum improvements strategies, plans, programs, and activities, as men and women experience slum life differently.
5. Provide examples and recommendations on:
 - a. How slum dwellers have acted to secure improvements;
 - b. How to ensure that slum dwellers have a strong voice in city and local development strategies, action plans, resource allocation, etc.
 6. Demonstrate how well governed cities with a pro-poor focus (i.e., with proactive equity-driven policies) can accelerate a more robust form of economic growth in urban areas, which can become an indispensable “engine of growth” for a country.
 7. Mobilize the world community (including international, national, *and* local players) by means of feasible action plans, specifically noting the required resources, the means for harnessing them, and the ease of access of poverty-stricken groups to such funds.

3 Slum Dwellers and Cities

3.1 A working definition of slum dwellers and slums

In the context of improving the lives of *slum dwellers*, it is critical to acknowledge that “slums”⁵ exist in many forms – from a complete absence of accommodation (as is the case for those sleeping in public places, on pavements, or in open spaces) to overcrowded boarding houses with rented beds, to single rooms in tenements housing entire households, to informal or illegal settlements (where dwellers are renters or de facto owners).

Indeed, *within* any city, a diverse range of “housing sub-markets” for lower-income groups is typically present and reflective of the various drivers of slum formation, including income opportunities, etc. [See Section 4 on this latter point]. The form and relative importance of these housing sub-markets also varies *between* cities and over time (usually much influenced by what governments do or do not do). Arguably the one, shared characteristic of slums is the *vulnerability to serious health risks for their inhabitants due to inadequate provision of adequate shelter, basic infrastructure, and services*, such as water, sanitation, drainage, and often overcrowding. In many instances, building structures also threaten health prospects (for instance, when buildings are in risk of collapse, made of flammable materials, or provide inadequate protection against the elements).

⁵ Please note that throughout this paper, the term “slum” will be used with reference to and critical understanding of the issues addressed in this section. Furthermore, our intention is to promote a more enlightened use and grasp of this term and the complexity of issues it carries by ourselves assuming its use as reflective of the argument presented. We also encourage such progressive, comprehensive usage of “slum” terminology especially by governments or other decision-making bodies with top-down influence on the lives of slum dwellers.

Furthermore, in many cases, the dwellers' tenure of their accommodation is insecure (for instance when living in illegal settlements at risk of eviction or renting space with no safeguards from landlord exploitation). Indeed, in several cities a high proportion of those who live in poor quality accommodation live in illegal settlements – a fact with important implications beyond health risks and insecure tenure. More specifically, dwellers in illegal settlements are commonly denied their civil and political entitlements (i.e., the right to vote, access to basic services, public education for their children), often because they have no official address.

In sum, “slums” may host deficiencies in:

- a. the quality of the building
- b. the size of accommodation (relative to dwellers)
- c. the quality of infrastructure and service provision to each individual unit of accommodation (i.e., provision for water, sanitation, and electricity)
- d. the quality of and access to infrastructure and services for the wider neighborhood (transportation, drainage, roads, garbage collection, schools, etc.)
- e. secure tenure
- f. provision for meeting citizen rights

This Task Force will focus on how best to address these deficiencies in the lives of slum dwellers (and thus support a significant improvement in their lives) rather than addressing slums in their physical form alone. In other words, our main goal will be to attack the *roots* of urban poverty as manifested in the lives of slum dwellers by addressing both the physical dimensions (i.e., inadequate housing and settlements) as well as the non-physical dimensions of the poverty dilemma, including slum dwellers' low income levels (both in the formal and informal sectors), inappropriately targeted policies, and other influences discussed in detail in Section 4 of this paper.

3.2 Slum dwellers and the current policy context

A differential diagnosis is clearly required of the determinants of increasing or decreasing numbers of slum dwellers in the world today and the various contexts in which slums occur (i.e., in small, medium, large, and mega-sized cities). More specifically, evidence suggests that the incidence and number of people living in slums is not necessarily reduced by faster economic growth. Indeed, a number of slums have flourished during times of significant economic growth, when labor migration pull factors went unaccompanied by adequate housing and settlements for new city residents (as was the case in Istanbul, Bangalore, Bangkok, Manila, etc.). This is an example of dysfunctional economic growth, or more specifically a process where sustained economic growth takes place without any institutional mechanisms to redistribute its benefits in a socially equitable manner. Such inequity in benefit-distribution is critically and directly linked with the quality of life of slum dwellers. In addition, it also important to note that slums of a critical size relative to the local economy can themselves hamper the true growth potential of an urban agglomeration by impairing the effectiveness and labor efficiency of

significant portions of the potential working force, with serious repercussions on national growth. Indeed, although a significant surplus in the urban labor force has historically allowed for worker exploitation, that very exploitation has worked against long-term, effective, and sustainable economic growth.

Among others, these points highlight the need for greater attention and funding from governments and international agencies to help ensure that slum conditions improve for low-income populations. We contend that *some* of the reasons for less than optimal attention at present are:

1. Governments whose policies and investments lack an understanding of the full complexity of processes of slum formation and/or are not influenced by or accountable to citizens.
2. National and provincial governments that restrict the resources and powers available to democratically elected city and municipal governments.
3. Structural conditions within the world trade system that allow many low-income nations little possibility of developing more stable, robust, prosperous economies, thereby *also limiting* their ability to devote necessary resources to problems leading to an increase in the number of slums dwellers.
4. Lack of up-to-date and reliable statistical information (e.g. the oft cited figure that 75 per cent of the world's poor live in rural areas lacks analytical support and serious statistical basis).
5. Strong biases against urban issues - or in some cases, against capital or major cities specifically - (by a variety of players, including certain country regimes, donors, and in many cases, international agencies), including:
 - a. Perceptions of cities as rich and rural areas as poor.
 - b. The unfortunate juxtaposition of the images of the "good peasant" feeding the nation vs. the slum dweller as bearer of crime and disease.
 - c. A simplistic notion that cities and capitals are the *loci* of corruption and mismanagement.
6. Institutional bias of some international agencies toward rural issues;
7. Geographical inaccessibility of cities (i.e. landlocked cities)
8. Fear on the part of recipient countries that a new emphasis on "urban" problems may shift decreasing ODA resources to the detriment of rural development.⁶

3.3 The Divided City

The most meaningful way to produce a lasting improvement in the lives of slum dwellers all over the world is to ease their transition from *inhabitants of precarious urban settlements* to *citizens with full civic rights and responsibilities*. The adoption of such a perspective would mark a monumental departure from the conventional approaches followed so far by governments and international agencies. These approaches have been piecemeal and project-based. Often, the improvements gained by individual interventions of a sectoral nature (be it shelter, housing, sanitation, community development, or other areas) are at the discretion of benevolent agencies and external funding, and are thus short lived. It is essential to create the conditions whereby the urban poor are enabled to

⁶ In this context it is important to note that this Task Force does not advocate a "zero-sum game" of shifting resources from rural programs to the cities.

become masters of their own destinies and integral to the cities in which they live and work.

