



CARE International Policy Update

CITIES ON THE BRINK **Urban poverty in the 21st century**

During the next year, for the first time in history, the world will tip from being predominantly rural to predominantly urban. Virtually all this population growth is taking place in towns and cities in the developing world, fuelling an unprecedented growth in slums and urban poverty. CARE's figures show that every day 100,000 people move into a slum in the developing world – that's equivalent to one person every second. The current response from international donors and national and city governments is nowhere near adequate to address the squalid conditions that 1 billion slum-dwellers are living in today. Nor are adequate measures in place to deal with the fact that this number is set to double in the next 25 years. CARE argues that current approaches to aid overlook this crucial aspect of global poverty which must be addressed if we are to achieve fundamental and lasting change for poor people worldwide.

Published by CARE International UK
June 2006

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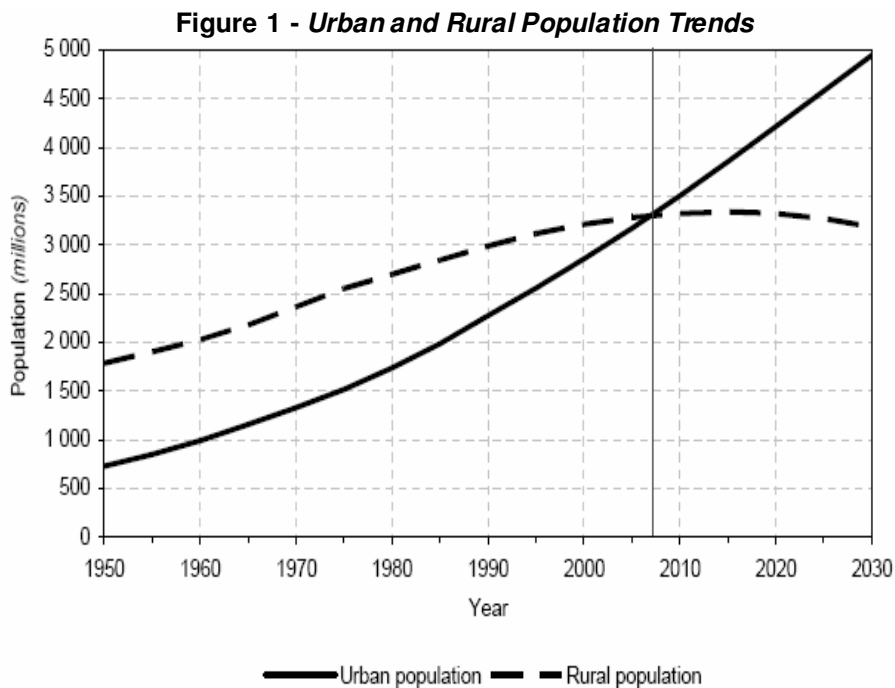


1. THE TREND: THE TIPPING POINT

1.1. Rapid urbanisation

During the next year, for the first time in history, the world will tip from being predominantly rural to predominantly urban. By 2030, 61 per cent of the world's population will be living in cities and towns.

Today there are 3 billion people living in cities across the world. By 2017 that figure will have risen to 4 billion and by 2030 the total number of city-dwellers will be nearly 5 billion. Meanwhile the number of people living in rural areas is expected to stay static at 3 billion – or may even decline slightly over the next 30 years. ¹



1.2 Trends in developing world cities

Towns and cities are growing but this growth is not happening evenly across the globe – urban areas in the south are growing four to five times faster than in the developed world.² Indeed, virtually *all* global population growth over the next 25 years is taking place in towns and cities in the south.³

As a result of the rapid urbanisation across Asia, Africa and Latin America, 80 per cent of the world's urban population will live in cities in the south by 2030. In 2015, the largest cities in the world will be Tokyo, Mumbai, Delhi, Mexico City and Sao Paulo. In fact, of the 30 largest cities in the world in 2015, more than 25 will be in developing regions. Although urban growth is most commonly associated with the mega-cities of Asia like Delhi, Dhaka and Mumbai, in fact Africa is the



CARE International Policy Update

most rapidly urbanising continent on earth. Equally surprising, perhaps, is that most growth will take place in small to medium sized conurbations.⁴

Rates of growth are staggering. Delhi, for example, is predicted to grow by around 40 per cent in only a ten year period from 2005 to 2015. Other UN predictions and estimates show how rapid this growth is in other places.⁵

City	2005	2015
Delhi	15,334,000	20,946,000
Lagos	11,135,000	17,036,000
Dhaka	12,560,000	17,907,000
Mumbai	18,336,000	22,645,000

The impact of this cannot be underestimated. If London were to grow at the same rate as Delhi it would reach a population of 10.5 million in under ten years' time from just over 7.5 million currently. Instead, like many developed world cities, it will remain more or less static.

