PART V

# ENSURING DEVELOPMENT PROSPECTS

Lack of resources, insufficient institutional capacity and persistent corruption often greatly circumscribe the problem-solving abilities of governments. In recognition of this constraint, a major conclusion at the Habitat II conference in 1996 concerned the need for capacity building, particularly at the local level.

Capacity building goes beyond the training of individuals to the strengthening of the institutions and frameworks within which they work. In this connection, Chapter 14 is especially oriented to ways of supporting the growing responsibilities of local government, including decentralized arrangements as promoted through on-going attempts to seek finalization of the proposed world charter of local self-government. Based on internationally recognized principles, these efforts aim to provide a constitutional anchoring of local self-government for assisting the effective and sustainable implementation of the Habitat Agenda and the strengthening of local democracy. This chapter also discusses two other major aspects of capacity building: the formation of public–private partnerships and the broadening of cooperative arrangements to include civil society groups as full partners in decision-making. It considers as well the implications of these trends for the funding priorities of international development agencies.

Capacity building has often been conceived of as happening in a top-down manner, involving designated agencies and training institutes. High-level experts and consultants play key roles. The process is characteristically hierarchical and relies on vertically structured relationships. However, there is increasing recognition of the importance and potential to foster capacity building through horizontal processes. Such relationships can link sectoral agencies of different local governments in exchange and information sharing schemes. A good example of this approach is municipal international cooperation (MIC). Widespread decentralization has increased interest in MIC: point-to-point municipal knowledge exchange across international borders, designed to build institutional capacity and to improve municipal responsiveness and service delivery. MIC is more likely to produce sustainable results, going beyond merely the sharing of technical information, if the public agencies involved are transformed into 'learning organizations'. Modern information and communication technologies facilitate such learning processes.

Based on growing experiences of cooperation between the public and private sectors, partnerships are now evolving from single-purpose, project-oriented ad hoc agreements between government and business interests to more institutionalized arrangements concerned with a range of interrelated long-term goals, involving multiple partners that include civil society. For these arrangements to be successful in meeting the needs of low-income households, public regulations must lower the profit margins of private sector operations without jeopardizing their commercial viability.

At the same time, low-income communities, taking advantage of modern communications technologies and less bound by local constraints, have begun to reconstitute

themselves as overlapping, sometimes transnational networks to access and share information, material resources and solidarity. This development signals new opportunities for civil society to engage government and the private sector in new forms of cooperation that enable the poor to participate as empowered partners.

The formation of transnational civil society networks, aimed at social justice and environmental sustainability, represents a 'globalization-from-below' whose goals offer alternatives to the priority accorded to economic growth under the globalization processes that are currently dominant. Slum/Shack Dwellers International (SDI) is a good example of such a network. The Alliance in Mumbai is an active member of SDI and its work plays a crucial part in informal, horizontal capacity building at the community level, involving the active and direct participation of people living in poverty. The Alliance is committed to methods of organization, mobilization, teaching and learning that build on what the poor *themselves* know and understand. The first principle of this model is that 'no one knows more about how to survive poverty than the poor themselves'. Its politics is one of accommodation, negotiation and long-term pressure rather than of confrontation or threats of political reprisal.

The experiences of SDI illustrate the promise of efforts to forge broad-based cooperation among partners that in the past have often opposed each other. However, the fulfilment of this potential requires a strong commitment, including changes in the use of existing resources. It is not so much that large amounts of funding are needed but that a reliable flow of assistance is required, so that each action can build on the experience of the previous one. There is also a need to develop new channels for technical advice and direct funding of community-level initiatives where decisions about support are made locally and where accountability is to local institutions and citizens. Necessary innovations face a key institutional and political challenge: any real decentralization implies decentralization of power, while governments must at the same time remain responsible for regional equity.

Chapter 15 concerns itself more specifically with capacity building in the context of post-disaster recovery. It first documents the astounding human costs of natural and human-made disasters, including armed conflict and civil strife. The burdens of rebuilding lives and communities disproportionately fall on women. Often, the vulnerability of people at risk is also made worse by their poverty, their state of health, their food supply, the condition of their housing, insecure tenure and the physical and social infrastructure of their community. Although natural disasters cannot usually be prevented, the severity of their consequences can be reduced by human settlements development, including effective land use planning, enforcement of appropriate building regulations and non-discriminatory legal provisions to safeguard women's rights to property and inheritance.

Disaster recovery and mitigation have evolved into a global enterprise involving multiple transnational relief agencies and the increasing use of special assistance programmes. There is a trend to include community development and social and economic rehabilitation in post-recovery efforts. Networks established by the informal and non-governmental sectors furnish frameworks for more inclusive models of institutional recovery following disasters. Such models can help to prevent a repeat of past experiences, where post-disaster recovery policies have reinforced previously existing inequalities. Disaster mitigation activities provide unique opportunities for local governments to enhance planning and management capacity in support of greater liveability for all citizens.

CHAPTER 14

# BUILDING CAPACITY

The Habitat Agenda identifies capacity building and partnership development as one of the requirements for reaching its two main goals of adequate shelter for all and sustainable human settlements development in an urbanizing world. Chapters 16 and 17 review selected aspects of progress towards those goals. This chapter concerns itself with capacity building and the development of partnerships. The discussion is especially oriented to the greater role of local government and the broadening of cooperative arrangements to include civil society groups as full partners.

**Capacity building goes beyond the training of individuals to the strengthening of the institutions and the frameworks within which they work**

As a concept, capacity building goes beyond the training of individuals to the strengthening of the institutions and the frameworks within which they work (see Figure 14.1). This chapter will first consider capacity building in the context of the decentralization processes through which national governments devolve functions to local authorities. Effective decentralization requires, among other things, that the transfer of responsibilities to municipal governments be accompanied by a parallel transfer of resources and the creation of necessary revenue-generating capacity (see Chapters 4 and 13). It also requires appropriate institutional, legal and financial frameworks for development and management tasks. By implication, it is necessary to strengthen the capacity of local governments (see pp 162–165; see also Chapter 4). Decentralization and strengthening of local authorities are also mandated by the Habitat Agenda.

**There is increasing recognition of the importance and potential to foster capacity building through horizontal processes**

Capacity building has typically been conceived as happening in a top-down manner, involving designated agencies and training institutes. High-level experts and consultants play key roles. The process is characteristically hierarchical and relies on vertically structured relationships. However, there is increasing recognition of the importance and potential to foster capacity building through horizontal processes. Such relationships can link sectoral agencies of different local governments in exchange and information sharing schemes. A good example of this approach is municipal international cooperation (see pp 163–165).

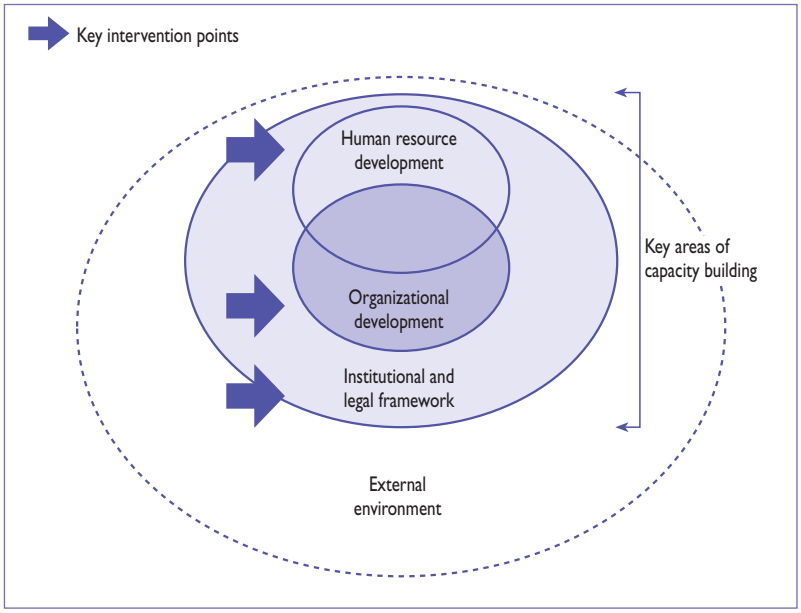



**Figure 14.1**

**Capacity building concept**

**Source:** Davidson (Background papers)

Capacity building usually involves developing partnerships, largely between the public and private sectors (see pp 165–171). However, there is increasing evidence of the effectiveness of more broad-based partnerships that also include participants from civil society. To maximize the potential of these more inclusive cooperative arrangements, more and more community-based organizations are establishing direct interactions among themselves, as illustrated by the Face-to-Face[1] initiatives developed with the support of Shack/Slum Dwellers International.[2] This chapter describes the operations of the Alliance in Mumbai as a good example of such informal, horizontal capacity building at the community level. This discussion includes consideration of the formation of transnational civil society networks; their goals of social justice and environmental sustainability inspire a 'globalization-from-below' as an alternative to the priority accorded to economic growth under the globalization processes that are currently dominant. Chapter 4 more fully articulates the complementary roles of the public, private and civil society sectors in evolving and implementing new political strategies and forms of governance for urban liveability. The concluding section of this chapter considers implications of capacity building for development funding priorities.

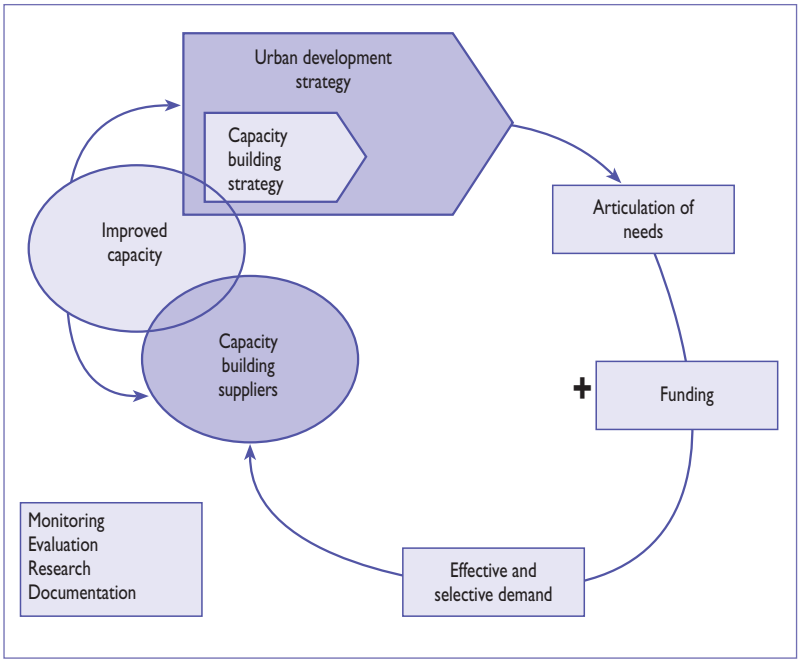



**Figure 14.2**

**Role of capacity building strategy**

**Source:** Davidson (Background Papers)

## Strengthening Capacity of Local Authorities and their Partners[3]

Local governments, taking on a broader range of responsibilities, should not only be efficient, but they also need to be effective in carrying out programmes that tackle the main challenges of equitable and sustainable development. Doing so requires the ability to analyse social, environmental and economic situations across sectoral boundaries, as well as the ability to develop creative solutions with partners and to communicate effectively with decision-makers. Decision-makers further need the knowledge and ability to set priorities and to work for medium- and long-term as well as short-term objectives. This means that training must be aimed at local council members as well as government agency officials, and must encompass local government as well as its partners.

The discussions on Capacity Building for Better Cities held during the City Summit (Habitat II) in Istanbul in 1996 produced the following recommendations:

- Develop capacity building strategies, particularly locally, which are integrated with urban development and management strategies.
- Commit resources necessary for capacity building.
- Undertake capacity building activities in a manner that integrates human resource development, organizational change and improvement of institutional, legal and financial frameworks.
- Introduce measures to widen the supply of capacity building services and encourage them to become more responsive to demand.
- Coordinate activities of institutions charged with capacity building so as to strengthen linkages between actors in urban development and ensure complementarity, increased choices and productive competition.
- Give high priority to monitoring, evaluation, impact assessment and research in terms of improving tools and ensuring dissemination using traditional and new media.

A major conclusion from the Habitat II discussions was that capacity building strategies should be developed at the local level to ensure relevance and to obtain the institutional support that local decision-makers require. In a related vein, two main areas need to be stimulated. One is the articulation of new needs by existing and new actors. This can be difficult, as there is often no awareness that anything needs to change. Conservative behaviour is the hallmark of many bureaucrats. Second, it is necessary to clarify new needs to the suppliers of capacity building services, who also may be rather conservative, and to make them more responsive to changing situations.

Capacity building also involves training for new roles that demand new knowledge, skills and attitudes. To make this more concrete, it is useful to look at the example of urban planning (Figure 14.2). Here, the focus of activity has moved from land use planning and development control to more participatory forms of action and strategic planning. In these emerging approaches, there is more emphasis on developing creative approaches and innovative partnerships comprising several parties that can jointly commit the necessary resources. For these approaches to work, it is essential that those involved maintain positive attitudes towards cooperation, coordination and shared interests. Skills in communication, interpersonal relationships and negotiation become critical. Such qualities are often alien to the culture of governmental organizations, and fostering them will require sustained effort.

### Drafting a world charter of local self-government[4]

At the Habitat II Conference, governments committed themselves to the objectives of decentralizing authority, responsibilities and resources, enabling local leadership and promoting democratic rule (para 45 of the Habitat Agenda). Governments further underscored this commitment in the Istanbul Declaration on Human Settlements, by which they recognized local authorities as their closest partners and essential to the successful implementation of the Habitat Agenda. In order to achieve those ends, in the Declaration they reiterated the need to promote decentralization through democratic local authorities and to strengthen their institutional and financial capacities (Istanbul Declaration, para 12).

These formal commitments by governments reflected a broad consensus at Istanbul for the international community, in partnership with the representative associations of local authorities, to take steps to draw up a worldwide charter of local-self government as an internationally agreed, adaptable framework for the practice of local autonomy and decentralization. Such a charter was seen as a vital contribution to the improvement of people's

lives, to local democracy and to national and global economic progress. Inspired by the successful experience of the European Charter of Local Self-Government, a proposal for a global charter was subsequently submitted to the Habitat II Conference.

It was envisaged that the charter would provide a framework of rights and responsibilities of local government, but would also be flexible and adaptable enough to apply to different national and regional particularities, socio-economic settings and historical experience.

In attaining the goals of the charter, national governments would need to consider practical means for increasing the capabilities of local governments to plan, programme and operate the systems and services that would be added to the local portfolio of responsibilities.