In most contemporary instances, slum dwellers live in situations of illegality or legal uncertainty. Here it is critical to acknowledge a difference between squatter and slum settlements, with the former typically under the umbrella of illegality and the latter often dealing with legal uncertainty. Such scenarios not only cause untold suffering, but also rob the city of the contribution of potential citizens to the virtuous cycle that creates great urban communities – a sense of right, a sense of belonging, a sense of participation, and a sense of responsibility. Indeed, being a citizen means more than fighting for your neighborhood as an individual or collective stakeholder. It means assuming responsibility for the city as a whole: paying taxes, paying rates, electing a mayor, participating in the choices that are meant to make the city a better place for all.

It is the dichotomy between citizens and non-citizens that has radicalized the impasse between the “two cities” – the city of privilege and the city of despair. But this dichotomy spells potential disaster for everybody. The walls between the haves and the have-nots can only go so high. These barriers create explosive situations, which have led, and will increasingly lead in the future, to confrontation and violence. Furthermore, this marginalization and exclusion impose hardships on the most vulnerable segments of society, primarily women and children – a direct concern of our Task Force. Indeed, sound urban governance and environmental sustainability are undermined in such scenarios, breeding urban violence, threatening economic development, and thereby affecting other Millennium Development Goals as well.

It is our contention, therefore, that nobody stands to gain from the “divided city”. Only a few entrenched members of today’s urban society think that the walls between the privileged and the dispossessed can stand up forever. Walls, guards, security systems can perhaps protect people in their homes. However, one cannot isolate oneself permanently from the city, which is, by definition, a public space. The false security enjoyed behind gated communities and walled compounds is negated every day by the risks that loom for all those who dare leave such gates. Even for the privileged few, the costs of doing business transported in armored cars or helicopters are now so high that it threatens to shut down the urban economy that generates their prosperity. Remaining action-less about the underlying problems and building higher walls only exacerbates danger and prepares the ground for future disaster. Enormous sums of money are being wasted in seeking individual solutions to a collective social problem – the divided city. The only efficient and effective solution is to promote conditions of well being and dignity for the *whole population* of the city. Only real stakeholders have a real interest in peace, law, and order.

4 A Differential Diagnosis of the Growth or Diminution in the Number of Slum Dwellers

A key analytical contribution of this Task Force will be the systematic analysis of the determinants driving the increase or decrease in the number of people living in deficient accommodation or settlements. The following discussion of such determinants, together with key analytical questions, will need to be addressed over the coming months:

4.1 Low income levels

Slums are in part an urban expression (and solution to problems) of absolute poverty and income inequality. The urban poor have amply demonstrated a willingness to invest in the improvement of their shelter conditions as well as in communally organized infrastructure and services improvement schemes, but often lack the means (financial, technical, material, etc.), the opportunities, and the incentives to do so due to low income levels and institutional/legal constraints.

Furthermore, relative to the low income of slum dwellers, the cost of housing and related basic services has been increasing. The Task Force will document this trend and investigate its driving factors, namely:

1. Supply (building materials and construction costs, land prices, housing markets, corruption, etc.)
2. Demand (migration and natural population growth, low income, lack of access to housing finance, etc.)

4.2 Weak macroeconomic growth and inappropriate government policies

Policies aimed at improving *national economic growth* often lack a strategic understanding or recognition of resulting impacts on the *lives of slum dwellers*. The study of correlations between the presence of slums and macroeconomic growth will shed light on distinct national government policies and their effects. For example, governments often turn to the construction of new housing settlements as a solution to both the lack of acceptable low-income housing and, importantly, an economy in need of a fiscal boost in spending. However, a deeper examination of correlations between slums and national economic growth shows that the construction of new settlements or housing does not necessarily improve the lives of slum dwellers (and that such construction is more costly than slum improvements). In other words, addressing the quantitative backlog of acceptable housing or settlements does not necessarily address the qualitative backlog of acceptable housing and settlements. This distinction is absolutely critical, particularly given the resources often allocated by governments to building new housing projects (again, largely as a means of facilitating a construction boom and its potential multiplier effects in the economy), rather than addressing the quality of extant housing and settlements in need of attention.

By analyzing the differences in slum prevalence across cities in countries with similar national income levels, the Task Force will seek to systematically understand which government policies (as well as other non-policy factors) primarily drive the increase/decrease in numbers of slum dwellers at particular income levels.

4.3 The Poverty Trap: Inability of low-income households to accumulate assets

An increasing amount of poverty research indicates that whatever the roots of poverty, its perpetuation is linked to the inability of low-income households to accumulate assets (human capital, physical assets, and financial assets) and pass them on from generation to generation. Critical obstacles to such accumulation include insecure land tenure (arguably the most important), crime (which makes asset accumulation, especially by small businesses, risky), and household time and income budget constraints. More specifically, time and budget resources are largely consumed meeting mobility needs, such as commuting (if employed), collecting water, removing solid waste, bringing children to school, and reaching markets. Indeed, it is not uncommon for households to spend as much as 30% of their time and income on meeting such basic mobility needs.

4.4 Rapid migration and high natural population growth

Persistently high population growth rates (inclusive of rural-urban migration) in a number of urban areas, despite lower fertility rates, will lead to a doubling of the urban population in low- and middle-income countries within the next 30 years, as outlined in Section 1. In addition, migration flows to cities or intra-urban migration may increase as the result of natural and/or man-made (i.e., war/conflicts) disasters (and lack of preventative measures and plans to deal with such disasters). Indeed, the increase in slum dwellers resulting from the displacement of populations under political violence and conflicts is particular⁷. While governments cannot easily plan for the accommodation of internally displaced persons or refugees, they should find ways to plan services and infrastructure with sufficient margins to allow for the relatively rapid response to seriously increased demand.⁸ Furthermore, governments should address potentially predictable natural disasters (i.e., landslides, earthquakes, etc.) with plans working to support the *extant* effected resident population.