1.3 The rise of urban poverty

Slums already account for 1 billion of the world's urban population – that's one in three of all urban dwellers across the globe. That figure is set to rise to nearly 1.5 billion by 2020 and 2 billion by 2030.⁶ Every day 100,000 people move into slums in the developing world – that's the equivalent to one person every second. Within many individual towns and cities of the developing world, not only is the absolute number of people living in slums on the increase – they are also making up a bigger proportion of the city's total population.

- Between 1990 and 2001, 65 million people moved into slums in Africa – that's almost the equivalent of the entire UK population.⁷
- 72 per cent of Africa's urban population lives in slums while in south-central Asia, 60 per cent of the urban population are slum-dwellers.⁸
- Without effective intervention, Africa's slum population is set to double every 15 years given the current annual rate of growth of approximately 4.5 per cent.⁹

In short, the only thing rising faster than urban population growth is urban poverty.

2. THE SCALE OF THE PROBLEM

2.1 Living conditions in slums today

These population shifts are on a collision course with the already atrocious living conditions in the slums of the developing world. Kibera, the biggest slum in the Kenyan capital of Nairobi, is just one example.

Kibera, Nairobi

With almost a million inhabitants, Kibera on the outskirts of Nairobi is one of the largest slums in the world. It has 3,000 people crammed into every hectare, making it more than 80 times more densely populated than Birmingham which averages 36 people per hectare.

The muddy ground of the shanty town is strewn with rubbish and human waste, and people live in corrugated iron shacks without electricity or running water.

If you live in Kibera, your life expectancy is almost three decades less than that of a resident of Birmingham. On average, men in the slum live to the age of 47 and women to the age of 50. The Birmingham man can expect to live to 74 and his female counterpart to the age of 80.

The impact of living in Kibera is harsh even by African standards. Those who live elsewhere in Nairobi can expect to live a whole decade longer on average, while Kibera's child mortality rates of 151 per 1,000 are two or three times those of the city overall. Almost one in five people is HIV positive.

And despite the size of its population and the scale of its problems, Kibera is not featured on maps of the city.

Yet, Kibera is by no means unique, as the statistics in box 2.1 illustrate.

Box 2.1: Slum conditions

Water and sanitation

- The city of Kinshasa in the Democratic Republic of Congo, with a population fast approaching 10 million, has no waterborne sewage system at all.¹⁰
- In contemporary Lagos in Nigeria, less than 5 per cent of households have piped water connections – this is down from 10 per cent in the 1960s. Less than 1 per cent are linked to a closed sewer system – this proportion mainly consisting of hotels and wealthy compounds.¹¹
- In Dar es Salaam, Tanzania, 83 per cent of households use pit latrines, while only 6-7 per cent have access to sewers¹²



Box 2.1: Slum conditions cont.

Health and nutrition

- At any one time, approximately half of the urban population of Africa, Asia and Latin America suffers from a communicable disease associated with poor water and sanitation facilities such as diarrhoea or worm infections.¹³
- 50% of the population of Mumbai, India, suffers from respiratory problems and is at risk from infection while 300,000 people are thought to be infected with TB.¹⁴
- In Cape Town, South Africa, the relative rate of TB in deprived areas is 20 times higher than in wealthier parts of the city.¹⁵
- In the worst cases, up to one in four children dies before they reach the age of five from preventable causes related to a lack of services in their neighbourhood.¹⁶

Rubbish collection

- 2% of the waste produced each day in Lusaka, Zambia, is collected and this is mostly from industry, commercial premises and wealthier areas.¹⁷
- In Lima, Peru, about two-thirds of the city's rubbish – or 2,200 metric tons – is disposed of illegally in open rubbish dumps, on streets in vacant lots, and along river and ocean shores, resulting in contamination of water supplies and toxic fumes from the burning of waste.¹⁸

The waves of people who move into towns and cities in the hope of finding jobs, greater income and a better standard of living and public services mostly end up sorely disappointed and living in shocking conditions.

2.2 Lack of services: increased pressure

The increase in the number of people moving into slums means that an already chronic situation is compounded as the pressure on overburdened resources and services intensifies. There is the same amount of land but more people; the same number of toilets but more human waste; and more rubbish but even less space to dispose of it.