These decisions and recommendations of Habitat II opened the way for continuous dialogue and closer partnership between the United Nations and all the major associations of local authorities and cities, under the coordinating umbrella of the World Associations of Cities and Local Authorities Coordination (WACLAC), formed in 1996 as the interlocutor of the local authority movement with the United Nations.

This charter remains to be negotiated by national governments as an international instrument to guide national legislation on decentralization and the role of local authorities.

## Funding to strengthen municipal capacity[5]

**Many development agencies have shifted a significant part of their funding from urban projects to capacity building of local authorities and supporting 'good governance'**

International development agencies have shifted a significant part of their funding from urban projects to strengthening the institutional capacity of urban governments and supporting 'good governance'. The World Bank was among the first to sponsor improved urban administration, rather than specific urban projects, and it became the largest donor in terms of financial support for this purpose. This shift can be seen in the growing scale of loans specifically to increase the institutional capacity of recipient governments to address their own needs with regard to urban development and to enhance local capacities to install and maintain infrastructure and services.[6] Commitments to building the institutional and financial capacity of urban authorities totalled close to US$2500 million between 1983 and 1996 with close to three-quarters of this committed in the years 1988–1995.[7] The World Bank also provided an increasing number of loans to national or municipal institutions responsible for providing funding to local governments.[8] There are also examples of the Bank funding intermediary institutions that in turn fund projects, rather than the Bank funding the projects themselves, further illustrating the shift from 'retailing' to 'wholesaling' of urban development finance.[9] There have been parallel changes in funding for water and sanitation sectors where the Bank has moved from support for the construction of infrastructure to funding the transformation of institutions within recipient governments to make them more responsive to low-income communities' preferences and willingness to pay.[10] A further implication is the Bank's increasing involvement in working with municipal governments and in changing central–local government relations.[11]

The growing interest among donors in municipal government capacity building led to the setting up of the World Bank/UNDP/UNCHS (Habitat) Urban Management Programme in 1986 and in 1999 to the establishment of the Cities Alliance.

## Municipal international cooperation (MIC)[12]

Some cities function like well-oiled machines, while others struggle to provide even basic services. Municipal international cooperation (MIC) matches cities whose engines are already humming with those that need priming. Through MIC strategies to create partnerships and networks of information exchange, cities can build local capacity and harness resources and knowledge that they might never muster on their own.

**Widespread decentralization has increased interest in MIC: point-to-point municipal knowledge exchange across international borders, designed to build institutional capacity and to improve municipal responsiveness and service delivery**

MIC is an umbrella term for point-to-point municipal knowledge exchanges that cross international borders. Such exchanges are designed to build institutional capacity and to improve municipal responsiveness and service delivery. The worldwide trend of devolving power and resources from central to local authorities has generated more interest in using MIC. Cooperative initiatives typically involve bilateral arrangements between cities (eg sister cities and peer-to-peer learning), but the spread of information technology creates opportunities for multilateral cooperative systems to emerge.

MIC is becoming particularly favoured as a form of development assistance. In 1996, the Habitat II Conference called on local government to be a partner in international cooperation. For the first time, it was recognized that local sustainable development was more likely to take hold if local governments took part in development work. MIC is one strategy through which this can occur. MIC offers opportunities for 'smaller scale interventions targeted to specific problems or populations'.[13] Additionally, the concept of MIC emphasizes partnerships between cities, rather than the hierarchical relationship implicit in a funder/grantee arrangement.[14] The strategy is a flexible one, enabling partners to tailor the process in terms of 'the type of assistance to be provided, in timing and in the variety of person-to-person relationships established'.[15] Finally, MIC represents a relatively low-cost strategy.

Funding streams vary enormously from one MIC set-up to the next. Sometimes, exchange funding comes from municipal associations. Most major municipal associations operate through membership fees but receive programme assistance from their national development aid agencies. For example, the Institute for Housing and Urban Development Studies (IHS)[16] works closely with The Netherlands' Association of Municipalities, which handles exchange programmes on behalf of the Ministry for Development Cooperation. Municipalities and the ministry each put up 50 per cent of costs. National or supra-national agencies, such as the World Bank or United Nations agencies, also sponsor such work. Other players include international professional organizations such as the International Council for Local Environmental Initiatives (ICLEI)[17] and the International Union of Local Authorities (IULA).[18]

The Washington, DC-based International City/County Management Association (ICMA)[19] is a noteworthy MIC participant involved in urban issues worldwide through a broad array of partnerships. For example, through ICMA, business improvement districts in Baltimore, Maryland, and Orlando, Florida, joined counterparts in Jamaica to improve Kingston's cleanliness and safety. Homeless and poor residents were hired for various street-cleaning efforts, and 'public safety ambassadors' were trained to dispense information and watch for potential crime. The redevelopment began in 1995 and was partially funded by local Jamaican businesses. Information was shared with other Jamaican cities.

The Federation of Canadian Municipalities (FCM) backs both technical exchanges, such as the ICMA project just described, and grassroots democratization efforts, like the Kitchener (Ontario)–Windhoek (Namibia) partnership. Namibians' observations of diversity management in Kitchener's integrated human resources plan helped them to break down racial barriers in their home city, Windhoek.

## Evaluating MIC initiatives

Evaluating the success of particular MIC efforts is not a straightforward task. Questions arise about who benefits from a partnership, and whether the benefits will be sustained over time. The cooperation between city agencies in Toronto and São Paulo on emergency medical services and affordable housing offers a good illustration of these issues.[20]

First, the link between improvements in the quality and efficiency of municipal services cannot be assumed to benefit equally all citizens of a place.[21] Projects initiated through partnerships may also be limited in scope, and thus not help a significant number of people in need.[22]

Further, although 'receiving' countries will adapt programme ideas to their contexts, there is a risk that they may accept programmes from developed countries too uncritically. São Paulo adopted Toronto's density bonus programme to generate a funding stream for affordable housing, which has resulted in more than 53,000 new units over nine years. Experience reveals that North American urban development strategies have bred a host of problems for cities as well, from displacement and demolition of vibrant neighbourhoods, to suburban–central city disparities, and more. The small-scale, site-specific nature of many MIC initiatives may actually limit the likelihood that participants will consider a programme's potential negative impacts within a larger context and time frame before adopting it as an appropriate solution.

Additionally, there is some controversy over the purpose or potential of MIC, and thus the nature of the benefits that the process should produce. Where some observers point to equipment acquisitions or changes in delivery systems as signs of success, others look for broader signs of organizational change. On the one hand, some suggest that MIC projects that work best have concrete, fairly technical goals; for example, a solid waste management department that wants to improve operations. This sort of management process can be communicated to a counterpart fairly easily. Yet even such narrowly defined, technically oriented projects face constraints. São Paulo's providers of emergency medical care wanted to stock their ambulances with the same array of equipment and supplies that their Toronto counterparts used, but they could not secure the resources to acquire the full range of equipment.[23]

**The transformation of a public agency into a 'learning organization' is more likely to result in sustainable changes and benefits to 'receiving' cities than mere technical information sharing**

Others argue that organizational learning and change is the broader goal of MIC, and partnerships should be evaluated on these grounds. The transformation of a public agency into a 'learning organization' is more likely to result in sustainable changes and benefits to 'receiving' cities than mere technical information sharing. One way to promote institutionalization of learning is for employees of 'receiving' agencies to become trainers themselves, rather than simply learning skills from 'donor' agency personnel.

It is significant that recently there have been attempts to broaden conventional twinning arrangements to include more partners. For example, ICMA supports several 'triads' that involve a Serbian partner, a US partner and a partner from Eastern Europe.[24] There are also partnerships including a coalition of cities. In Arizona, US, for example, Tempe, Chandler and Pinal County were partnered with a larger city in the State of Jalisco, Mexico – an arrangement that has worked well because the US partners contribute complementary strengths (eg water treatment, urban finance) and can spread demands on staff resources. An ancillary benefit has been that the US cities now work more closely together.[25] On a larger scale, Eurocities is an association of 97 metropolitan cities from 26 countries that aims to improve the quality of life of the 80 per cent of Europeans living in cities by promoting the exchange of experience and best practice between city governments. It lobbies for an integrated European urban policy and facilitates the planning and implementation of transnational projects between cities. Within seven specialized committees, Eurocities builds up technical expertise in different fields.[26]

Likewise, METREX is a European network of practitioners, politicians, officials and their advisers with a common interest in spatial planning and development at the metropolitan level. It seeks to promote the exchange of knowledge on strategic issues and to support metropolitan planning at the European level.[27] In the Asia-Pacific region, CityNet acts as a focal point and facilitator by promoting the exchange of expertise and experience and by expanding bilateral relationships into a multilateral network. It stresses the need to enhance cooperation between local governments for the development of human settlements, and to promote consultation between these authorities and NGOs.[28] The spread of internet technology supports the development of these more broad-based exchanges and the formation of 'consortia'.[29]

**MIC is part of a broader arsenal of cooperative development and capacity building approaches. It cannot supplant local-to-(inter)national relationships and resources still need to come from beyond the local level**

The recent development, just described, occurs in the context of efforts to build local capacity through the formation of partnerships. In many countries, local governments find themselves with greater responsibilities and fewer resources. As a result, there is a continuing and growing interest in seeking partners to deliver services and accomplish projects for which local capacities are insufficient. The intent is to leverage land, property assets, tax incentives, human resources and limited funds to enlist others that can contribute required supplemental resources to create 'win–win' situations. As discussed below, such partnerships are still predominantly with the private sector. However, a later part of this chapter will highlight the emergence of more broad-based partnerships with low-income communities, in particular, as invaluable participants. The development of partnership-based approaches is at the core of new strategies for sustainable capacity building.

## Capacity Building through Partnerships[30]

National and local governments have been increasingly unable to meet shelter and service needs of low-income and poor households, especially in the fast-growing cities of the developing countries. Conventional approaches based on direct provision by the public sector have been constrained by the heavy burden of necessary subsidies, bureaucratic management and inefficient production systems, resulting in housing, infrastructure and service provision that is often inadequate. As discussed earlier in this report, under processes of globalization, direct provision by the state has further diminished and relegated the vast majority of urban populations to options determined by market forces.

The increasing role of market forces has forced public sector agencies to review other options for meeting housing and urban development needs. More and more, governments have focused their efforts on influencing the private and nonprofit sectors and encouraging them to play a more active role in meeting the needs of the poor and not just affluent households.

However, there are several impediments to improved cooperation between the public and private sectors. On the one hand, many urban land and housing markets are often dominated by a small number of powerful companies who influence prices, restricting access to an affluent minority while excluding large numbers of poor people. The long-standing ethos of public sector agencies is that they should compensate for this failure of private housing markets by providing directly for those in need. On the other hand, from the developers' perspective, public sector agencies are often seen as incompetent, inflexible and corrupt. Official standards and procedures are often inappropriate for the varying levels of affordability, making it hard for private developers to meet social needs *and* conform to official requirements. Delays in processing proposals, and the cost of obtaining permissions, erode profit margins, prompting many developers to raise prices to stay in business.

**It is clear that neither the public nor the private sector alone can address the growing challenges of providing adequate and affordable housing and services to predominantly poor, urban populations**

Changing policies is one challenge, but changing the ingrained habits, motives and practices of key stakeholders in both public and private sectors can take much longer. Recognizing this is the first step towards a wide range of innovative approaches by which the roles and relationships of the two sectors, together with third sector groups, such as NGOs and CBOs, are being radically transformed. Such broad-based partnerships are now being widely promoted as a pragmatic response to the constraints that the public sector faces in its efforts to make urban land and housing markets, as well as basic infrastructure and services accessible to the poor.

**Partnerships are evolving from single-purpose, project-oriented ad hoc agreements between the public and private sectors to more institutionalized arrangements concerned with a range of interrelated long-term goals, involving multiple partners that include civil society**

Such partnerships are evolving from single-purpose, project-oriented ad hoc agreements between the public and private sectors to more institutionalized arrangements concerned with a range of interrelated long-term goals, involving multiple partners that include civil society. They are a key component of the Habitat Agenda.

Each of the examples in Boxes 14.1–14.3 entails relatively formal, public and contractual relationships between the partners. To date, these formal public–private partnerships have been limited in scale and have had only a modest impact at best on low-income access to land, services and finance.[31] However, when partnerships include community organizations (NGOs and CBOs) and custom-

**Box 14.1 Sharing land development benefits in Mumbai, India**

When the City and Industrial Corporation of Maharashtra (CIDCO) sought to obtain land for new urban development in Navi Mumbai, rural landowners did not want CIDCO to acquire their lands, since they had ample previous experience of receiving low compensation levels from public authorities.

To overcome their objections, CIDCO introduced a new approach whereby landowners received both monetary compensation and serviced plots in the new development. The land area returned was in proportion to the land area acquired, after the costs of developing it had been deducted. To discourage speculation, owners of the new plots were not permitted to transfer or sell them for ten years after allotment, though many residents transferred their plots by granting power-of-attorney. Regulations limiting the extent of plot development and the use of the plot were relaxed so that owners could maximize their investment potential within the site. The approach enabled CIDCO to plan and reallocate nearly 17 $km^2$ of land within the area designated for the new city and enabled many farmers to become affluent. However, benefits were not equally distributed. Because of the higher densities resulting from relaxing restrictions, CIDCO provided wider roads, but resources were insufficient to finance expanded infrastructure provision.

**Source:** Adusumilli, 1999.

**Box 14.2 Facilitating partnerships by requests for proposals in Bulgaria**

Following the tumultuous socio-economic and political changes that swept Eastern Europe in the late 1980s and 1990s, municipal authorities lacked resources to develop land. Technical assistance provided by USAID helped to introduce public–private partnerships in selected towns in 1993, following workshops attended by municipal officials and private developers.

The Requests for Proposals (RFPs) approach was adopted to increase access to desirable sites and as an alternative to the often complex and lengthy negotiations with private landowners. RFPs are intended to introduce or strengthen open, fair competition between developers, elicit proposals that provide a complete and detailed description of a developer's plan, allow for an assessment of a developer's ability to execute a proposed plan and protect the municipality's financial and legal interests. RFPs should include mandatory performance standards, clear conditions or terms under which the developer will operate, a time frame for construction and criteria by which the proposals will be evaluated.

A prerequisite is that municipalities must have a solid understanding of the local real estate markets. The RFP can then be prepared stipulating the development objectives and components that developers must provide, so that the proposal that generates the best public benefit can be clearly identified. The Bulgarian projects were designed to introduce the approach and encourage public officials to view the process of urban development from the perspective of the private developer. This enabled them to see the importance of site selection and the financial implications of official standards. It also emphasized the importance of soliciting the participation of developers in creating viable and sustainable partnerships.