4.5 Differences in or lack of a sustained economic base for the city

At a given national income level, significant differences can occur between cities in terms of their ability to absorb increases in their population without creating new slums or the scope for improving the lives of slum dwellers. This may be due in part to differences in cities' economic bases (which are potentially related to a city's geographic accessibility). Examples of such economic bases are government transfers or an export sector in manufactures or services.

⁷ Experience in Somalia, RSA, and others areas might show that, in some cases, slums are started through the process of displacement of populations seeking security during conflicts. Often, these groups form an initial 'settlement' that over time matures into a kind of established slum.

⁸ An important question that needs to be addressed is how a poor country with an impoverished countryside, rapid rural-to-urban migration, and rapid population growth can avoid the growth of urban slums. Conversely, will increased urban investments lead to accelerated rural-to-urban migration that may aggravate the problem of urban slums? It is hoped that the case studies selected by the Task Force will be able to shed some light on these complex questions.

4.6 Lack of institutional strength: Base, Capacity, and Transparency

Central components of a strong institutional base include secure tenure⁹, community-financing schemes (e.g. credit unions or micro-finance), and regulatory frameworks. Such a formal institutional foundation is also clearly reliant on institutional capacity (in terms of human capital and resources) and transparency in allocation processes. The absence of these institutional strengths is a significant driver of slum formation. More specifically, inadequate public financing (resulting from dismal tax collection records or in the poor performance of public utilities, etc.), for example, can further reduce the effective capacity (and transparency) of local, national, and international institutions to effect positive change in slum dwellers' lives.

An important issue in this context is the decreasing role of national and regional governments in managing cities that has been apparent in a number of countries.¹⁰ More specifically, institutional capacity and transparency in city government demands the application of often missing base principles of subsidiarity, effective (and where possible democratic) decentralization, and good urban governance¹¹. Lack of urban responsibilities for the city government, lack of finances (either absolute or relative to the responsibilities devolved), lack of financial and service management skills as well as of strategic and participatory planning capacity, and finally the failure to prioritize the needs and empowerment of the most deprived, all translate into a city government that cannot and will not be able to improve the lives of its slum dwellers. Indeed, where government policy is particularly inappropriate or inadequate, large sections of the non-poor urban population are also vulnerable to deficient housing or settlements.

4.7 Weak government commitment to the urban poor and lack of empowerment of (especially female) slum dwellers

Insufficient willingness of government, both national and local, to invest in the improvement of the living conditions of the urban poor is an important determinant of slum formation. It may result from a lack of political and economic power on the part of slum dwellers, as described in more detail in Section 3 on the Divided City. As a result, the urban poor receive a disproportionately small proportion of the benefits from urban development planning, public infrastructure provision, and overall economic growth. This anti-poor bias in government commitments also has clear links with *gender inequality*. Overcoming such issues concerns the address of both the “formal” structure of government institutions (e.g. high degree of centralization) as well as their “informal” characteristics, such as inefficiency, corruption, and gender biases.

⁹ The Task Force also recognizes that title to property, though not universally desirable, is another component that may be appropriate at a certain stage of development.

¹⁰ Closely related is the question of the impact of regional and international agreements (e.g. NAFTA, General Agreement on Trade in Services - GATS) on cities' discretion in managing their own affairs. For example NAFTA has important repercussions on zoning laws while GATS may affect the running of public services. This Task Force will identify these concerns and ask Task Force 9 on the rule-based trade system to include them in its analytical work.

¹¹ For more on the translation of “good urban governance” into practice, please refer to Section 6.5.

4.8 Inadequate strategic and participatory urban planning and lack of public infrastructure provision

The urban planning experience in low- and middle-income countries presents, at best, a spotted record. The rigidities and long gestation periods of master plans, for example, have been amplified in contexts where limited technical capacities were compounded by a growing divarication between plan, political commitment, the lack of a shared vision, and the absence of implementation resources. Urban planning also developed a reputation for being elitist, overly top-down oriented, and oblivious to the needs of poorer citizens. This is not necessarily the case today: many low- and middle-income countries have modernized their approaches to physical planning and infrastructure provision, incorporating a much stronger participatory content and a clearer legitimacy. Examples of strong grassroots-based as well as internationally-based initiatives can be drawn from the UNDP-UN-Habitat-World Bank Urban Management Program, as well as from the experience of the UNEP-UN-Habitat Sustainable Cities Program and the still limited, but highly significant, experiences of Local Agendas 21. A further source of empirical lessons in planning can be found in the early and current experiences of cities in North America and Europe. Central to our goal is the exploration of the potential of strategic, comprehensive, and participatory planning as an indispensable tool in providing public infrastructure, mapping a community's future, and turning cities into spaces of open opportunity and fulfillment in the public realm.

5 What is currently underway in improving the lives of slum dwellers

The Task Force recognizes the need to compile a comprehensive portfolio of current efforts to improve the lives of slum dwellers from which lessons can be maximized, including:

1. Outstanding Local Government Initiatives
2. Outstanding Local and International NGO Initiatives
3. Outstanding National Government Initiatives
4. The World Bank's Housing and Slum Upgrading Experience
5. UN-HABITAT and UNDP
6. Bi-laterals (e.g. DFID, AID, GTZ/KfW, JICA/JBIC, SIDA, CIDA, SDC)
7. Regional Development Banks (Latin American and the Caribbean, Africa, and Asia)

6 Toward a comprehensive plan of action with global, national, and local implications for improving the lives of slum dwellers

6.1 A Case for Action

A two-fold thesis on why the slum/urban context especially demands attention:

1. Most Millennium Development Goals can be captured and addressed in slum settings in a concentrated and effective way for a substantive portion of the world's poor.
2. Making cities work, especially for the poor, will allow them to take on their role as engines of growth for *an entire country (i.e., benefiting both urban and rural*

populations). Furthermore, making *smaller* cities work (especially for the poor) will also help mitigate problems in cities with predicted high growth.

6.2 View from the slums: How do slum dwellers (both men and women) see the way forward?

Amidst the present rhetoric of “participation”, “country-driven”, and “people-driven”, the theme of this Task Force provides an opportunity to document the views and aspirations of slum dwellers themselves, filtered through the voices of the growing numbers of Slum Dwellers Federations in different regions of the world. Special efforts will be made to solicit the views of distinct groups of slum dwellers, especially women and children, as often representations made by men on their behalf are not necessarily reflective of their realities and priorities.