For example, the percentage of urban residents with access to improved water and sanitation facilities in Africa *declined* between 1990 and 2000, and the percentage of urban residents with access to improved drinking water sources declined in both Asia and Africa over the same period. At the same time, rural dwellers realized significant improvements in water, sanitation, and access to potable water over the same period in the same regions¹⁹.

2.3 Higher living costs

On top of this, the sad irony is that because slum-dwellers often do not have access to services like piped water, as their wealthier neighbours do, they end up paying more to live in worse conditions. In Lima, poor urban residents pay up to 17 times more for water bought from private vendors than those with access to public utilities and in Dhaka it may be as high as 25 times more.²⁰ According to one recent study, a resident in Kibera slum in Nairobi pays five times more for a litre of water than the average American citizen.²¹ The same phenomenon is often true for clandestine electricity connections. And people with no entitlement to use banks often have to resort to borrowing money at crippling rates of interest from loan sharks.

2.4 Increased insecurity

Without a clear and secure legal claim to their land, poor urban residents are perpetually vulnerable to eviction. The Centre for Housing Rights and Evictions estimates that over 6.7 million people were evicted from their homes in 2001-2002, most of them in urban areas. A further 6.3 million people continue to live under the threat of eviction. A shocking 4 million people were evicted from their homes in Africa in 2001-2002²². Urban dwellers are also particularly vulnerable to environmental hazards and natural disasters. More than 1.5 billion urban residents are exposed to dangerously high levels of air pollution, causing an estimated 400,000 deaths per year²³.

All in all, it is a bleak picture with no signs of improvement on the horizon without a major shift in policy, resources and attention.

3. THE UNDERLYING CAUSES OF URBAN POVERTY

Why is it like this?

The challenges facing developing world cities are greater than anything wealthy countries experienced during their era of urbanisation. For a start, the sheer number of people is creating city management issues on a different scale than has ever been faced before.

CARE believes that in order to find solutions, the underlying reasons for urban poverty need to be fully understood. From its experience working in over 100 cities, CARE identifies four key underlying causes of urban poverty.

- Access to services
Lack of access to services – like water, rubbish collections, schools and healthcare – have a huge impact on the lives of poor people in cities. As well as causing health problems and creating unpleasant living conditions, it also reduces people's wider opportunities. Often people in slums have to spend more time performing routine household tasks like obtaining water which all takes away from the amount of time they can spend earning an income. Lack of services is not just about what you have but also what you are able to do.



CARE International Policy Update

- Lack of opportunities to earn a living
The urban poor are among the most creative and entrepreneurial in the world when it comes to generating an income yet the odds are stacked against them. Lack of credit, training, skills and employment rights severely restrict their ability to earn money. Informal workers and businesses are often harassed or shut down by the authorities yet registering a business is often unaffordable or the process incomprehensible. And slums are often located at a large distance from job opportunities making the time and cost of travel prohibitive.
- Communities' lack of power
Poor communities in slums are often very vulnerable. For example, speaking out can result in eviction or having their access to services reduced still further. Fear of prosecution or being ignored also inhibits poor communities from claiming what they are entitled to from city governments. Sometimes communities lack the basic information and skills needed to work their way through an often complicated network of policies, by-laws and bureaucratic processes.
- Poor governance
Underscoring all these issues is the lack of engagement or weak relationships between city authorities and poor residents. It is this which fundamentally creates and perpetuates urban poverty. For example, residents in 'illegal' settlements might be denied legal status and the vote because of where they live – and that can affect their access to all kinds of public services like water, make them ineligible to own land or make it impossible for them to open a bank account. The reasons poor people are denied access to decision-making can be a deliberate attempt by the city government to deny their rights. Yet it can also be because the city government lacks the resources or skills to mobilise hundreds of thousands, and sometimes millions, of people.

4. THE RESPONSE

CARE believes that the current response to the crisis in urban poverty is wholly inadequate. Even if the international community were to meet the Millennium Development Goal 'to improve the quality of life of 100 million slum-dwellers by 2020' this will only be reaching 10 per cent of the world's urban poor – and expectations are already that it will be unable to achieve even this.

CARE International Policy Update

1) Aid must be handled differently

The current trend in aid is for funding to be channelled directly to governments to use as they see fit, often against the background of a national poverty reduction strategy. While giving governments significant autonomy is an important principle to uphold, there are three drawbacks that are particularly concerning with regards to urban poverty reduction.