**Source:** Lynch et al, 1999.

**Box 14.3 The Birmingham Heartlands Development Corporation, England**

The 1990s saw a major growth in partnership approaches to urban development in the UK. The Birmingham Heartlands was established by Birmingham City Council and five major construction companies to develop and implement a development strategy for the area and provide over 700 new homes, improve 350 existing ones and provide a range of environmental improvements as well as commercial, social and recreational facilities. The project reflected the ethos of 'city first, politics second' and regenerated large areas of derelict industrial land which benefited a large, mixed community.

**Source:** Archer, 1999a.

ary or traditional practices of the types listed above, together with other, less formal, associations, arrangements or relationships, the scale and reach of programmes increase considerably.[32] Therefore, it would be better to think in terms of more inclusive 'multi-stakeholder partnership' (MSP) arrangements, including informal relationships between the public and private sectors, consistent with the broad-based approaches advocated in the Habitat Agenda (see, for example, Box 14.4).

Examples of informal partnerships include the guided squatting approach, or incremental development concept, which has been adopted in Hyderabad, Pakistan and Conakry, Guinea.[33] Guided land development has been particularly effective in sub-Saharan Africa where it has helped to facilitate the development of customary lands. This was achieved by associating customary owners with all phases of the operation, from site selection to the development and sale of plots.[34] The approach has also been used in Lima, Peru. In Mexico, joint ventures between *ejidos* and the private sector have been implemented for many years.[35] One common practice involved private developers acquiring *ejido* land in return for private land of equal value elsewhere.[36] (See Box 14.5.)

The aforementioned examples do not imply that informal partnerships are preferable to formal ones. The informal sector provides as many examples of exploitation, manipulation and inefficiency as other forms of development. However, it exists largely because the regulatory frameworks that determine official standards, regulations and administrative procedures are often inappropriate to the social, cultural, economic and environmental realities that apply in developing countries. Under such conditions, the inability or refusal to reform such standards, regulations and procedures forces lower income households into the informal sector and leaves a range of informal arrangements or partnerships as the only viable means of development.

The essential quality that partnerships embody is that of complementarity, in which the relative strengths and weaknesses of each partner are offset against each other to produce developments that combine the best contributions of each. In practical terms, these developments are economically efficient, socially responsive and environmentally sustainable. However, partnerships mean different things to different people. To some, it may be a series of discrete projects and to others a way of doing business. While such variations are possibly necessary in winning support for the concept, it does present problems in defining and assessing examples.

## Issues involved in public–private partnerships

An approach that redefines the roles of the state and its relationship with private and third sectors raises several major issues. A central question concerns the reasons for pursuing partnerships. While self-interest is an essential element, beyond this, partnerships offer each party benefits that cannot be achieved when operating independently.

**Box 14.4 Women form partnership to upgrade 'Masese slum' in Uganda**

In the 'Masese slum' on the outskirts of Jinja, Uganda's second-largest city, destitute poverty and unemployment were the way of life until a few years ago. In a unique and inspiring partnership, citizens, governments and NGOs worked together in the Masese Women's Self Help Project. Its Housing and Human Settlement Upgrading Programme established a settlement and credit plan that enabled women to acquire secure land tenure and construction materials for housing. The project also developed a community infrastructure for employment, health and education services.

**Appalling conditions**

After British colonialism ended in 1962, Uganda went through periods of political upheaval. As a result of the civil strife during the Idi Amin rule (1971–1978), refugees had begun to squat in the Masese slum area. By 1989, about 2000 destitute people or over 600 families, many of them single mothers, widows and orphans, lived there in appalling conditions, without skills, training or access to jobs. Prostitution, liquor brewing and trading were widespread.

Housing consisted of mostly one-room mud huts with grass, or rusty corrugated iron roofs, without electricity or safe water supply. Absentee landlords rented out the dilapidated houses to people without other options. An average of six persons occupied the one-room dwellings. A woman with an 11-member family in a one room, grass thatched hut, commented: 'The room also doubles as a kitchen. There are no toilets. When it rains, water does not just leak through the roof, it streams in through the doors and floods the house.' A housing project to improve living conditions was essential. The goal of the Women's Self Help Project was therefore to: 'upgrade the settlement, improve security, develop social and economic infrastructure and guarantee sustainable incomes'.

**Women form partnership**

The Masese Women's Self Help Project was a partnership between non-govermental and government agencies. The Masese Women's Association (MWA) assumed responsibility for all major decision-making. The African Housing Fund (ARF) coordinated the project's on-site activities. The Ministry of Lands, Housing and Physical Planning (MLHPP) planned, designed and supervised the project. The Jinja Municipal Council (JMC) supplied land and electricity, and opened up the area with a network of roads. The Danish International Development Agency (DANIDA) provided most of the seed capital for equipment, materials and training. Three committees were organized: the Project Coordination Committee (meeting annually), the Project Organizing Committee (meeting quarterly) and the Project Implementation Team (meeting monthly). AU committees had ten elected community or MWA representatives and municipal, national, administrative or technical delegates.

**Obstacles to overcome**

The project had to overcome major obstacles. Motivating the community and explaining the project's objectives were important to overcome these difficulties. Illiteracy slowed the learning process and hampered project management, accounting and marketing. Improper financial management also created problems. Close supervision of financial transactions and continued on-the-job training helped to increase worker accountability. Business management training for the community is gradually changing these attitudes and building confidence.

Traditional thinking and practice in Uganda placed women into the private sphere. The head of the household owned land and property and was assumed to be a man. Beliefs that women are inferior to men and should not inherit property were the norm. Meetings were regarded as the men's domain and it was difficult to attract women to project meetings. Even when women attended, initially they often lacked the confidence and skills to participate. Illiteracy made them dependent on men. When the project was introduced as a women's project, the men were sceptical.

**Project implementation**

To change these attitudes, the national government adopted a housing policy that addresses the issues of women, shelter and discrimination in land ownership, construction jobs and other respects. It combined a strategy of legislation, education and awareness programmes to protect a woman's rights. National legislation, policies, strategies and local by-laws were adapted to make the project happen. The Masese slum was on municipal land for which the tenants had temporary occupancy permits. The area had originally been designated for middle-income residents and part of the land had already been surveyed for larger lots. To make the land affordable, plots were reduced to 250 $m^2$ and divided into 700 parcels. Private development on the land was stopped and those who did not want to be a part of the project, mostly absentee landlords, were compensated. The council also donated a large piece of land. The land then was transferred to the project so that it could in turn be assigned to community members. Building regulations were revised to allow the use of local building materials and reduce construction costs.

**Outcomes**

Compacted earth roads with storm water drainage were installed to be upgraded as the community accumulates more resources. Initial high-standard roads and services would have greatly increased the market value of the lots and encouraged low-income owners to sell these, only to return soon to another slum. Adopting this incremental upgrading allowed women and the poor to own property. Women also gained access to credit, assumed responsibilities in construction and development and demonstrated their abilities as good decision-makers and managers. Project results are highlighted overleaf. However, the biggest impact of the project has been its effect on public awareness, perceptions and acceptance of what women are capable of doing.

- 80 per cent of the community members who participated in the Masese Women's Self Help Project were women. Various women's committees managed the project and made all major decisions.
- The Masese women constructed and operate a concrete building products factory, which also supplies commercial markets. They opened carpentry workshops to produce doors, windows and furniture. The building material production and the carpentry workshops are a valuable source of income and have already generated more than 200 million Uganda shillings (US$200,000). Construction firms have hired some of the women.
- Another 150 community members, 130 of them women, have found steady employment through the project, as an important step towards achieving sustainability.
- Training programmes enabled women to construct 370 low-income, permanent houses with proper sanitation, roads and drainage. Some members rent out their houses, or parts of them, to repay their loans. Land title deeds were prepared for 274 women-headed households and 96 in joint titles.
- Jinja Council contracted women to build a 20-classroom primary school in Masese. A day care centre for 100 children opened. It shares its building with a health unit for simple ailments, immunizations and family planning services.
- An open-air market has spawned small-scale businesses and jobs for 56 women and men.
- Installing water wells in Masese has created jobs for eight women, who sell water for US$2 per 20 l.
- Since the project began, incomes have increased fourfold to an average of US$70 per month.
- A US$70,000 revolving loan fund, a small-scale credit scheme and other credit and savings opportunities benefit the community.
- Families are more stable; husbands – rarely permanent members of their households – are now becoming an important part of the community. Prostitution and drunkenness declined.
- Masese women have trained women in the Mbale and Arua districts of Uganda, in Kenya and in Rwanda, where similar projects have been initiated.

**Source:** Ochwo, 1999.

**The first step in forming partnerships requires actors from each sector to acknowledge each other's legitimate interests. Private developers have to accept lower profit margins and mixed developments that benefit lower-income groups. Public regulators must enable developers to meet the needs of lower-income groups while operating on a commercially viable basis**

A first step in this process requires actors from each sector to understand and acknowledge the legitimate interests of the other. In this connection, government is responsible for protecting the wider public interest and particularly the needs of vulnerable households, unable to gain access to the legal land and housing market. The state is also expected to maintain an appropriate legal, policy and administrative framework within which other actors can operate effectively. Throughout, there is a potential conflict of interest since partnerships involve the state acting as a player as well as the referee.

The traditional tension between public and private sectors will require an adjustment on both sides; public sector agencies must become more market sensitive and the private sector must become more socially responsive. Formal private sector developers have to accept lower profit margins and mixed developments that benefit lower-income groups. At the same time, regulatory frameworks must enable developers to meet the needs of lower-income groups while operating on a commercially viable basis. Partnerships should not be seen, however, merely as a means of extending market forces, but rather a new way of producing social and environmental benefits.

While public sector staff may regard partnerships as a withdrawal of the state from its traditional roles, or as a threat to their authority, partnerships can, in fact, be a means of maintaining and even increasing them. For partnerships to be effective, central government will need to create an appropriate policy, legal and administrative framework within which local authorities can create a range of partnerships to suit local conditions. This requires a better knowledge of how land markets operate.[37] Striking the right balance, and adapting it to changes in market conditions, will not be easy. Failure to adapt the administrative system would render partnerships more of a public relations exercise than a transformation of government roles in land development.

**Central government must create appropriate policy, legal and administrative frameworks within which local authorities can create a range of partnerships to suit local conditions**

To date, the ability of the state to provide the necessary level and type of support at the scale required is, at best, unproven. Even if such investment is available, the value of the final development will have been increased to a level that either puts it out of reach of poorer households, or requires subsidies to ensure access, thus adding to market distortions. This issue is particularly relevant in cities where public authorities hold land in, or adjacent to, prime central locations. In such cases, should local authorities sell land at the full market price for private sector development and use the revenue generated for other projects targeted at low-income groups? Or, should it forgo such revenue in order to enable poorer households to live in central locations near employment areas, even though some houses may find their way onto the commercial market?

These questions do not necessarily apply equally or uniformly. In land and property markets, public–private partnerships encourage developments that maximize 'added

value', but also allow a proportion of speculative increase to accrue to the wider community. Incorporating the potential benefits of this approach will, however, require public sector agencies to reassess planning policies, particularly those relating to development control, and to revise them in ways that can facilitate a partnership approach. In services provision, concessions and other forms of private sector participation can offer efficiency gains, though they are less common in low-income areas. For finance and credit, it is more important that public sector subsidies (eg on interest rates) do not distort markets and discourage private and voluntary sectors from offering viable options.

Partnerships may not need to operate at all stages of the land development process, from site selection, planning, development, marketing, allocation and house construction. However, establishing mechanisms that can incorporate user groups, NGOs and CBOs at the appropriate stages, is an integral part of necessary changes and provides new opportunities for civic leadership. Although partnerships have been established practice in the UK for some years, there has been disappointment at the lack of a role for local residents and community organizations, a problem that is not unique to the UK.[38] Yet, partnerships will only flourish if they satisfy the primary needs and interests of *all* key stakeholder groups, especially the potential beneficiaries, community groups and, where appropriate, those involved in customary land allocation systems. This is another reason for broadening partnerships to include multiple stakeholders.

## Criteria for assessing partnerships

How should the success of partnerships be measured? Four basic assessment criteria focus on the extent to which partnerships:

1 increase the *supply* of urban land, services and finance for housing;
2 improve the *efficiency* of urban land, housing and finance markets;
3 improve *access* to land, services and finance for low-income groups;
4 provide the basis for a more productive *long-term relationship* between public, private and third sectors.

In meeting these criteria, successful partnerships will be those that possess or provide:

- an efficient way of identifying different and changing needs;
- adequate trust between the partners;
- clarity concerning the purpose of the partnership and individual roles within it;
- adequate leadership;
- the possibility for all partners to fulfil their role;
- adequate access by all partners to essential information;
- necessary financial and other resources;
- compatibility within the prevailing political and legal climate;

**Box 14.5 Public–private partnerships for housing finance**

Across the developing world, formal institutions have been reluctant to offer financial services to low-income groups. The standard reasons are that transaction costs are too high, incomes are too erratic for long-term amortization schedules and groups have no redeemable sources of collateral. In order to acquire land and initiate housing construction, households have had to employ a range of financial mechanisms including use of savings, which are often the only safeguard against health emergencies or consumption crises, or use moneylenders or rotating credit schemes. To address this gap, in the past 20 years there has been considerable innovation in the provision of housing finance from Southern NGOs.

Among these NGOs, most reject what has become known as the 'minimalist' perspective that advocates the provision of full-cost non-subsidized finance. NGOs accept that the minimalist approach assures financial sustainability but argue that social development is important to the 'housing' process. In some cases, learning from the experience of micro-enterprise schemes, NGO housing finance has promoted savings to provide collateral to qualify for bank credit, expanded community-based credit rotation, disbursed donor subsidies and offered intermediation with local government and the provision of technical advice. The principal difficulties faced by NGOs are how to ensure financial sustainability *and* household affordability, *and* achieve scale given the larger capital requirements *and* maintain close community contact.

One approach has been to establish partnerships with government agencies. These arrangements have drawn on the comparative advantage of the NGOs in working with communities and target low-incomes groups, and have opened opportunities for NGOs to 'lock in' innovative models to local government. In Xalapa, Mexico, a community organization (UCISV-VER) and a national NGO (CENVI) worked with local government to have 80 irregular settlements recognized, set up training programmes and extend services. In 1993, a request was made to gain access to part of the government's land reserve and a modified rotating credit scheme (*tanda*) was set up.