The thesis is that a collection of views from the variety of groups noted above will provide a much more practical array of strategies than the uninformed observer imagines, as well as the indispensable building blocks for a full-fledged plan of action to be produced by the Task Force. It is important to view such “bottom-up approaches” as one of the most promising developments in:

- a) The effort to break out of the vicious cycle of urban poverty;
- b) The creation of new paradigms for good urban governance and for partnerships between slum dwellers, citizens, local and central government, and the international community.

6.3 View from NGOs and Expert Groups

NGOs and experts, while working with slum dwellers, are not themselves slum dwellers. Nonetheless, given their extensive contact with slum dwellers on a daily basis, many of these groups can offer much insight into how slum dwellers’ lives can be improved in specific action plans. The Task Force will look to NGOs and experts for help in elaborating on such projects and plans in the local, national, and international context.

6.4 Linking economic growth and slum dwellers’ productivity

Lack of investment into the lives of slum dwellers is a significant oversight in efforts to increase the productivity of a country’s population and its economic growth. Interventions building on existing programs at international development institutions, as well as in local and national governments’ policies, should not only focus on securing tenure for the poor, but also on helping slum dwellers become greater economic producers. More specifically, a number of measures could be taken to help slum dwellers accumulate assets that reduce their basic mobility burden (encompassing both time and cost burdens) and facilitate their productivity.

For example, transit system prioritization measures in Bogota, Curitiba, Quito, and other cities have proven that improvements financed by local governments themselves (perhaps through taxation of parking and automobile use) can reduce the costs of public transit for the poor and working people. Safe facilities for cyclists and pedestrians can dramatically

reduce the mobility costs faced by the poor, in addition to reducing the risk of debilitating traffic accidents (the number 2 cause of death and disability among young people in low- and middle-income countries, according to the World Health Organization). Land banking near these transit priority facilities has financed low-income housing that is also accessible, permanently reducing the time burden on the low-income family and allowing time to be used for education and income-generating activities. Furthermore, giving low-income families access to bicycles and other low-cost vehicles becomes a capital asset that allows the poor to entirely avoid transit fares, hence generating an income stream (from saved transit costs) for the life of the asset. Also projects to provide piped water and sewage systems not only reduce health risks but also the burden of collecting and paying for water. Such measures would go far in determinedly improving the lives of slum dwellers.

6.5 New paradigms in urban governance¹²

There is an emerging international consensus that good governance is a crucial prerequisite for poverty eradication.¹³ This is equally valid at the local level, where the quality of the relationship between the local government, the private sector, and civil society has considerable impact on the effectiveness of poverty reduction efforts. The experiences of the city of Porto Alegre in participatory budgeting, South African gender budgeting at the local government level¹⁴, and new approaches in normative thinking on the part of international agencies¹⁵ are all promising examples of effective developments in the realm of good governance. They show that, indeed, improvements in the lives of slum dwellers will be more effective when urban governance systems help resolve conflicts between key urban actors and/or help create synergy of action that is necessary to improve the living conditions of slum dwellers in a sustainable manner.

In an effort to further clarify the concept, UN-HABITAT's Global Campaign on Urban Governance¹⁶ proposes that the following interdependent and mutually reinforcing principles of good urban governance:

1. Sustainability in all positive dimensions of urban development
2. Subsidiarity of authority and resources to the closest appropriate level
3. Equity of access to decision-making processes and the basic necessities of urban life

¹² For examples of success stories, please refer to the Appendix.

¹³ See UNDP's 2002 Human Development Report, the World Bank's 2003 World Development Report, UN-HABITAT's 2001 State of the World' Cities Report and UNEP's GEO 2000 Report.

¹⁴ UNIFEM, UN Economic Commission for Africa – Africa Centre for Gender and Development, and the Commonwealth Secretariat are useful resources in identifying other examples, as they are supporting countries in developing gender responsive budgets.

¹⁵ The principles of good urban governance developed by the UN-Habitat global campaign are an example.

¹⁶ The Global Campaign on Urban Governance promotes practical measures to improve urban governance around the world. The campaign is guided by an advisory group of organizations concerned with promoting good urban governance systems. Contact addresses and web sites of these organizations can be found at the campaign's website www.unhabitat.org/governance in the section on "Partners". This site also includes more than 30 links to other organizations and programmes working on various dimensions of urban governance, in the section on "Links".

4. Efficiency in the delivery of public services and in promoting local economic development
5. Transparency and Accountability of decision-makers and all stakeholders
6. Civic Engagement and Citizenship
7. Security of individuals and their living environment

Pro-poor and inclusive¹⁷ local government policies are critical in achieving such principles in practice. As is made clear in the April 2000 issue of *Environment and Urbanization*, there are at least six areas where local authorities can have an impact on poverty reduction¹⁸:

1. Most local authorities control access to land and are responsible for land-use planning and regulation. The ease of access, the cost, and the location of land available to the poor have a significant impact on their livelihoods.
2. Access to infrastructure and basic services highlights the linkages between the health costs incurred by the poor due to unsafe water supply and inadequate health care.
3. The degree of success in local economic development determines the resources available for capital investments in such things as improved access to land, infrastructure and services.
4. Local economic policies can be supportive of the poor, by promoting labor-intensive work methods and providing support for small-scale enterprises and the informal sector.
5. Local authorities can improve the poor's access to justice and the enforcement of laws that, if not enforced, most adversely affect the poor (for example, corruption in public office, pollution control, and personal safety in informal settlements).
6. Perhaps most importantly, the ability of the urban poor to influence local decision-making greatly determines the "pro-poorness" of local strategic planning, priority setting and capital investments.

All these areas reveal the linkage between urban governance, poverty reduction, and improvement in the lives of slum dwellers. Progress in poverty reduction depends on the quality of the participation of the urban poor in the decisions affecting their lives and on the responsiveness of urban planning and policy-making processes to the needs of the urban poor.

At the same time, a set of assumptions should also be *avoided* in the name of good urban governance, including:

1. The assumption that economic growth reduces income poverty or any other aspect of poverty. Despite steady economic growth, the number of persons below the poverty line and the number of people living in slums increased in some countries during the 1990s.

¹⁷ The "Inclusive City" reflects both the UN-Habitat campaign's vision and strategy. An Inclusive City promotes growth with equity. It is a place where everyone, regardless of their economic means, gender, race, ethnicity, or religion, is enabled and empowered to fully participate in the social, economic, and political opportunities that cities have to offer. Participatory planning and decision-making are the strategic means for realizing this vision.