- a. Most governments, be they aid donors or recipients, do not recognise the urbanisation of poverty currently taking place around the world. So this area of spending gets low priority in both aid and national budgets.
- b. National governments give priority to the politically articulate and influential sectors of their urban populations. The construction or improvement of services such as water and education are also commonly earmarked for the 'formal' city alone. This means that while money might be funnelled directly into improving rubbish removal or training municipal staff, slum-dwellers can still be marginalised from these benefits, particularly if they are considered to be 'illegal'. There is no onus or incentive for governments to address issues of inequality or review policies that obstruct the poor from rising out of poverty.
- c. Policy reform does not consider the needs of the urban poor. Tackling poverty is not just about providing services, it also requires attention to urban land tenure, registration of people, facilitating enterprise and a host of other enabling factors which receive scant priority.

In the past, aid has been used to fund individual urban development programmes that had some success in addressing these issues in a limited way. The current trend for non-project forms of aid provides an opportunity to incorporate the lessons of this work systematically within national development policy. However, to achieve this, the impact of current urban policies on marginalised groups such as slum-dwellers must be stringently monitored. The policy dialogue around aid agreements must include the imperative to analyse and redress areas of policy that repress or exclude the urban poor.

2) Improving governance must go hand in hand with laying pipes

Traditionally, aid agencies have contributed to the reduction of urban poverty through direct means – through the construction of school buildings, the development of water systems or the upgrading of slum housing. Using this approach in isolation is no longer appropriate, as it neither addresses the root causes of why people are poor (and therefore does not offer lasting solutions),



CARE International Policy Update

nor is it capable of keeping up with the rate of urbanisation in the developing world today.

Instead, agencies and donors alike must target the root of urban marginalisation and inequality. Invariably, this means assisting national and local governments, civil society and the private sector to improve their governance relationships and the policy environment which frames it. The best way of convincing municipalities and city-dwellers alike that improved governance leads to a healthier, more stable city is by proving that it works. As much as possible, CARE attempts to link these higher-level changes with tangible improvements in people's lives through projects such as in Lusaka, below.

Zambia

In Lusaka, Zambia, community water taps in poor settlements around the city had been out of operation for years and required significant maintenance, but the body in charge of maintaining the system was no longer functioning due to a lack of capacity. This had resulted in the community losing trust that the water fees they had been charged were being spent on local needs and they stopped paying.

The need to find a solution was urgent, but simply fixing the pipes would have provided a temporary and costly solution. Instead, CARE helped the community and local government officials to create a jointly managed committee for maintaining the system and collecting the water fees, out of which a renewed sense of trust emerged between the two groups. Women played a vital role in the committee: as the principal household members responsible for providing water for the family's daily needs, their say in how and when water should be supplied, and what fees would be affordable, was critical to making the system work.

This approach allowed both the community and the government to see the tangible benefits of working together through good governance practices. People received the immediate benefit of improved water supply and the government now has a successful partnership model for water management that is being replicated elsewhere on their own initiative.



CARE International Policy Update

Bangladesh

In Bangladesh, CARE plays a leading role in a network of national and international non-governmental organisations (NGOs) lobbying the Government of Bangladesh and key donors to develop an explicit policy on urbanisation and urban poverty. To date, the country has had no such policy – despite the fact that over the past 10 years the population of urban areas in the country grew by 38 per cent compared with only 10 per cent growth in rural areas. CARE is also a leading force in the creation of a nascent National Urban Strategy in which government bodies, donors, NGOs, and members of Bangladeshi civil society will create a co-ordinated response to tackling the major issues of poverty there.

CONCLUSION

CARE believes that urban poverty is a pervasive and potentially growing problem that needs urgent attention. We currently lack donor commitment to stay ahead of the curve of urbanisation and urban growth in developing regions – particularly in Sub-Saharan Africa and Asia. Urban poverty is a direct threat to human life, health and dignity, and due to the proximity of rich and poor people in cities, may also sow the seeds for future social and political discord. Indeed, in 1991 the World Bank declared that urban poverty would become the “most significant, and politically explosive, problem of the next century”²⁴. If current trends continue, this prediction may prove correct.

On the other hand, urbanisation has historically been associated with economic development and democratisation. By fighting for improved governance and pro-poor economic and social policies now, rapid and significant gains may be made in reducing urban *and* rural poverty, and advancing human rights worldwide.

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