Working with government has not been without its problems. Partnerships have suffered from a shortfall between people's expectations and the ability of parties to deliver, the lack of experienced NGO staff, changing government priorities with administration turnover, policies to restrict subsidy allocations and attempts at politicization. However, at the end of the tanda cycle CENVI loans each person one and a half times their savings, and the state government provides a sum equivalent to twice their savings in the form of building materials. The CENVI loan has to be repaid; the state government contribution does not. To date, the repayment rate is 100 per cent, and the programme has been extended to other settlements and other cities.

**Source:** Jones and Mitlin (1999) UNCHS (Habitat) Best Practices Database.

**Box 14.6 The role of information technologies in supporting partnerships**

The dramatic and universal spread of the internet and the World Wide Web has spawned a range of networks dedicated to promoting innovative and participatory development processes.[i] These have enabled professionals in developing countries to obtain and disseminate information on urban development issues and mobilize support from colleagues around the world. The Urban Resources Centre in Karachi is one example of a group that seeks to build on the efforts of local communities to strengthen their influence in dealings with the authorities, developers and external professionals and create more inclusive forms of development. The Network-Association of European Researchers on Urbanization in the South (N-AERUS) is another group that links researchers in Europe and the South with similar objectives. These groups use the internet to disseminate examples of innovative partnership arrangements and shorten the previously lengthy process of 'public learning' by which new ideas were transmitted and adopted. Their strength lies in their accessibility, speed, informality and universality.[ii]

**Note:** i See Davidson and Payne, 2000 for details of selected networks; ii Archer, 1999a.

**Box 14.7 Evaluating partnership projects**

| **Land pooling/readjustment projects in Taiwan** | **The Islamabad New City project, Pakistan** |
|---|---|
| This approach is a technique for managing and financing the subdivision of selected urban fringe areas for planned urban development. In each project, a group of separate land parcels is consolidated for their unified design, servicing and subdivision into a layout of roads, utility service lines, open spaces and building plots, with the sale of some of the plots for project cost recovery and the distribution of other plots to the landowners in exchange for their rural land. | In Islamabad, a large area of land between the capital and the airport was scheduled for development as a major public–private partnership. The project was initiated in 1995, but was terminated a few years later after allegations of malfeasance. |
| ***Increasing the supply of urban land, services and finance for housing***<br>Up to 190 projects were completed by 1993 to produce 8379 ha of urban land. | ***Increasing the supply of urban land, services and finance for housing***<br>About 1000 ha of land was designated for the project, to provide nearly 20,000 residential plots. Another 4000 ha was intended for later expansion. |
| ***Improving the efficiency of urban land, housing and finance markets***<br>The approach has stimulated the supply of urban land and helped to reduce the pressure of land price inflation. | ***Improving the efficiency of urban land, housing and finance markets***<br>After the project was launched, accusations were made that it was a clandestine investment project by a senior politician. This raised suspicions among both sellers and potential buyers of plots. |
| ***Improving access to land, services and finance for low-income groups***<br>Only a small proportion of land was allocated for low-income groups. | ***Improving access to land, services and finance for low-income groups***<br>Landowners raised the price of their land when they realized what its potential value was. This made it impossible to acquire further land for residential use, reducing potential access for all income groups, especially the poor. |
| ***Providing the basis for a more productive long-term relationship between public, private and third sectors***<br>The approach is well understood and accepted by key groups, including municipalities, landowners and developers and forms the basis for a productive relationship between all key stakeholders. | ***Providing the basis for a more productive long-term relationship between public, private and third sectors***<br>The scheme collapsed amid recriminations from all parties and an enquiry was launched into its financing. The prospects for other urban development partnerships suffered a severe setback. |

**Source:** Archer, 1999b.

- the potential for wider application.

This framework makes it possible to assess the organizational structure through which the partnership is to operate at each relevant stage and the roles of central, regional and local government, together with those of other stakeholders: from developers, landowners, NGOs, CBOs and local residents. It will require major changes in the outlook, working practices and capacities of each sector before partnership approaches can overcome generations of mutual suspicion. This will inevitably take time. Small practical steps on the ground are the best way to help build trust and confidence from which more ambitious initiatives can be developed. Because failure will discourage later prospects, initial partnerships should be modest in ambition.

**A key feature in the creation of more productive relationships will be political leadership, which is essential in approving enabling legislation and producing necessary administrative changes**

A key feature in the creation of more productive relationships will be political leadership, which is essential in approving enabling legislation and producing necessary administrative changes. Increasing the authority and accountability of local government will also facilitate more flexible arrangements within which 'win–win' approaches can evolve and improve urban governance along the lines advocated by the Habitat Agenda. The efficient collection of tax revenues that reflect property values will enable the public sector to recover a proportion of the added value that its planning has helped to create. It will also provide the basis for a virtuous cycle of public investment in environmental improvements to raise property values that will generate more revenue for further improvements. By setting tax thresholds at rates that exclude the lowest property values, taxation can also be socially progressive and protect the poor. The obvious barrier to the implementation of such policies is the opposition that can be expected from those adversely affected; hence the need for decisive political leadership to break the mould of private affluence and public squalor.

On a professional level, staff working in the urban sector should be encouraged to broaden their perspectives by offering them incentives for moving between sectors rather than spending their whole careers on one side of the fence. Universities and training institutions should also encourage more multidisciplinary approaches to urban development than is usually the case. At the same time, private landowners, investors and developers must recognize that their social contribution to the wider community serves their own long-term economic interests. Indeed, a key point in this report concerns the need to recognize and realize the productive potential of people living in poverty. To this end, an important strategy involves processes that support horizontal capacity building through direct interactions between low-income communities, to which the discussion now turns.

## People-to-People Community-based Approaches

For poor people, globalization has often created new problems and made existing problems worse. Chapter 1 of this report, in particular, has focused attention on alarming trends that cause great concern. However, globalization also enhances the potential of poor communities to address these problems. In demographic terms, globalization increases the ranks of the poor by accelerating urbanization and by placing more people on the economic margins. Yet, globalization also facilitates the diffusion of values and norms that provide alternatives to the goals of economic growth and capital accumulation, which currently dominate globalization. Thus demands for democratization, human rights (including the right to housing, see Chapter 16), environmental sustainability and social justice could gain greater support thanks to globalization processes that have enhanced awareness and involvement across borders.

Global investors of capital seek to avoid volatility and prefer to operate under stable conditions. This need for stability, combined with larger numbers of people more conscious of and committed to alternative development scenarios, along with a withdrawal by governments from some of their traditional roles, has enabled the creation of new spaces for political contestation (see Chapter 5).

**Low-income communities, taking advantage of modern communications technologies and less bound by local constraints, have begun to reconstitute themselves as overlapping, sometimes transnational networks of connections comprising new channels to access and share information, material resources and solidarity. This development signals new opportunities for civil society to engage government and the private sector in new forms of cooperation that enable the poor to participate as empowered partners**

Low-income communities, taking advantage of modern communications technologies and less bound by local constraints, have begun to reconstitute themselves as overlapping, sometimes transnational networks of connections comprising new channels to access and share information, material resources and solidarity. This development signals new opportunities for civil society to engage government and the private sector in new forms of cooperation that enable the poor to participate as empowered partners. More broadly, this development is about authentic citizenship, meaning the rights and responsibilities of urban residents.

At the same time, the explorations of this new political space by low-income communities affect their internal organization and alter the roles of the poorest people; women in particular. The work of the Alliance in the city of Mumbai, in the state of Maharashtra, in western India provides an excellent illustration of these changes and their potential for bringing about progress. The following sections review its history, strategies and actions, and place its operations in the larger context of the formation of transnational advocacy networks as a way of community-based capacity building.[39]

### The Alliance

The Alliance, formed in 1987, consists of three partners, all with their historical base in Mumbai. SPARC[40] is an NGO formed by social work professionals in 1984 to work on problems of urban poverty. It provides technical knowledge and elite connections to state authorities and the private sector. The National Slum Dwellers' Federation (NSDF) is a powerful community-based organization established in 1974. It has contributed a new form of grassroots activism in a federation model, described below. Mahila Milan is an organization of poor women, set up in 1986, and now networked throughout India; it focuses on women's issues in relation to urban poverty and is especially concerned with local, self-organized savings schemes among the very poor. It brings the experience of having learned how to deal with the police, municipal authorities, slumlords and real-estate developers. All three organizations are united in their concerns with gaining secure tenure in land, adequate and durable housing and access to urban infrastructure, notably to electricity, transport, sanitation and allied services.[41]

#### ● The setting

Mumbai is a city of at least 12 million in a country whose population has just crossed the 1000 million mark (one-sixth of the population of the world). About 5 million people live in slums or other degraded forms of housing; another 5–10 per cent are pavement-dwellers. This 40 per cent of the city's population occupies only 8 per cent of the city's land. It is a huge population of insecurely or poorly housed people with negligible access to essential services, such as running water, electricity and ration-cards for essential foods. These *citizens without a city* are, none the less, a vital part of the workforce of the city.[42]

Housing is at the very heart of the lives of this army of toilers. Their everyday life is dominated by ever-present risks. Their temporary shacks may be demolished. Their slumlords may push them out through force or extortion. The torrential monsoons may destroy their fragile shelters

and their few personal possessions. Their lack of sanitary facilities increases their need for doctors to whom they have poor access. And their inability to document their claims to housing may snowball into a general 'invisibility' in urban life, making it impossible for them to claim any rights to such things as rationed foods, municipal health and education facilities, police protection and voting rights. In a city where ration-cards, electricity bills and rent receipts guarantee other rights to the benefits of citizenship, the inability to secure claims to proper housing and other political handicaps reinforce one another. Housing – and its lack – is the most public drama of disenfranchisement in Mumbai. Thus, the politics of housing is the single most critical locus of the politics of citizenship in this city. This is the context in which the Alliance operates. The following section sketches some characteristics of its strategies.

## The politics of patience

**The Alliance is committed to methods of organization, mobilization, teaching and learning that build on what the poor *themselves* know and understand**

The Alliance has consciously evolved a style of pro-poor activism that departs from earlier models of social work, welfarism and community organization (akin to those pioneered by Saul Alinsky in the United States). Instead of relying on the model of an outside organizer who teaches local communities how to hold the state to its normative obligations to the poor, the Alliance is committed to methods of organization, mobilization, teaching and learning that build on what the poor *themselves* know and understand. The first principle of this model is that 'no one knows more about how to survive poverty than the poor themselves'. Drawing on a federation model of teaching and learning, the goal is for the poor to 'own' as much as possible of the expertise that is necessary for them to claim, secure and consolidate basic rights in urban housing.

A crucial and controversial feature of this model is its vision of *politics without parties*. The strategy of the Alliance is that it will not deliver the poor as a vote-bank to any political party or candidate. Instead of finding safety in affiliation with any single ruling party or coalition in the State Government of Maharashtra or in the Municipal Corporation of Mumbai, the Alliance has developed political affiliations with the various levels and forms of the state bureaucracy; including national civil servant bureaucrats who execute state policy at the highest state levels and run the major bodies responsible for housing loans, slum rehabilitation and real estate regulation. The members of the Alliance have also developed links to the quasi-autonomous arms of the federal government (such as the Railways, the Port Authority, the Bombay Electric Supply and Transport) and to municipal authorities that control critical aspects of infrastructure, such as regulations concerning illegal structures, water supply, sanitation and licensing of residential structures. Finally, the Alliance works to maintain a cordial relationship with the Mumbai police and at least a hands-off relationship with the underworld, which is deeply involved in the housing market, slum landlording and extortion, as well as demolition and rebuilding of temporary structures.

**The politics of the Alliance is one of accommodation, negotiation and long-term pressure rather than of confrontation or threats of political reprisal**

The politics of the Alliance is one of accommodation, negotiation and long-term pressure rather than of confrontation or threats of political reprisal.[43] This realpolitik is grounded in a complex vision about means, ends and styles that is not just utilitarian or functional. It is also based on ideas about the transformation of the conditions of poverty by the poor in the long run. This political horizon calls for patience. The mobilization of the knowledge of the poor into methods driven by the poor and for the poor is a slow process. The need for cumulative victories and long-term asset building is wired into every aspect of the activities of the Alliance. It informs the strong bias of the Alliance against 'the project model' that has underlain so many official ideas about urban change and that has guided the short-term investment logic, accounting, reporting and assessment of most international development and donor agencies. The Alliance has steadfastly advocated the importance of slow learning and long-term capacity building. This open and long-term temporal horizon is difficult to retain in the face of the urgency, and even the desperation, that characterizes the needs of Mumbai's urban poor. But it is a crucial normative guarantee against the ever-present risk, in all forms of grassroots activism, that the needs of funders will take precedence over the needs of the poor themselves. The politics of the Alliance is thus a politics of patience, constructed against the tyranny of emergency.

## Words and deeds

Experiences over 15 years have evolved several key norms. Central among them is the principle of *federation*: a uniting of political and material forces. The centrality of the principle of federation reminds all members, particularly the trained professionals, that the power of the Alliance lies not in its donors, its technical expertise or its administration but in the will to federate among poor families and communities. It is a reference to the primacy of the poor in driving their own politics, however much others may help them to do so.[44]

*Savings* is another key principle. Creating informal savings groups among the poor often builds on older ideas of revolving credit and loan facilities managed informally and locally, outside the purview of the state and the banking sector.[45] But in the life of the Alliance, 'savings' has a profound ideological, even salvational status. The idea of daily savings among small-scale groups is the bedrock and building block of every other activity of the Federation, something far deeper than a simple mechanism for meeting daily monetary needs and sharing resources among the poor. It is a way of life organized around the importance of daily savings, viewed as a moral discipline that builds a

**Box 14.8 The cooking pots ...**

Once upon a time there was a very poor community where the people lived in need of even the most basic things such as food and clothes. Life was very hard and the occasional penny that was left over was so rare and such a small amount that it was hardly worth saving. After all, what use is one penny in a pot? But the people of this community did not mind being so poor because they thought they had a good, wise ruler who they knew would soon release them from their poverty and bring them all food, fine clothes and houses to live in. For many years, they believed this and watched as their wise ruler got on with running the country. They waited patiently for him to decide to give them their rightful share. As they waited and waited, their children grew stunted with hunger, their backs grew bent with the toil and their bodies grew weak with sickness. 'Soon', they whispered, 'soon we will be given what we have waited for for so long.' Year after year, season after season, they waited to be given what they deserved … until one day, the whisp of a thought, the spirit of an idea came and spoke to them. This idea said, ' Why wait to be given what you can create yourselves?' First, the people scoffed at this and said, ' Don't be so foolish! What can we do when we have so little? What use is one penny in the pot?' 'Ah!' said the idea, 'but you have each other; therefore you have unity and you have hundreds of pennies in your pot!' And so it was that this idea came to live with them.