¹⁸ *Environment and Urbanization*, Volume 11(4), April 2000, pp. 3-11.

2. An assumption that decentralization *automatically* leads to improved living conditions for the urban poor. In some cases, decentralization, when coupled with insufficient capacity and financial resources, can lead to the deepening of urban poverty and endanger human rights.¹⁹ Often city budgets also direct proportionally more resources to better-off neighborhoods, through explicit or implicit budgeting practice.
3. Systems of representative democracy do not automatically result in a voice for the slum dwellers. The design of the city-level political system, including the arrangements for electoral representation and executive control, is important for addressing slum life improvement. Various systems have been tested to deepen representative democracy and make it truly participatory, including geographical or interest group-based models.
4. The contribution of the informal sector to the economy of the city is often mistakenly underestimated. Several functions of low- and middle-income cities would be seriously affected if informal sector jobs were not present. Oppressive regulation of the informal sector can also destroy livelihood opportunities for the poor.²⁰

6.6 The need for comprehensive and participatory urban planning and design

As ideally representative of a political and bureaucratic practice that is accountable, transparent, and influenced by low-income groups and their organizations, comprehensive and participatory urban planning and design can be effectively harnessed to improve the lives of slum dwellers. If we are to be successful at addressing the urban poverty that undergirds slum formation, we need to address the problem systematically and systemically. Among the important topics to be addressed are citywide strategies for sustainable development, which include appropriate plans for informal settlements and infrastructure (construction, water, transport, etc.), as well as land use and development planning for creating revenue and income generation opportunities for municipalities.

In sum, any successful strategy must include elements of *participatory urban planning and design, social inclusion, and environmental protection*. More specifically, flowing from the city strategy for sustainable development, it is necessary to draw up urban action plans (including spatial plans and participatory designs²¹) that comprehensively address the public investment and public service needs that cities and urban slum settlements must tackle if they are to create a context for sustained robust private sector economic activity. Certainly, jobs and private investments (both externally-based and self-generated) help determine the degree to which cities can make serious headway in improving the lives of slum dwellers. However, as discussed throughout this paper, increased economic growth or investment alone is not sufficient in reaching our target –

¹⁹ Local Rule, Decentralization and Human Rights. International Council on Human Rights Policy, 2002.

²⁰ Urban governance and poverty. Lessons from a study of ten cities in the South. University of Birmingham, June 2001.

²¹ The design process, a form of reflection-in-action, provides a model for innovative and inclusive learning-by-doing within the particular needs of diverse cultural frameworks. Participatory design also facilitates the development of skills and the use of sustainable, appropriate, and new technologies.

good governance is needed. More specifically, a commitment to include all community stakeholders in the growth process is key. Furthermore, economic development itself must be understood as affected by the *overall state* of the city, including the aforementioned quality of governance but also the quality of environment, and the scope of human capacity and skills available.

Overall, *process in planning and design will matter as much if not more than the plans and designs themselves*. Participatory planning and design and the presence of local residents empowered as citizens are crucial here. The process must be one in which slum dwellers themselves are able to articulate and inject their priorities into the planning/design process and play a meaningful role in determining their future and the shape of crucial urban services. In other words, the process must facilitate the formulation of answers to at least the following questions by all stakeholders²²:

1. What is our vision for our city's future (i.e., what kind of city are we trying to develop)?
2. What are our strengths and weaknesses, both within the city and in the wider economic and geo-political context?
3. What are our realistic priorities over varying time scales (i.e., 5 years, 20years)?

International donors, funding agencies, and national governments must make comprehensive, participatory planning and design a commitment central to their priorities and targets as well. Indeed, such institutions and governments must take the lead in placing the large-scale capital projects that reshape urban infrastructure and land use (in transportation, power, water, sanitation, etc.) on the table. To this end, the *quantitative commitment levels* or resources specifically allocated to *investing* in the lives of slum dwellers (i.e., the percentage of GDP, donations, etc.) must be transparent and reasonably secure. Furthermore, the Task Force advocates the *inclusion of housing in the PRSP process*. Indeed, if housing, and more generally slums, are addressed in international poverty reduction strategies, then *debt relief could be used by national governments to fund plans specifically aimed at improving the lives of slum dwellers*.

6.7 New forms of international co-operation

Several initiatives to build international co-operation on issues with potential to improve the lives of slum dwellers are promising. Examples the Task Force supports include:

1. City-to city co-operation, both north-south and increasingly south-south. As the conditions for urban success are interconnected, capacity-building partnerships between cities can operate on a more organic and longer-term basis than that, for example, of individual consultants on defined projects. In fact, municipal practitioners are far more likely to learn from their counterparts. The Local Government Declaration adopted at the Johannesburg Summit included the

²² Women in particular have been key actors in many initiatives to improve slum dwellers' lives and thus their voices should be ensured in the planning process. In addition, slum dweller youth may offer untapped, innovative problem-solving techniques, given their capacity for risk taking and their creative thinking. As the young stand to be major and invested beneficiaries, this group may be an overlooked resource for social and economic change.

“Millennium Cities” concept, under which cities and local governments around the world would commit themselves to promote awareness of and take action to target the Millennium Development Goals. The Task Force supports this concept and will seek to promote city-to-city co-operation targeted specifically at improving the lives of slum dwellers and enhancing comprehension of the specificity or uniqueness of problems faced by cities in low- and middle-income countries.

2. The Cities Alliance, a multi-agency, multi-partner endeavor anchored to citywide strategic planning (City Development Strategies), with a focus on the urban poor (Cities Without Slums) and community empowerment.
3. Educational alliances between universities, professionals, and slum dwellers in north-south and south-south settings. The recently ratified Union of International Architects (UIA)/UNESCO Charter for Architectural Education makes special mention of the environmental challenges facing the world’s poor and recommends educational strategies to address these. Indeed, there are numerous opportunities to build mutual co-learning exchanges between slum dwellers, universities, and professionals, as several efforts have shown.²³

6.8 Doing more with less

As resources will always be relatively limited, city governments need to focus on “doing more with less”. Appropriate, insightful examples of how and where city governments should intervene, acting as a catalyst to other positive developments, are crucial. In addition, the direct involvement of slum dwellers and low-income urban communities in planning and improvement projects (community contracts, relocation schemes, assisted self-help housing, community development schemes, micro-credit programs, tenure regularization, etc) highlights operational lessons to be advocated. Examples of tangible improvements achieved in the lives of slum dwellers, with breakdowns of resources employed (sweat equity, community savings, local and central government grants, ODA components, etc), will come forth in the case studies and data gathering efforts currently being developed by the Task Force.