A pot was placed in the shack of one of the families and each day the women of the community (for is it not always the women who watch the pennies?) came and put in anything they could spare, sometimes a penny, sometimes two, and sometimes nothing at all. As they met in the shack, they would talk. One would say, 'My little boy has grown out of his shoes and I don't know what to do.' To which another would say, 'My son has just grown out of a pair, which would fit your boy, you may have them!' A second woman would say the, 'The roof of my shack is leaking and I don't know how to mend it,' to which another would reply, 'I mended my roof last week. I'll come and show you how.' And so their knowledge and unity grew, as did the money in the pot. What had begun as one person's penny, alone in the bottom of the pot on the first day, soon multiplied and increased a thousandfold. When a woman came with a problem that could not be solved by the other women, she would be given money from the pot to pay for medicine or to buy food when she had been robbed, or whatever needed doing. She would pay the pot back little by little by saving more carefully or by working a little harder. The women trusted each other because they helped each other, and anyway they all knew each other, so that any betrayal of trust would not go unnoticed or be forgotten.

All this they had done themselves. They had created all the thousands of pounds in the pot, with the spark of an idea to set it going. But now it was time for the idea to speak again ' You have unity and knowledge and you have the power of the money in the pot. Perhaps it's time to give a little of that knowledge to your ruler; it seems he is sorely in need of it!' The people frowned at this and said, 'What can we possibly give our ruler that he already doesn't have?' 'Well,' said the idea, 'each time you ask for a proper home your ruler says that it cannot be done until more is found out about the scale of the problem and the shape of the solution. And this is the knowledge that only you have!'

So, the people went from shack to shack, counting how many people lived there and how much land there was. Then they realized that because it was their community they knew exactly the number of people who were in need and precisely how and where the solution could be built, so they took some money from the pot and gave it the people with the skills and said, 'Help us to build a house.' And with their knowledge of what materials were best suited to the type of land, and what the people from the community needed from a home, they built the perfect house; one that they would all be happy to live in if it were theirs.

Now, finally, the people went to the their ruler and asked for their homes to be built. The ruler listened because he had heard of these poor people who had saved many thousands of pounds, and money was the one thing he really respected. But, as usual he told them again, 'No, it's not that simple. We cannot just go ahead and built your houses, as we do not yet know the scale of the problem or the shape of the solution.' But the people replied, 'Oh but it is that simple. We know the scale of the problem and we know the shape of the solution.' They handed him their carefully tabulated statistics and their perfectly drawn-up plans, along with an invitation to come and view their beautiful new house. Well! What was the ruler to do when faced with a group of people who had already shown the work could be done? Suffice to say, the houses were built. I'm not going to say that the community lived happily ever after, because that would be just a fairy tale, and this is a true story. But the people now do have their own homes to live in.

**Source:** Adapted from D, a *Big Issue* poet and member of the Groundswell network. Homeless International, www.homeless-international.org.

certain kind of political fortitude and commitment to the collective, and creates persons who can manage their affairs in many other ways as well.

Mahila Milan, the women's group that is the third partner in the Alliance, is almost entirely preoccupied with organizing small savings circles. Thus, in putting savings at the heart of the moral politics of the Alliance, its leaders place the work of poor women at the very foundation of what they do in every other area (see Box 14.8).

The third key is *precedent-setting*: the poor need to claim, capture, refine and define ways of doing things in spaces they already control and then show donors, city-officials and other activists that because these 'precedents' are good ones, other actors should be encouraged to invest further in them. This is a politics of 'show and tell', but it is also a philosophy of 'do first, talk later'. This principle also provides a linguistic device for negotiating between the legalities of urban government and the full force of the 'illegal' arrangements that the poor almost always have to make, whether they concern unauthorized structures or informal arrangements for water and electricity. It shifts the burden for municipal officials away from the strain of whitewashing illegal activities to building on legitimate precedents. 'Precedent' turns the survival strategies and illegal experiments of the poor into legitimate foundations for policy innovations by the government and donors. It is a strategy that moves the poor into the horizon of legality on their own terms (see also Box 14.10).

But the world does not change through language alone. Three organized practices are integral to the

Alliance's strategy: (1) self-surveys and enumeration; (2) housing exhibitions; (3) toilet festivals.

*Self-surveys and enumeration.* Censuses and various other forms of enumeration have been applied to populations by modern states throughout the world after the 17th century. Tied up by their nature with the state (note the etymological link to statistics), classification and surveillance remain at the heart of every modern state archive. Censuses are perhaps the central technique of modern governmentality. They are highly politicized processes, whose results are usually available only in highly packaged form and whose procedures are always driven from above. Against this backdrop, the Alliance has adopted a conscious strategy of *self-enumeration and self-surveying* by teaching its members a variety of ways of gathering reliable and complete data about households and families in their own communities. They have codified these techniques into a series of practical tips for their members and have thus created a new governmentality *from below*.

This kind of knowledge is a central part of the political capability of the Alliance and is a critical lever for their dealings with formal authorities.[46] Since the poor are by definition socially, legally and spatially marginal, they are by definition uncounted and uncountable except in the most general terms. By rendering them statistically visible, the Alliance controls an indispensable piece of any actual policy process (eg regarding tenure security, relocation or upgrading), namely the knowledge of exactly who lives where, how long they have lived there, how and where they make their livelihoods and so forth.[47]

*Housing exhibitions.* Housing exhibitions are the second organized technique through which the structural bias of existing knowledge processes is challenged, even reversed, in the politics of the Alliance. The general philosophy of state agencies, donors and even NGOs concerned with slums has been to assume that the design, construction and financing of houses has to be produced by various forms of expert and professional knowledge ranging from that of engineers and architects to that of contractors and surveyors. The Alliance has challenged this assumption by a steady effort to appropriate, in a cumulative manner, the knowledge required to construct new housing for its members.

Housing exhibitions are a crucial part of this reversal of the standard flows of expertise. The large, crowded, open events showing housing models built by the poor is a democratic appropriation of a middle-class practice that became popular in India in the 1980s: expos that were major venues for demonstrating new kinds of consumer goods (from detergents and washing machines to cookware and cleaning materials). They were occasions for socializing the urban middle classes into the products and lifestyles of contemporary urban life and for manufacturers to advertise and compete with one another.

Not only do these exhibitions allow the poor (and especially the women among them) to discuss and debate designs for housing best suited to their own needs, they also allow them to enter into conversations with professionals about housing materials, construction costs and urban services. Through this process, their own ideas of adequate space and of realistic costs are brought to the fore, and they begin to see that house-building in a professional manner is only a logical extension of their greatest expertise, which is to build adequate housing out of the flimsiest of materials and in the most insecure of circumstances. These poor families are enabled to see that they have always been architects and engineers and can continue to play that role in the building of more secure housing. In this process, many technical and design innovations have been made. These events are also political events where poor families from one city travel to housing exhibitions elsewhere, socializing with each other and sharing ideas. They are also events to which state officials are invited to cut the ceremonial ribbon and to give speeches associating themselves with these grassroots exercises, thus simultaneously gaining points for hobnobbing with 'the people' and giving legitimacy to poor families in the locality in the eyes of their neighbours, their civic authorities and themselves.

By performing their competences in public, and by drawing an audience of their peers and of the state, NGOs and sometimes international funders, the poor gain official recognition and technical legitimation, capturing civic space and pieces of the public sphere hitherto denied to them. This is a particular politics of visibility that inverts the harm of the default condition of civic invisibility characterizing the urban poor (see Box 14.10).

*Toilet festivals.* Chapter 10 reviews the horrendous sanitary conditions faced by many poor people in the developing countries, in particular those living in urban areas. Provisions for collection and disposal of human waste are often grossly inadequate. In the absence of proper sewer systems, running water, ventilation and privacy, defecation frequently occurs in public view, exposing people to humiliation and increased risk of disease. For girls and women there is the added fear and risk of sexual assault.

Toilet festivals (*sandas mela*), organized by the Alliance in many cities of India, seize on this degrading and unhealthy experience to focus the attention of the public on technical innovation, collective celebration and carnivalesque play with officials from the state and the World Bank, among others.[48] These toilet festivals revolve around the exhibition and inauguration *not of models but of real public toilets*, by and for the poor, with complex systems of collective payment and maintenance, improved conditions of safety and cleanliness, and a collective obligation to sustain these facilities (see Box 10.5).[49] These facilities are still small-scale and have not yet been built in the large numbers required for the urban slum populations of India's cities. However, like the house exhibitions, they are evidence of competence and innovation, turning humiliation and marginality into dignifying initiative and performance of technical accomplishment.

Each of these organized practices sustains the others. Self-enumeration and surveys are the basis of claims to new housing and justify the exhibition of models, while houses

built without attention to toilets and fecal management make no sense. Each of these three practices, refined over more than a decade, uses the knowledge of the poor to leverage expert knowledge, turns the experience of humiliation into the politics of recognition and enables the deepening of democracy among the poor themselves. Each of them adds energy and purpose to the others. They provide the public dramas in which the moral injunctions to 'federate', to 'save' and to 'set precedents' are made material, tested, refined and revalidated. Thus key words and deeds shape each other, permitting some levelling of the knowledge field, turning sites of shame into dramas of inclusion, and allowing the poor to work their way into the public sphere and visible citizenship without open confrontation or public violence.

## The international horizon: globalization-from-below

The work of the Alliance is situated in the wider context of the emergence of transnational advocacy networks and the internationalization of grassroots NGOs, creating a *globalization-from-below*. Such networks have been visible for some time in global struggles over the rights of women, refugees and immigrants, sweatshop production by multinational corporations, indigenous rights to intellectual property, and popular media, among other issues. For example, the Habitat International Coalition is a broad-based, independent alliance of more than 350 non-governmental and community-based organizations working in the field of housing and human settlements in more than 80 countries, which plays an active role in advancing housing rights and promoting a gender perspective in community development issues.[50] The Huairou Commission brings together six international women's movements with links to grassroots organizations in low-income neighbourhoods to lobby around issues of women, homes and community. It participated actively in preparations for the Beijing Fourth World Conference on Women and plays an influential role in international events and meetings on housing and human settlements through its links in all regions of the world.[51] In Europe, the Platform of European Social NGOs links over 1700 organizations throughout Europe to promote social inclusion agendas,[52] and the European Federation of National Organizations Working with the Homeless (FEANTSA) lobbies European institutions and national governments while also supporting NGOs that provide services to homeless people.[53]

The underlying questions for many of these movements and networks are: how can they organize transnationally without sacrificing their local goals? When they do build transnational organizations, what are their greatest assets and their greatest handicaps? At a deeper political level, how can the mobility of capital and the potential of the new information technologies be used to serve the goals of local democratic projects? These questions are briefly taken up in the remainder of this section.

Counter-hegemonic globalization-from-below takes advantage of the ability of transnational networks to support communities in 'thinking locally' and 'acting globally'. They do so, for example, by disseminating information and invoking global norms that help to build new alliances and by projecting local struggles onto wider arenas to create extra-local leverage.[54] However, local organizing must precede global action and must persist to achieve its goals. Transnational networks are not a substitute but a catalyst that enable local efforts to become more efficacious.[55]

The Alliance in Mumbai, for more than a decade, has been an active part of Slum/Shack Dwellers International (SDI): a transnational network with federations in 14 countries on four continents, concerned with 'horizontal learning' through sharing and exchanging. Links between federations of the poor in South Africa, India and Thailand have been especially instrumental in the gradual building of these grassroots exchanges (see Box 14.9 ). Key are visits by small groups of slum or shack dwellers to each others' settlements, regionally or internationally, to share in on-going local projects, get and give advice and reactions, share in social and life experiences and exchange tactics and plans. The model of exchange is based on the idea of 'seeing and hearing', rather than teaching and learning, of sharing experiences and knowledge rather than seeking standard solutions. Visits usually involve immediate immersion in the on-going projects of the host community, such as scavenging in the Philippines, sewer-digging in Pakistan, women's savings activities in South Africa or housing exhibitions in India.

These horizontal exchanges function at several levels. By visiting and hosting other activists concerned with similar problems, communities gain a comparative perspective and obtain a measure of external legitimation for local efforts. Thus activist-leaders who may still be struggling for recognition and space in their own localities may find themselves able to gain state and media attention for local struggles in other countries and towns, where their very presence as visitors carries a certain cachet. The fact that they are visiting as members of some sort of international federation further sharpens this image. Local politicians feel less threatened by visitors than by their own activists and sometimes open themselves to new ideas because they come from the outside.

Second, the horizontal visits arranged by the federations increasingly carry the imprimatur of powerful international organizations and funders, such as the World Bank, state development ministries and private charities

**Box 14.9 Face-to-face community exchanges**

Increasingly, communities of people living in poverty are making direct connections with each other. Groups are visiting other communities in their city, elsewhere in the region and in other countries. The Asian Coalition for Housing Rights has been supporting these exchanges for more than a decade. After some years of experimentation, this method of sharing and learning became so successful that it was formalized into a training process.

Along with involvement by SPARC, India, and the People's Dialogue, South Africa, community exchanges now extend to an international network among poor communities. *Face-to-Face* (www.achr.net/face_to_face.htm) is a newsletter that informs about the process and outcomes of its activities.

**Box 14.10 The poor are armed ... with solutions**

In August 2000, the Housing Secretary of the Philippines and slum dwellers from Sri Lanka, India and Indonesia attended a meeting of about 7000 people from the Payatas Dumpsite community in Manila and the Philippines Homeless People's Federation, organized in collaboration with Shack/Slum Dwellers International and the Asian Coalition for Housing Rights. The meeting started off a week of activities involving more meetings with the Housing Secretary and a meeting with President Estrada who agreed to participate in the forthcoming Philippine launch of the Secure Tenure campaign. The communities proposed alternative resettlement plans, and nine model houses were set up with details on construction costs, land sites and plans. Agreements were reached on land, relocations and site development.

The meeting also resulted in:

- an allocation by the President of 15 million pesos for the Manila Homeless Peoples Federation to establish an urban poor fund;
- a promise to contribute a similar amount to the Federation's funds in the other six cities in which it operates;
- a promise to fast-track and help facilitate relocations of poor communities to identified government-owned land as well as on-site upgrading.

Impressed with the constructive spirit of the gathering and the solid alternatives and viable solutions presented, the Housing Secretary responded positively to the ability of the savings federation to offer partnership with, rather than make demands on, government and invited Federation representatives to further meetings.

**Source:** Asian Coalition for Housing Rights, http://achr.net/philsecten.htm.

from Europe, the UK, the US and Germany, and increasingly include political and philanthropic leaders from other countries as well. These visits become signs to local politicians that the poor themselves have cosmopolitan links, which increases their capital in local political negotiations (see Box 14.10).

Finally, the occasions that these exchanges provide for face-to-face meetings between key leaders in, for example, Mumbai, Cape Town and Thailand actually allow them to progress rapidly in making more long-term strategic plans for funding, capacity building and what they call scaling up, which is now perhaps their central aim. That is, having mastered how to do certain things on a small scale, they are eager to find ways of making a dent on the vast numerical scope of the problem of slum dwellers in different cities. In parallel, they are also deeply interested in 'speeding up', or shortening the times involved in putting strategies into practice in different national and urban locations.

For the latter goal, it may be necessary to build a large transnational funding mechanism that would reduce dependence on existing multilateral and private funding sources and put long-term funding under control of the SDI to allow for the best alignment of its activities with the goals of the urban poor. The issue of development funding along these lines is more fully discussed later in this chapter. This approach builds on the capacities of the poor to create large-scale, high-speed, reliable mechanisms for improving their conditions. However, this is not only a new vision for equalizing resources. This report emphasizes that it is also a vision of developing the unrealized potential of human resources, producing benefits not just for the poor but for the whole of society. It is an approach that is socially just and economically sound.

Among the many varieties of grassroots political movements, at least one broad distinction can be made: between those who seek armed, militarized solutions to their problems of exclusion and marginality and those that have opted for a politics of partnership; cooperation between partners that in the past have often opposed each other, such as states, private corporations and workers.

The Alliance and the transnational network of which it is a part have consciously decided to opt for partnerships in order to gain secure housing and urban infrastructure for the urban poor. This choice is based on the conviction that the poor are the best managers of solutions for the problems of poverty and that the poor themselves will prove to be the most capable, once mobilized and empowered by such partnerships, to 'scale up' and 'speed up' their own disappearance as a global category. This perspective is consistent with insights concerning newly emerging forms of governance (Chapter 4) and broader political strategies for urban liveability (Chapter 5). These convergent developments have implications for directions of development funding, which are reviewed in the final section of this chapter.

## The Role of Development Agencies in Capacity Building[56]

Lessons drawn from four decades of development experience demonstrate that solutions to many local problems require the involvement of local institutions. Local governments' capacity to ensure adequate provision and maintenance to all their populations of water supply, sanitation, health care, education, drainage and garbage collection, is essential but involves complex political changes. Effective and accountable local government may imply substantial institutional changes. For instance, most governments in Asia remain highly centralized and approach planning as a political process, whereas it is precisely the highly centralized power structures that are least able to provide support to local institutions.[57] The same is true for much of Africa, with national power struggles often impeding the development of competent and accountable local authorities.[58]

**We must make better use of existing resources to increase the capacity of local governments and channel more funds directly to community-based organizations and local NGOs**

Each city needs to develop its own urban development programme, based on a careful evaluation of its own problems and of the resources it can mobilize. Even if current levels of international aid to urban development were multiplied many times, urban centres would still not receive more than a useful supplement to their own resources. What is needed is to place a far higher priority on the better use of existing resources to increase the capacity

**Box 14.11 The most important aid project characteristics from two different viewpoints**

| Characteristics of many successful projects | Project characteristics that make implementation easy for funding agency |
|---|---|
| • Small scale and multi-sectoral: addressing multiple needs of poorer groups | • Large scale and single sector |
| • Implementation over many years: less of a project and more of a longer-term continuous process to improve housing and living conditions | • Rapid implementation (internal evaluations of staff performance in funding agencies often based on volume of funding supervised) |
| • Substantial involvement of local people (and usually their own community organizations) in project design and implementation | • Project designed by agency staff (usually in offices in Europe or North America) or by consultants from funding agency's own nation |
| • Project implemented collaboratively with beneficiaries, their local government and certain national agencies | • Project implemented by one construction company or government agency |
| • High ratio of staff costs to total project cost | • Low ratio of staff costs to total project cost |
| • Difficult to evaluate using conventional cost-benefit analysis | • Easy to evaluate |
| • Little or no direct import of goods or services from abroad agency's own nation | • High degree of import of goods or services from funding |

of local governments and channelling more funds directly to community-based organizations and the local NGOs with whom they choose to work.

Interventions by aid agencies and development banks that seek an efficient implementation of 'their' project may inhibit innovative local solutions that are cheaper and more expensive but less effective than solutions designed by foreign consultants. Although international agencies stress the need to ensure that the capital projects they sponsor continue to function, their mandated need to spend their funding often conflicts with more 'sustainable' solutions that keep down costs, maximize the mobilization and use of local resources and minimize the need for external funding. In addition, international agencies rarely stay and continue a local presence to guarantee the maintenance and expansion of a new water or sanitation system or health-care facility that they helped to fund. Box 14.11 contrasts the characteristics of many successful projects with the characteristics that make implementation easier for external funding agencies.

Basic infrastructure and services for water, sanitation, health care and education cannot be adequately provided without effective local institutions. Yet many aid agencies and development banks still operate on a 'project by project' basis when what is needed is a long-term process to strengthen institutional capacity, overseen by democratic governance. There may be potential for private sector enterprises to provide needed improvements in particular kinds of infrastructure and services. However, after at least a decade in which privatization has been strongly promoted by many international donors as one of the key solutions for improving the environmental infrastructure and services, the documented successes are more modest and less numerous than hoped for. Much of the literature on privatization overstates its potential and ignores that effective privatization requires strong, competent and representative local government to set the conditions, oversee the quality and control prices charged (for an example, see Box 10.1; see Chapters 4 and 5 for analysis of, and recommendations concerning, appropriate political strategies and governance forms in this context).

## 'Going to scale' in supporting community initiatives

International agencies seek to ensure that their funding reaches a significant proportion of those in need. However, there is a need for more institutional innovation among the official bilateral or multilateral aid agencies about 'going to scale': how to channel technical and financial support to the many hundreds of community or neighbourhood level actions where the inhabitants and their organizations are allowed a significant influence in what is funded. Or to go beyond this and fund a diverse, continuous and coherent transnational programme of support for community-directed initiatives within many different low-income nations. Most decisions about what is funded still remain largely centralized in international agencies whose own funding criteria may not match local neighbourhood priorities. Many international agencies also retain cumbersome procedures for funding applications. This means long delays before a particular community knows whether it can go ahead with an initiative it has planned and for which it had sought funding.[59] Further, international agencies need to strengthen support for the institutional processes by which low-income groups organize and develop their own plans and programmes: for instance, through funding the salaries of community organizers and the staff of local NGOs to whom they turn for support.

**It is not so much that large amounts of funding are needed in each settlement but that a reliable flow of assistance is needed, so that each action can build on the experience of the previous one**

In general, international funding agencies must recognize better the need to support a constant development process

in most low-income neighbourhoods. Unfortunately, many withdraw support from a community after completing one 'successful' project, just when this should have laid the basis for expanding the scale and extending the scope of their work. It is not so much that large amounts of funding are needed in each settlement but that a reliable flow of assistance is needed, so that each action can build on the experience of the previous one. Supporting a neighbourhood programme that involves the local inhabitants and that works in ways suited to local circumstances often takes a long time. But once momentum has been built up, one successful community-based action tends to lead to another and then another. Most poor settlements have many problems that have to be addressed. In addition, the capacity of their residents to work together grows with each successful intervention and this also allows more complex and ambitious actions to be undertaken. It is support for this continuous process that fosters people's capacity to cooperate effectively and to participate competently in partnerships and negotiations with other actors in the public and private sector.

As a rule, international funding agencies pose limits on the time they provide support to a particular community. Or, they will only support one project and assume that their role ceases when the project is completed. It is crucial to acknowledge that developing effective community responses to a lack of piped water, sanitation, drainage, street lighting, schools, health care, child care, play facilities and so forth, is a long-term process over which the inhabitants themselves must have influence and which involves recurring costs. Virtually all development assistance agencies seek to be participatory, but frequently, aid recipients have little influence on agency priorities and funding conditions. New approaches must be found if aid is to be effective in supporting a diversity of community-level initiatives that permit low-income groups to address their self-chosen priorities.

## Working with NGOs and civil society groups

**International agencies need local implementors for the work they fund**

The shift in thinking from 'government' to 'governance' has helped to highlight the critical role of civil society in ensuring and developing appropriate responses to development problems. It has also encouraged external agencies to consider how they can support 'civil society' groups. International agencies need *local* implementors for the work they fund. They typically oversee the implementation of projects to which they contribute funding,[60] but it is not their staff that dig the ditches, install the water pipes and provide the connections to households. The scope and potential success of any international agency's projects are thus dependent on the quality and capacity of their local implementors.

The international aid and development assistance structure from the late 1940s onwards was set up on the assumption that capital and technical advice made available to national governments would deliver 'development'. The emphasis was on the product rather than the process of development. The limitations of this approach became apparent as most 'recipient' governments were ineffective implementors or promoted other priorities. Such limitations have long been recognized in the debates about the failure of aid to reach poorer groups and support social development, going back at least to the late 1960s. None the less, it has proved very difficult to change the institutional structure of development assistance. It is also difficult politically for the official aid agency of a government from a high-income nation to steer aid to non-government local 'implementors' without the approval of the recipient's government. The same applies even more for multilateral agencies, which are part-'owned' by recipient governments; for such agencies as the World Bank, the regional development banks and the various bilateral agencies that provide loans, it is the national government client that has to repay the loans. No national government is going to sanction increasing aid over which they have little control, or funding citizen groups or NGOs that do not support or even oppose them. Even where external funding is intended for other government bodies – especially local governments – national governments are not greatly enthusiastic about relinquishing control over which localities and which sectors receive funding. Nor are they eager to have international donors fund local authorities governed by opposition parties.

**Development depends on good governance, which requires a political, legal and institutional framework that guarantees citizens civil and political rights and access to justice**

Development depends on good governance; not only in what national, regional and local governments fund and regulate but also in how they encourage and support the efforts and investments of households, citizen groups, NGOs and the private and nonprofit sector. This, in turn, requires a political, legal and institutional framework that guarantees citizens civil and political rights and access to justice. Considering that many national governments have yet to embrace the trend of supporting more effective and accountable local government, it would be a mistake to continue channelling virtually all external support through national governments whose interventions have failed to produce solutions to many of the most serious problems and sometimes have made them worse. It is low-income households and communities working outside of government that have been responsible for building and upgrading most new housing units and for a large proportion of investments in infrastructure and services.

**Current trends do not allow us to continue as usual. We must explore innovations in governance, cooperative liveability strategies, multiple stakeholder partnerships and horizontal capacity building**

As stressed earlier, current trends do not allow us to continue as usual. We must explore innovative approaches,

such as those concerning newly emerging forms of governance, cooperative liveability strategies, multiple stakeholder partnerships and horizontal capacity building, discussed in other sections of this report.

One key question concerns which institutional structures can considerably increase the proportion of development assistance going directly to low-income households and communities. The most common response is to look for local NGOs. However, some care is needed in channelling support to local NGOs, which may have agendas that do not accord with the needs and priorities of low-income groups. Indeed, if they represent the priorities of middle- and upper-income groups, they may be promoting the same distorted priorities as international NGOs from high-income nations. Many opportunistic NGOs have been formed within recipient countries to tap into the greater enthusiasm from donors for funding NGOs. Even where they have 'pro-poor' agendas that appear to address pressing problems such as inadequate water and sanitation, they may operate in ways that are unaccountable to low-income groups and their community organizations. NGOs are often insensitive to political and power struggles within communities and may find it convenient to support traditional leaders who do not reflect the needs and priorities of many community members.[61] They are often reluctant to delegate power and responsibility to community organizations. They may also impose their own professionally driven means of addressing problems and their own implementation timetables. If these NGOs rely on international donors, it is often difficult for them to avoid doing so, since this is in part the result of them having to follow the procedures and meet the criteria of the donor agencies and having to generate enough funds to cover their staff salaries. This difficulty is discussed more fully in Chapter 4 which considers the roles of NGOs in the broader context of other political actors in governance processes.

New channels of international support must be developed and linked directly to community-based action. This would usually mean support to associations formed by low-income groups, including savings and credit groups, self-help groups and neighbourhood associations. Although there are many examples of highly cost-effective projects in squatter settlements funded by external agencies, the scale of the support remains small and generally ad hoc. By and large, decisions about what to fund and who to fund are still made in the capitals of North America, Europe and Japan. The scale of funding and the conditions under which it is available are usually more influenced by the accounting procedures of the institutions providing the funding than the needs of those to whom it is provided.

**There is a need to develop new channels for technical advice and direct funding of community-level initiatives where decisions about support are made *locally* and where accountability is to *local* institutions and citizens**

There is a need to develop new channels for technical advice and direct funding of community-level initiatives where decisions about support are made locally and where accountability is to local institutions and citizens.[62] Even the most flexible institutional structure within an external donor cannot support hundreds of community-based initiatives if all decisions about funding and all monitoring and evaluation are concentrated in the donor's headquarters.

**Box 14.12 A city-based fund for community initiatives**

If the scale of funding to support community-level initiatives is to increase substantially, new institutional channels are needed. Existing funding agencies cannot cope with a large increase in requests for small projects. One possibility would be a fund for community initiatives set up within each city, accepting funds from external donors but managed by a small board made up of people based in that city. These people would have to be acceptable to community groups and would usually include some NGO staff that were already working with low-income groups and community organizations. It could include some locally based staff from external donors.

*Functioning of the fund:* Low-income groups could apply for funding for projects and also for support for developing projects. The procedures by which application has to be made for funds and the decision-making process has to be kept simple, with a capacity to respond rapidly. These would also have to be completely transparent with information publicly available about who applied for funds, for what, who got funded, how much and why. For funding provided as loans, the loan conditions and their repayment implications would have to be made clear and explicit, including repayment period, grace period (if any), interest rate and subsidy.

*Kinds of projects that could be supported:*

- *Health* (eg support for the construction of sanitary latrines or improved water supplies; campaigns to promote personal and household hygiene and preventive health measures, including mother and child immunization; the setting-up or expansion of community-based health centres);
- *Education* (eg special programmes for children or adolescents who left school early; literacy programmes);
- *Housing* (eg building material banks, loans to community-based savings and credit schemes through which members could access loans to upgrade their homes or purchase land and build their own home);
- *Environment* (eg site drainage, improved water supplies);
- *Employment* (eg support for micro-enterprises, local employment exchanges, skill training etc).

*Funding:* Between US$2000 and US$50,000 available to any group or community organization formed by low-income households. The first loan provided would generally be small, with further loans available if the project (and any planned cost recovery) proceeds to plan. Some level of counterpart funding would generally be expected (although this could be in the form of labour contribution).