The Task Force also emphasizes the importance of recognizing the different capacity levels of low-income groups. More specifically, establishing a ‘rule of law’ that protects and helps these groups find or negotiate solutions to urban poverty is crucial in any attempt to “do more with less”. Distinctions are needed here in regard to the differences in institutional and political constraints on the capacities of two general low-income groups:

1. *Low-income groups with a capacity to pay for adequate housing in acceptable settlements*: The central goal here is to increase supply and reduce cost of land for housing, infrastructure connections, and credit so as to facilitate a *self-help* environment. Formal housing builders and land developers can also better work with competitive pressures, cheap inputs, and finally freedom from superfluous

²³ Paul Friere’s concept of “conscientisation” could provide a framework for co-learning. In addition, a number of international professional organizations are oriented toward addressing our Task Force’s concerns, including Engineers without Borders, Builders without Borders, Doctors without Borders, Architecture for Humanity, Habitat for Humanity, Architects and Planners for Social Responsibility, etc.

red tape and inappropriate standards that drive down the prices of the land and housing they develop for sale. Overall, this group of low-income urban dwellers is in need of a well-functioning land market for cheap housing and a government able to ensure low-income households (including those interested in building on land sites):

- a. A well functioning credit system for the housing market;
 - b. A good public transportation system, affecting an increase in the supply and reduction in the cost of land for housing in the whole city (though often pushing prices up at the best transport nodes).
 - c. A capability to install trunk infrastructure (roads, drains, water mains, and if appropriate, sewers) to areas where new housing is developing or could develop.
2. *Low-income urban dwellers with very limited capacity to pay for housing in adequate settlements.* In this scenario, the procurement of basic provisions for water, sanitation, drainage to all areas/houses in a city²⁴, and the establishment of innovative partnerships with urban poor groups and their community organizations are necessary institutional developments. Indeed, partnerships of the like have been shown to better use existing city resources²⁵ and to provide effective special solutions for particular groups (like street children). While full cost recovery is not feasible in these cases, such goals must be sought with the intention of minimizing unit subsidies (so limited resources go as far as possible) and guarding against the leakage of subsidized goods or services to non-poor groups²⁶.

6.9 Costing and Financing the Target

As our work proceeds, we shall be challenged to identify where, how, and at what cost the original “Slum Target” of a significant improvement in the lives of at least 100 million slum dwellers as well as our extended view of the larger, dynamic challenges can be reached. Simultaneously, the financing of our target will need to be considered continuously. Part of this overall examination will require the recognition of the institutional constitution of current funding bodies and their capacity to work directly with sub-national governments.

Presently, UN-HABITAT is studying the feasibility of a financing facility that would enable ensuring that our target is viable and properly supported financially. While the study is still in its earlier stage, a discussion of its findings and a debate among partners on these issues will take place during the meeting of UN-HABITAT Governing Council in May 2003. The costing of our target is also included in the scope of this debate. In the

²⁴ Examples achieved with full cost recovery are available from the work of OPP in Karachi and WaterAid in Dhaka.

²⁵ Specific examples include the community-designed, built and managed public toilets that SPARC-Mahila Milan and The National Slum Dwellers Federation in Mumbai and Pune have achieved.

²⁶ The experience of the South African Homeless People’s Federation, using the small housing subsidy available from the government to low-income households to build good quality housing, is particularly important here. The experience of CODI in Thailand (and its predecessor, the Urban Poor Development Organization) is also particularly insightful in many of the above scenarios.

meantime, preliminary outcomes of the approach will be made available to the Task Force.

Appendix

1 Quantitative Data, Case Studies, and Monitoring

1.1 Quantitative Data

An important focus of the work of this Task Force will be on *building a strong evidence base for its recommendations*. To this end the Task Force will develop a master dataset on major cities in the world, built up from UN-HABITAT, World Bank, UN Population Division, and crucially, data collected by slum dwellers' associations ("slum surveys") when possible. It will integrate data on major cities (e.g. >1 million population), data on overall urbanization, and data on country-level aggregate developments (e.g. overall growth, population, income levels, etc.). Using this dataset and similar studies conducted by organizations like IIED, the Task Force will attempt to improve current estimates of the percentage of urban population living in slums. The dataset should combine economic, social, and environmental indicators. Wherever possible, the Task Force will estimate gaps in income, education, health, fertility, and other key indicators within cities and regions. An attempt will also be made to measure rural-to-urban migration, and natural population growth in rural and urban areas.

1.2 Case Studies

In the absence of a coherent and comprehensive analytical framework for cities and slums in low- and middle-income countries, the Task Force will need to draw on detailed case studies to advance its understanding of the drivers of slum formation and ways in which these can be addressed.

To this effect, the Task Force will maximize on the existing expertise of its members and their on-going relevant city-specific research and knowledge base. The choice of city case studies for extended focus, including detailed historical, institutional, demographic, and economic analysis, will follow from their recommendations. Overall, the case studies will be regionally representative and will address the points outlined in the differential diagnosis contained in the following Section as well as the questions outlined in the Appendix. In addition, the Task Force will develop a plan together with CIESIN on creative mapping potentials for our case study cities.

It is also worth noting that the Earth Institute of Columbia University is currently carrying out a detailed analysis of four cities for the Earth Institute 21st Century Project (Accra, Delhi, Fortaleza, Kampala). In an effort to maximize the synergies between these two complimentary efforts, the Task Force may include these four cities in its list of case studies.

Other potential case studies to be conducted by Task Force members include:

A) City-based

1. Mumbai and Bangalore (India);

2. Sao Paulo (Brazil);
3. One or two cities in Central America (possibly Leon, Nicaragua and San Salvador, El Salvador);
4. Bangkok (Thailand);
5. Cape Town (South Africa);
6. Nairobi (Kenya)²⁷;
7. Karachi (Pakistan).

This would provide us with two cases in Latin America (one in South America, one in Central America), four in Asia (appropriate in that close to half the world's urban population lives in Asia) and two in Africa.