*Terms:* Total or close to total cost recovery sought where feasible – with allowance made for inflation and for the cost of borrowing funds – with funding recovered shown publicly to be recycled back into supporting other community initiatives. For most projects, a short grace period would be permitted before the loan repayment had to begin (typically 3 months to a year) so that income generated or expenditure savings are partially realized before repayments begin. The fund for community initiatives would also provide a range of support services; for instance, assistance to community organizations in developing proposals, and technical and managerial support in project implementation. Grants or soft loans could be made available for certain specific interventions where cost recovery is difficult to achieve (either because funding cannot easily be collected or because incomes are too low).

**Necessary innovations face a key institutional and political challenge: any real decentralization implies decentralization of power, while governments must at the same time remain responsible for reducing regional inequities**

The necessary innovations in funding models face a key institutional and political challenge: any real decentralization implies decentralization of power. A fund for community initiatives can only work if decisions about what is to be supported are made locally in ways that respond to the priorities of low-income groups and that are accountable to the local population (see Box 14.12). At the same time, as argued in Chapters 4 and 13, decentralization may increase the potential for inequities between cities and regions. Hence, national governments must develop policy strategies that combine genuine decentralization with continued responsibility for equity.

## Notes

1 See www.dialogue.org.za/sdi/default.htm.

2 See www.sparcindia.org/netsdi.html.

3 The following paragraphs have been adapted from 'The implications of globalization and polarization for capacity building', a background paper prepared by Forbes Davidson of the Institute for Housing and Urban Development Studies.

4 Material for this section was drawn from 'The role of local authorities, other partners and relevant United Nations organizations and agencies in the review and appraisal process'. Progress report on the preparations of the proposed world charter of local self-government, presented to the Preparatory Committee for the special session of the General Assembly for an overall review and appraisal of the implementation of the Habitat Agenda, First session, Nairobi, 8–12 May 2000. HS/C/PC.1/CRP.7.

5 This section is drawn from 'The role of donor and development agencies in combating poverty, inequity and polarization in a globalizing world', a background paper prepared by David Satterthwaite, IIED, London.

6 The World Bank made over 50 project commitments during the period 1970 to 1996 to building the institutional and financial capacity of urban governments or to institutions that support urban development. All but two were made since 1983. Although some of the World Bank's urban projects have long had institution building components relating to urban government and many 'integrated urban development' projects have strong institution building components, it was only in the 1980s that project commitments were made specifically to institution building for urban areas, training in urban management, local government finance and urban planning.

7 One reason for this change may stem from a recognition by the World bank of the unsustainability of many of its previous urban projects. Another reason for strengthening the capacity of urban authorities is that this will increase the capacity of recipient governments to manage and invest in infrastructure and services, and thus increase their demand for World Bank funding.

8 For example, loans to support the work of the Cities and Villages Development Bank in Jordan, the Autonomous Municipal Bank in Honduras and the Fonds d'Equipement Communal in Morocco. Other loans to Zimbabwe and Brazil have provided credit direct to certain urban authorities.

9 See Kessides, 1997.

10 Ibid.

11 See Tjønneland et al, 1998.

12 The following section draws from Peltonen, 1999, and material prepared by Mara Sydney with additional information gathered by Jennifer Steffel.

13 Hewitt, 1999.

14 Jones and Blunt, 1999.

15 Askvik, 1999.

16 See www.ihs.nl/.

17 For a list of partnerships set up under the Local Agenda 21 Charters Project, see www.iclei.org/la21/charters.htm.

18 See www.iula.org/.

19 See http://icma.org/ (for resource cities: http://icma.org/go.cfm?cid=1&gid=3&sid=229).

20 Hewitt, 1998.

21 Hewitt, 1999.

22 Ibid.

23 Ibid.

24 The reason for setting up the partnership this way was a prohibition not allowing US citizens to travel to Serbia during the regime of President Milosevic. A third party from Eastern Europe was brought in to host the exchange visits, which serendipitously led to a strengthening of working relationships between the host city and the Serbian partner. Personal communication, Amanda Lonsdale, ICMA, 25 October 2000.

25 Personal communication, Amanda Lonsdale, ICMA, 25 October 2000.

26 See www.eurocities.org/; the site has extensive links to Eurocities members, European Union institutions, and local government organizations.

27 See www.metrex.dis.strath.ac.uk/en/intro.html.

28 See www.iclei.org/la21/map/citynet.htm.

29 See, for example, www.flgr.bg/indexen.htm for innovative local government reform in Bulgaria undertaken in the context of international urban cooperation; see www.lmp.org.ph/ for municipal networking in the Philippines.

30 This section draws extensively on Payne, G (ed) (1999) *Making Common Ground: Public-Private Partnerships in Land for Housing*. Intermediate Technology Publications, London. Although the discussion here is primarily oriented to aspects of housing and land provision, many of the same issues are relevant as well to partnerships that involve the provision of services and infrastructure, in particular water and sanitation (see Chapter 13).

31 See, for example, PADCO, 1991, p 32; UNCHS, 1993, pp 60–61; United Nations Centre for Human Settlements (Habitat), 1993.

32 See, eg Payne, 1999.

33 See Durand-Lasserve, 1996, p 63.

34 Ibid, p 65.

35 See Varley, 1985; Jones and Ward, 1998, p 15.

36 See D Dewar, 1999.

37 See Durand-Lasserve, 1996, p 52.

38 See Gore, 1991, p 215.

39 The remaining sections of this part of the chapter are drawn from 'Deep democracy: Urban governmentality and the horizon of politics', an unpublished paper by Arjun Appadurai, University of Chicago, June 2000. The full text of this paper is can be accessed at www.dialogue.org.za/sdi/. Examples of TANs are 'issue-based' (eg environment, child-labour, anti-AIDS) networks and 'identity-based' (eg women, indigenous peoples, gays, diasporic) networks.

40 See www.sparcindia.org/.

41 The Alliance has also strong links to Mumbai's pavement-dwellers and to Mumbai's street children, who it has organized into an organization called Sadak Chaap (Street Imprint), which has its own social and political agenda. Of the six or seven non-state organizations working directly with the urban poor in Mumbai, the Alliance has by far the largest constituency, the highest visibility in the eyes of the state, and the most extensive networks in India and elsewhere in the world.

42 Many are 'toilers', including children, engaged in temporary, menial, physically dangerous and socially degrading forms of work.

43 This pragmatic approach makes sense in a city like Mumbai where the supply of scarce urban infrastructure (housing and all its associated entitlements) is embroiled in an immensely complicated set of laws governing slum rehabilitation, housing finance, urban government, legislative precedents and administrative laws that are interpreted differently, enforced unevenly and almost always with an element of corruption in any actual delivery system.

44 There is a formal property to membership in the federation and members of the Alliance have on-going debates about slum families, neighbourhoods and communities in Mumbai that are not yet part of 'the federation'. In effect, this means that they cannot be participants in the active politics of housing, resettlement, rehabilitation and the like which are the bread-and-butter of the Alliance.

45 See Chapter 6 for a discussion of related aspects of micro-lending.

46 This of particular relevance to places like Mumbai, where a host of local, state-level and federal entities exist with a mandate to rehabilitate or ameliorate slums. But none of them knows exactly who the slum dwellers are, where they live or how they are to be identified. This is of central relevance to the entire politics of knowledge in which the Alliance is perennially engaged. All state-sponsored slum policies have an abstract slum population as their target and little or no knowledge of its concrete, human components.

47 At the same time, the creation and use of self-surveys is a powerful tool for internal democratic practice, since the major mode of evidence used by the Alliance for claims to actual space needs by slum dwellers is the testimony of neighbours, rather than other forms of documentation such as rent receipts, ration-cards, electric meters and other civic insignia of occupancy that can be used by the more securely housed classes in the city. Social visibility to each other is essential to the techniques of mutual identification used for locating and legitimizing slum dwellers.

48 See also Hobson, 2000.

49 See also UNCHS, 1996, p 385.

50 See Habitat International Coalition, http://home.mweb.co.za/hi/hic/.

51 See Huairou Commission, www.huairou.org/.

52 See www.socialplatform.org.

53 See www.feantsa.org.

54 See Keck and Sikkink, 1998; Evans, 2000; Boxes 16.5 and 14.10; endnote 47 in Chapter 2 on the role of the international dockworkers movement in the Liverpool port dispute; Jenkins and Goetz, 1999a; 1999b.

55 Jenkins and Goetz, 1999a. In the US, Good Neighbor Agreements (GNAs) have emerged as a non-litigious method of dispute resolution among companies, their workers, environmentalists, and local communities in the face of declining governmental power and rising corporate power. Facilitated by Right to Know legislation and databases (see www.rtk.net/), dozens of GNAs have been proposed and signed. For an analysis of the establishment of an enforceable, legally binding agreement that holds a transnational corporation accountable to a local community, see Pellow, 2000.

56 The remainder of this chapter is drawn from 'The role of donor and development agencies in combating poverty: Inequity and polarization in a globalizing world', a background paper prepared by David Satterthwaite, IIED, London.

57 Douglass, 1992.

58 Rakodi et al, 2000, illustrate this, in regard to Mombasa.

59 It dampens initiative when a low-income community has developed a plan for improving local conditions through, for instance, a communal water tank or building a small day-care centre, but then has to wait many months, or even years, to find out whether the few thousand dollars they requested will be granted.

60 There are some exceptions, especially in disaster relief, but this generalization holds true in most instances.

61 Mitlin, 1999.

62 Recently, there has been some experimentation with ways of supporting local funds for community initiatives; for instance the loan programme of the Thai government's Urban Community Development Office and its small-grants programme, supported by funding from DANCED (Boonyabancha, 1996; 1999). The UK Department for International Development is likewise experimenting with a fund for community initiatives. UNDP has sought to support local environmental initiatives through its LIFE programme.

CHAPTER 15

# STRENGTHENING POST-DISASTER RECONSTRUCTION OF HUMAN SETTLEMENTS

The cyclone that hit Orissa, India, in 1999, caused the total collapse or destruction of 742,143 housing units.[1] About 1 million people were reported as homeless after the earthquake in Turkey that same year, including 70 per cent of the population of Izmit.[2] These disasters are not isolated episodes, but merely examples of similar catastrophes that occur year after year. They result in damage and loss of housing and urban infrastructure with devastating effects on the lives of those affected. Sustainable human settlements development cannot often prevent disasters from happening, but it can help to mitigate their impacts. This chapter first briefly documents the human impacts of natural and human-made disasters, before examining what can be learned from these experiences and reviewing approaches to support post-disaster recovery.

## Consequences of Armed Conflict, Natural and Technological Disasters

Discussions and policies concerning homelessness in the context of human settlements have typically focused on factors such as lack of affordable housing, stagnating earnings, erosion of social safety nets, curtailment or elimination of welfare benefits, deinstitutionalization and rapid urbanization. Very rarely do disasters receive attention as a cause of homelessness that demands the attention of those with responsibilities for human settlement development. This inattention is unfortunate because natural as well as human-made disasters result in very large numbers of homeless people.

Table 15.1 shows the number of people made homeless by disasters worldwide from 1990 to 1999. The data distinguish between natural disasters and human-made disasters (ie technological disasters and armed conflict). During this period, more than 186 million people lost their homes due to a disaster. Parties engaging in armed conflict were responsible for making almost 100 million people homeless. A large majority of these conflicts took the form of civil strife. Natural disasters such as floods, landslides, droughts, hurricanes, cyclones and earthquakes caused more than 88 million people to become homeless during the 1990s.[3] These numbers are greatly deflated because they only count the people who had homes to begin with but lost them. Armed conflict and disaster recovery have additional impacts which worsen homelessness, because they divert resources away from the construction of housing for those who already are homeless and thus extend their homelessness. Technological disasters were relatively much less significant in the 1990s, making 164,156 people homeless as a result of chemical spills, explosions, fires and a variety of industrial and transport accidents.

Table 15.2 contains comparable information for the total number of people affected by disasters, excluding homeless people but including those killed. Those 'affected' are people who require immediate assistance during a period of emergency (ie help in meeting basic survival needs such as food, water, shelter, sanitation and urgent medical assistance).[4] The data in Table 15.2 show that from 1990 to 1999 more than 2000 million people were thus affected by disasters: most of them (1800 million) by natural calamities; many in the course of armed conflict (163 million); and a relatively smaller but still significant number were affected by so-called technological factors (600,000).[5]

Tables 15.1 and 15.2 make clear that the impacts of disasters are distributed unevenly and, further, that the distribution of impacts across world regions differs according to the type of disaster. Almost two-thirds of homelessness resulting from armed conflict during the past decade occurred in Asia. However, when prorated according

**Table 15.1**

**Homelessness resulting from armed conflict, natural and technological disasters, 1990–1999**

| | Type of disaster (N) | | | Type of disaster (%) | | |
|---|---|---|---|---|---|---|
| Continent | Armed conflict | Natural disasters | Technological disasters | Armed conflict | Natural disasters | Technological disasters |
| Africa | 30,171,903 | 3,604,340 | 63,850 | 30.7 | 4.1 | 41.6 |
| America | 415,850 | 2,814,214 | 36,910 | 0.4 | 3.2 | 24.0 |
| Asia | 61,364,400 | 80,802,494 | 48,459 | 62.4 | 91.9 | 31.5 |
| Europe | 6,387,500 | 449,265 | 4,401 | 6.5 | 0.5 | 2.9 |
| Oceania | 0 | 249,091 | 36 | 0 | 0.3 | 0 |
| Total | 98,339,653 | 87,919,404 | 153,656 | 100 | 100 | 100 |

**Source:** Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium. Table compiled by Sarah Krieger.

| Continent | Type of disaster (N) Armed conflict | Natural disasters | Technological disasters | Type of disaster (%) Armed conflict | Natural disasters | Technological disasters |
|---|---|---|---|---|---|---|
| Africa | 101,553,666 | 101,181,011 | 84,705 | 62.0 | 5.4 | 14.0 |
| America | 7,249,029 | 54,600,922 | 111,791 | 4.4 | 2.9 | 18.5 |
| Asia | 45,216,161 | 1,677,789,948 | 318,778 | 27.6 | 89.7 | 52.9 |
| Europe | 9,582,061 | 18,416,100 | 72,965 | 6.0 | 1.0 | 12.1 |
| Oceania | 70,025 | 18,022,672 | 14,841 | 0.0 | 1.0 | 2.5 |
| Total | 163,670,942 | 1,870,010,653 | 603,080 | 100 | 100 | 100 |

**Source:** Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium. Table compiled by Susan Krieger.

Table 15.2

**Total number of people affected by armed conflict, natural and technological disasters, 1990–1999**

to population size, armed conflict as a cause of homelessness was much more prevalent in Africa: nearly 400 persons per 10,000 of the population were affected, more than double the rate of Asia's population and more than four times that found in Central and Eastern Europe (Table 15.3). On the other hand, natural disasters did hit Asia hardest, both in absolute terms (81 million homeless during the 1990s) and as a share of the total (92 per cent); see Table 15.2. These spatial patterns are visualized in Maps 1, 2 and 3.