B) Initiative-based

Studies of particular initiatives that have helped “significantly improve the lives of slum dwellers” are also particularly relevant. Such studies might include research on:

1. The routes by which urban poor federations or those with low incomes have been able to secure or negotiate for ‘significant improvements’ in their accommodation or settlement area.
2. Access to credit markets, both at the micro-level and macro-level (i.e., access by slum dwellers and by cities): what are deficiencies and what regularizes such markets? Where capital market failure is prevalent, what are innovations in housing finance/micro credit or other finance systems for low-income groups that have helped slum dwellers improve their homes or get new better quality homes.
3. Community-driven slum enumeration experiences and what they have produced or are producing.
4. Community-driven water and sanitation provision in urban areas.
5. The quality and extent of provision for water and sanitation in urban areas.

1.3 Monitoring Our Target: UN-HABITAT’s Measurement Strategy

UN-HABITAT, together with the Earth Institute and other partners, is launching a long-term monitoring exercise in order to report on a set of basic minimum indicators:

- a) Proportion of urban households with secure tenure;
- b) Proportion of urban households living in slums²⁸

²⁷ GUO has access to Nairobi census data, current DHS data and anticipated updates in the DHS, as well as a recent MICS survey of Kangemi, Kibera and Korogocho. Habitat is currently preparing a report based on these datasets that will become a guideline on how census and other datasets can be used for policy relevant analysis.

²⁸ The Expert Groups Meeting adopted 5 indicators to measure “improvement in the lives of 100 million slum dwellers by the year 2020,” as specified in the Cities without Slums MDG Target 11. These are:
Proportion of urban population with sustainable access to an improved water source
Proportion of urban population with access to improved sanitation
Proportion of urban population with access to secure tenure
Proportion of urban population with durable housing units
Proportion of urban population with adequate living area

The scope of indicators and research questions will also embrace the relation of living-in-slums to other MDG indicators, such as poverty, employment, infant mortality rate, under-5 years mortality rate, literacy, education attainment, girls' education, HIV/AIDS, and the like.

To this end, a series of sample surveys will be carried out in 35 cities, over a period of 2-3 years. The choice of urban settlements will mainly comprise of large cities around the world, representing regions or sub-regions where disaggregated information reflects the differentials of quality of life between the slum and the non-slum dwellers within each city.

Approximately one third of these surveys will be comprehensive, covering selected Habitat Agenda goals (i.e., governance, access to housing finance, affordability, and other livability conditions such as transportation). These surveys will be mainly facilitated by UN-HABITAT, in coordination with partners within and outside the cities and countries. One clear relationship is already established with the African Population and Health Research Center (APHRC), based in Nairobi. It is envisaged that a partnership between the World Bank, UN-HABITAT and APHRC will produce a number of sample surveys in many African cities. Similar initiatives are ongoing around the world, two of which are conducted by the Hacettepe Institute of Population Studies in Ankara and the American University of Cairo, respectively, for the undertaking of surveys on the cities of CIS and the Middle Eastern countries. The network between agencies that have a stake in urban information, institutions with research capacities, and UN-HABITAT will grow wider in 2004.

The remaining two thirds of surveys are envisaged to be an add-on to other efforts, such as the Demographic and Health Survey, Demographic and Education Survey sponsored by USAID, and Living Conditions Survey of FAFO, coordinated and funded by NORAD together with national partner institutions like National Statistical Offices. While this group of surveys will be more limited in content, they will still enable reporting on the differentials of a multitude of MDG indicators, including by human settlement type, within cities themselves (i.e., the differences between the slum and the non slum dwellers), etc.

UN-HABITAT anticipates facilitating such surveys every five years, providing not only the proportion of slum dwellers and the proportion of urban households without secure tenure, but also tracking improvement in the lives of slum dwellers, vis à vis other MDG themes.

UN-HABITAT will also assist the national population censuses and other survey initiatives with guidelines addressing below issues:

- a) Formation of sampling frames for slum areas through conventional methods, as well as GIS technology, is a major facilitation, particularly since the enumeration areas are too large to distinguish the slum from non-slum neighborhoods. A model initiative has already taken place in the city of Nairobi, with the Kenyan Census Bureau.

- b) Development of guidelines on operational definitions and analysis of secure tenure, slums, governance, through pilot studies.

Finally, UN-HABITAT and the Earth Institute will promote other stakeholders who shape survey instruments or censuses to broaden their scope, both in terms of content and in terms of adding a slum content to their efforts.

The list of cities envisaged for comprehensive surveys in 2003 and 2004 include Istanbul, Buenos Aires, Monterrey, Saint Petersburg, Rio de Janeiro, Windhoek, Kampala, Bogota, Dakar, Tbilissi, and Paris. The add-on effort to FAFO surveys will likely cover Khartoum, Beirut, Port au Prince, Nouakchott, Mogadishu, Amman, Beijing, and Ha Noi. Finally, the cities where UN-HABITAT and partners will add on to DHS include Manila, Cebu, Cairo, Nairobi, La Paz, and Accra.

2 Systematizing case study lessons

While recognizing the limits of comparison between case studies, basic principles underlying different approaches to improving the lives of slum dwellers should be identifiable. To this end, and in addition to the criteria set out in Section 4 and Appendix 1, case studies should aim to address the following questions:

A) What matrix of conditions describes various slums and what is being done to address their problems in different contexts? For example:

1. Economic description (fast-growing, growing, lagging, stagnant, collapsing economies – *NB*: Various indices (WDR, HDR) could be used to formulate the distinctions here.
2. Political context (governance strength, institutional viability, stability on local, regional, and national levels – *NB*: HDR 2002 has an interesting index that can be used for indication of how countries measure up in this context).
3. Country size (small, mid-sized, and large low- and middle-income country contexts) – *NB*: as distinct from city size, country size can have a specific impact on the development prospects of cities.
4. Urbanization Lifeline (state and nature of city and urbanization, i.e. mature, growing, recent, rapid, slow – *NB*: CIESEN can help us with maps showing agglomeration and urbanization status).
5. Types of government settlement and slum upgrading policies and planning (pro-active, reactive, etc.)
6. Presence of Any Local Participatory Initiatives

B) Why are current policies and projects working or not working, as seen from case studies (global, regional, and local contexts)?

C) What are both formal and informal institutions that direct success or failure?

D) What can be learned and applied elsewhere/ What plan of action? (What are necessary conditions for implementation/adaptation of successful programs elsewhere?)

Finally, the following table may be helpful in tracking our case study analysis. In particular, it can be applied to specific cities by estimating the relative contribution of each factor influencing the number of slum dwellers on an increasing scale from 1 to 3:

Key Influences on the Number of Slum Dwellers	<i>City 1</i>	<i>City 2</i>
Population growth in cities		
High rural-urban migration rate		
High urban fertility rate		
Migration due to natural/man-made disasters		
Poverty, economic growth and financing tools		
Low GNP per capita		
Lack of an economic base for the city		
High income inequality/Low-income level of slum dwellers		
Lack of financing tools to put available purchasing power of slum dwellers to use ²⁹		
Lack of funds available to local or national authorities to finance institutions and infrastructure or to provide subsidies to slum dwellers ³⁰		
Unstable resource allocation commitment to poor		
External constraints on economic development (please specify) ³¹		
Average slum dwellers' income and market rental price of average housing unit		
Physical environment		
Inappropriate environment for urban agglomeration ³²		
Inadequate Institutions		
Instability due to civil strife and war ³³		
Lack of municipal institutions ³⁴		
Insufficient accountability of local and national institutions to slum dwellers		
Lack of slum-dweller participation in decision-making processes		
Gender discrimination		
Lack of secure tenure and title to property		
Inadequate Policy Environment		
Lack of enabling environment at national and international levels ³⁵		
Lack of appropriate urban planning and design ³⁶		

²⁹ Analyzes availability of appropriate financing tools to increase people's financial liquidity by spreading the financial burden over longer periods and possibly more people (e.g. microcredit, credit unions, other community-financing schemes).

³⁰ Describes available funds for setting up and sustaining appropriate institutions, redistribution to poorer segments of society, and financing of public infrastructure – irrespective of their source.

³¹ Includes international trading system

³² Includes the presence of marginal land (e.g. steep slopes), vulnerability to natural disasters and lack of freshwater resources.

³³ Includes post-conflict situations.

³⁴ Describes lack of both human resources and technical expertise

³⁵ Denotes a national and international framework for making appropriate resources (financial and political) available to urban development.

³⁶ As defined in discussed in Section 6

<i>Table continued</i>		
Specific sectoral policies		
Housing and Tenure		
Transportation		
Water, sanitation, and solid waste collection		
Healthcare		
Obstacles to extension of employment opportunities		
Crime prevention		

3 Good Urban Governance Success Stories

One strength the Task Force will increasingly rely upon is the wealth of “success stories” documenting innovative and result-oriented efforts by cities in low- and middle-income countries to improve the lives of their poorer urban dwellers. These stories are helpful resources in both the substantive experiences they relay and for the underlying principles they evoke. We list three brief examples below:

3.1 Dakar, Senegal: Basic Services for the Poor

More than 70 percent of the urban population in West Africa does not have access to such basic services as safe drinking water, proper drainage and garbage collection. Poor women bear the brunt of these shortcomings, having to spend significant portions of their day collecting water and disposing of waste. As a result, women are most vulnerable to disease and illness. Since 1990, a local non-governmental organization, ENDA Tiers Monde, has worked with local residents to provide 450 households in the Municipality of Rufisque with private sanitation. Nearly 200 of these households are linked to waste and water treatment plants through a narrow drainage system. In addition, 20 horse-drawn carriages collect refuse from households and take it to the treatment plants to be sorted. Wastewater and organic refuse are recycled using a process of lagooning with aquatic plants, which produces compost for urban agriculture. The population co-finances approximately 70% of the equipment. In the long run, the costs will be entirely covered by the beneficiaries. The costs recovered by the program are invested into a community revolving fund for other projects. One of the major impacts of the initiative has been the sense of civic engagement and citizenship created through participation in local development processes.

3.2 Porto Alegre, Brazil: Popular Participation in the City Budget³⁷

For over a decade, the city of Porto Alegre has been involved in an innovative experiment in the budgetary process. Its “Participative Budget” has institutionalized the participation of civil society through a series of annual meetings that reach down to the very grassroots of the city. Through these meetings, citizens scrutinize the past year’s expenditures, agree upon current priorities, and allocate funds for new projects. Between 15 and 25 percent of Porto Alegre’s annual budget is allocated according to this process. The real success of Porto Alegre’s Participative Budget, however, can be found in the change in the city’s political culture: people feel included in the decisions that affect their lives. Says Jussara Bechstein-Silva, resident of the Vila Planetario neighborhood of Porto Alegre, “I always suffered a lot with discrimination because I was poor. But taking part in the budget made me feel like a human being. I discovered that I have the same rights as a rich person.”

3.3 Revolutionizing Local Governance in Naga City, The Philippines

Building on the 1991 Local Government Code that mandated the need for greater participation in local governance, Naga City passed its “Empowerment Ordinance” in late 1995. The Ordinance organized and institutionalized the Naga City People’s Council (NCPC) and set the stage for what has been a revolutionary experiment in local governance. In effect, what some call a “shadow government” or a civil society counterpart to the City Council has been formed. Civil society has been empowered to work closely with the local government to design, implement, and evaluate the City’s development agenda. Three priority areas were identified for action under the aegis of the Naga City Participatory Planning Initiatives: the clean up of the Naga River, the management of solid waste, and the revitalization of the Naga City Hospital. Reaching down to the village level through civil society-organized task forces and committees, citizen input is contributing enormously to the effectiveness and sustainability of these initiatives.

³⁷ Useful case studies, guides, and evaluative documents (in English) on this subject include the following: (1) Participation, democratizing practices and the formation of a modern polity — the case of ‘participatory budgeting’ in Porto Alegre, Brazil (1989-1998), Zander Navarro, Federal University of Rio Grande do Sul, Brazil. Published in *Development*, London: Sage, volume 41, number 3, September, 1998, p. 68-71; (2) A guide to participatory budgeting, Brian Wampler, 2000; (3) Urban Planning and Management as tools for social justice: some notes on recent Brazilian experiences. Marcel Lopes de Souza, 1999; (4) Challenging traditional participation in Brazil: the goals of participatory Budgeting. Pedro Jacobi, Occasional Paper No. 32, Woodrow Wilson International Centre for Scholars, 1999 (5) Participatory democracy and sustainable development: integrated urban environmental management in Porto Alegre, Brazil. Rualdo Menegat, 2002, *Environment and Urbanization*, Vol.14m No.2; (6) “Learning democratic practice: distributing government resources through popular participation in Porto Alegre, Brazil”. Rebecca Abers, 1998, in *Cities for Citizens*, eds. M. Douglass & J. Friedmann, London: John Wiley & Sons; (7) Participatory budgeting in Brazilian cities: limits and possibilities in building democratic institutions. Celina Souza, 2001, *Environment and Urbanization*, Vol. 13, No.1.