When comparing the impact of the various types of disasters on homelessness across regions, taking into account population size, the chief cause of homelessness during the 1990s was armed conflict in Africa (causing 394 of every 10,000 people to lose their homes). Next are natural disasters (222 per 10,000 of population) and armed conflict (169 per 10,000 of population) in Asia. Overall, Africa was hit hardest with nearly 450 homeless people per 10,000 of the population, followed closely by Asia (390 people). The numbers for Europe (93), Oceania (83) and the Americas[6] (40) are much lower (see Table 15.3).

Many more people were affected by loss of basic infrastructure and services which, together with shelter, are key components of human settlements.

Considering the astounding human costs of disasters, it is important that planners, designers and policy makers involve themselves in mitigation efforts. Granted, natural disasters cannot usually be prevented but the severity of their consequences can be reduced by, for example, effective land use planning and the development and enforcement of appropriate building regulations. Municipal authorities and international relief organizations have also used urban livelihood strategies to diversify the asset base of low-income households as a means to lessen impacts from disasters.[7] Much can be done as well to reduce technological hazards, particularly those related to transport, toxic waste and pollution. Selected aspects of technology-related hazards are taken up in other chapters in the context of transport, energy and health. Armed conflict has severe impacts, ranging from hunger to ill health to homelessness among resident and refugee populations, affecting especially women and children.[8] The rebuilding of war-torn societies and communities falls heavily on women, as men are often absent; killed, injured or engaged in continued fighting. However, because of discriminatory customary laws concerning ownership and inheritance of property, many returning women find that they have little or no access to land and housing left behind. These issues raise broader questions that go beyond the competence of human settlement development, although there have been coordinated efforts with other organizations.[9]

The following two sections of this chapter examine the experience of recovery from natural disasters and seek to draw lessons from it with a view to improving future interventions.

## Post-disaster Recovery: Learning from Recent Experience[10]

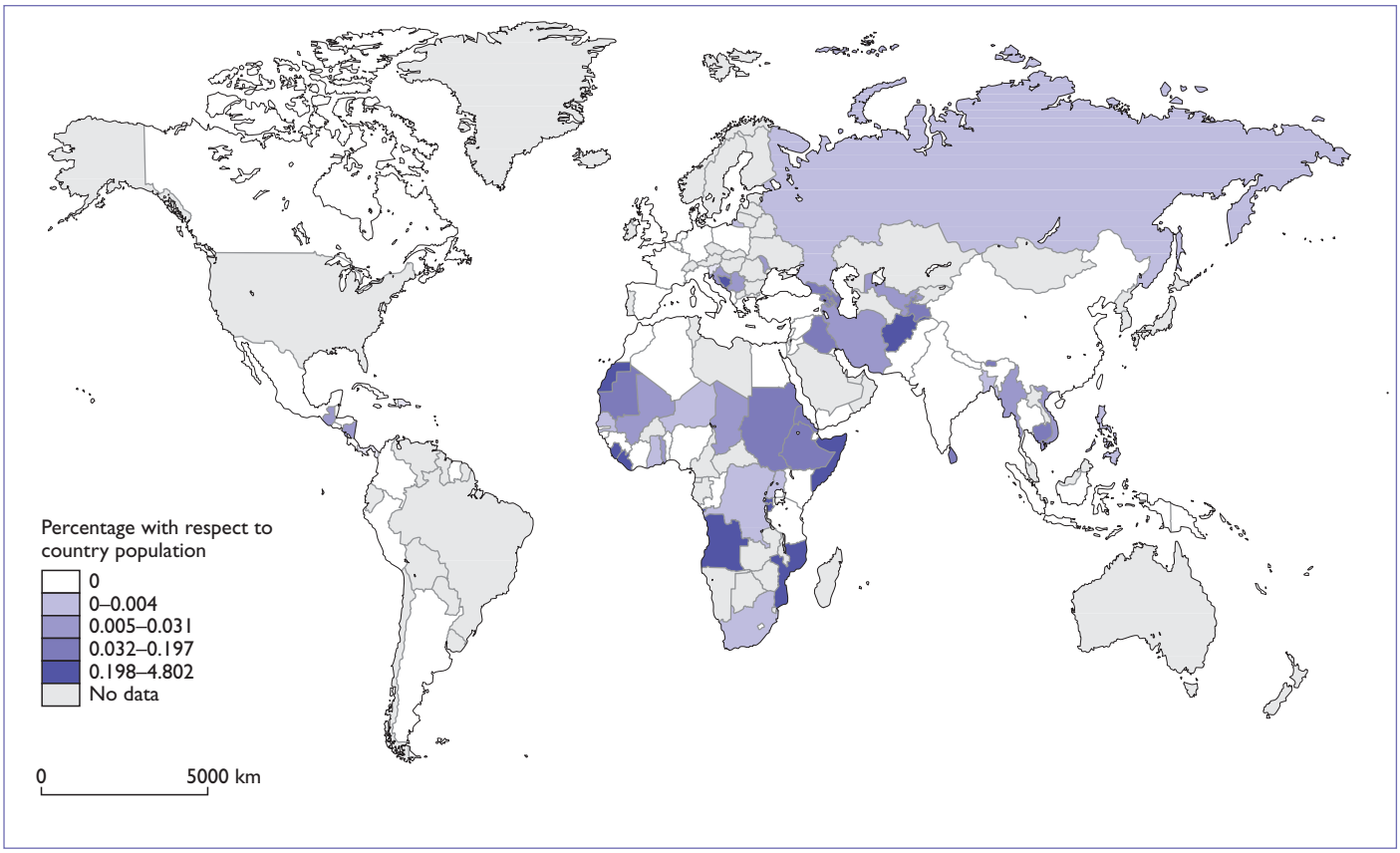
The previous section showed the severe impacts of natural disasters on human settlements and their populations. The Bangladesh cyclone in 1990; the Chinese river floods in 1991, 1995 and 1998; Hurricane Andrew in Miami, Florida in 1992; the Maharashtra, India, earthquake in 1993; the Northridge earthquake in Los Angeles, California in 1994; the Kobe, Japan earthquake in 1995; Hurricane Mitch[11] in Central America in 1998; the earthquake near Istanbul, Turkey[12], the cyclone in Orissa, India[13] and flooding and mudslides in Venezuela in 1999; and the flooding in Mozambique in 2000[14] are just a few examples of natural disasters that have wreaked havoc in the last decade. Most of these events have caused numerous fatalities and tremendous devastation in urban areas where there are large concentrations of people with a heavy dependency on infrastructure and services. Although it is impossible to

Table 15.3

**Homelessness and total affected by armed conflict, natural and technological disasters (per 10,000 of population), 1990–1999**

| Continent | Homelessness (P/10,000) as a result of: Armed conflict | Natural disasters | Technological disasters | Total affected (P/10,000) as a result of: Armed conflict | Natural disasters | Technological disasters |
|---|---|---|---|---|---|---|
| Africa | 394 | 47 | 0.83 | 1325 | 1320 | 1.10 |
| America | 5 | 34 | 0.45 | 89 | 667 | 1.37 |
| Asia | 169 | 222 | 0.13 | 124 | 4617 | 0.88 |
| Europe | 88 | 6 | 0.06 | 132 | 253 | 1.00 |
| Oceania | 0.00 | 83 | 0.01 | 23 | 6004 | 4.94 |
| Total | 165 | 147 | 0.28 | 274 | 3128 | 1.01 |

**Source:** Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium; United Nations Population Division, Department of Economic and Social Affairs, 1999. Table compiled by Tamara Laninga.




**Map 1**

**Distribution of homelessness due to armed conflict (1990–1999)**

**Source:** Map created by Francisco Escobar at the Centre for GIS and Modelling, Department of Geomatic Engineering, University of Melbourne, using the quantile method for interval breaking in Arcview (ESRI). Data from the Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium.

prevent such hazards from occurring in the future, it is possible to examine these experiences to see if we can learn from them so that we can reduce their effects when they strike again.

Three issues dominate any discussion of disasters and human settlements:

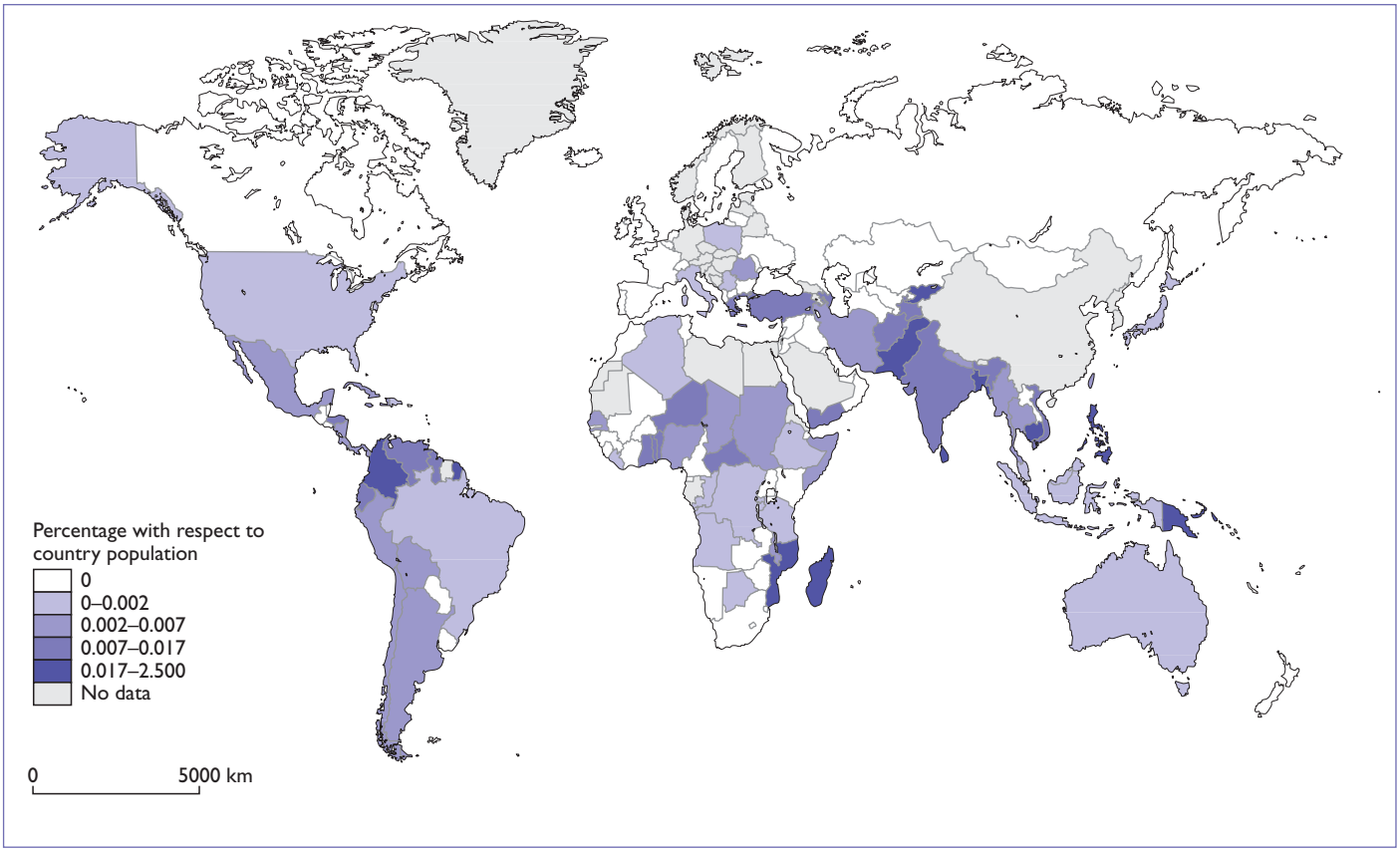
1 Increased urbanization in high hazard areas around the globe has led to increased vulnerabilities.
2 Governments and charitable organizations, whether local or international, cannot by themselves provide adequate relief or recovery assistance to victims.
3 The poor will suffer most in any natural disaster.

For the first time in human history, we are approaching a moment when more people worldwide live in cities than in rural areas, and many of those cities are located in areas prone to earthquakes, hurricanes and other natural disasters. The globalization of businesses in manufacturing and information services combined with the deregulation of international trade has changed growth and development patterns, creating expansion of existing urban areas and encouraging the growth of new communities. Clothing and tennis shoes designed for the US market are produced in Southeast Asia and Latin America. Information for the Silicon Valley computer industry is often produced, or at least processed, in Bangalore, India. Ensuing land pressures precipitate development of disaster-prone areas.

**As urban growth follows business development, the concentration of people and economic value in areas exposed to natural hazards is also growing**

As urban growth follows business development, the concentration of people and economic value in areas exposed to natural hazards is also growing. Hence, it is not surprising that the impact of natural disasters is on the rise. It has been estimated that the number of major natural disasters in the last ten years was four times as high as in the 1960s. Economic losses were six times as high and insured losses no less than 14 times as high.[15] The 1990s saw the two most damaging years ever in terms of insurance losses owing to natural disasters: US$33,000 million in 1992 and US$29,000 million in 1999. Total damages, insured and uninsured, exceeded a staggering US$100,000 million in 1999 alone.[16] Indeed, the United Nations 'International Decade for Natural Disaster Reduction' from 1990 to 1999 was well timed. Current trends of globalization and population growth, which define our urban reality, assure that natural disasters will increase in number and severity. This prospect requires us to seek better practices that lessen disaster impacts and speed disaster recovery.

The condition of the world's cities has often been described in terms of 'urban crises', implying complex problems, frequent breakdowns in services and a general lack of policy, programmes or funding. In developing nations, problems are commonly associated with rapid growth, social inequalities, volatile flows of corporate investment, demographic change and environmental neglect. In developed countries, problems are associated with deindustrialization, dilapidation of old physical infrastructure and changing markets.[17] Natural disasters simply exacerbate the existing social, physical and economic problems.




Map 2

**Distribution of homelessness due to natural disasters (1990–1999)**

**Source:** Map created by Francisco Escobar at the Centre for GIS and Modelling, Department of Geomatic Engineering, University of Melbourne, using the quantile method for interval breaking in Arcview (ESRI). Data from the Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium.

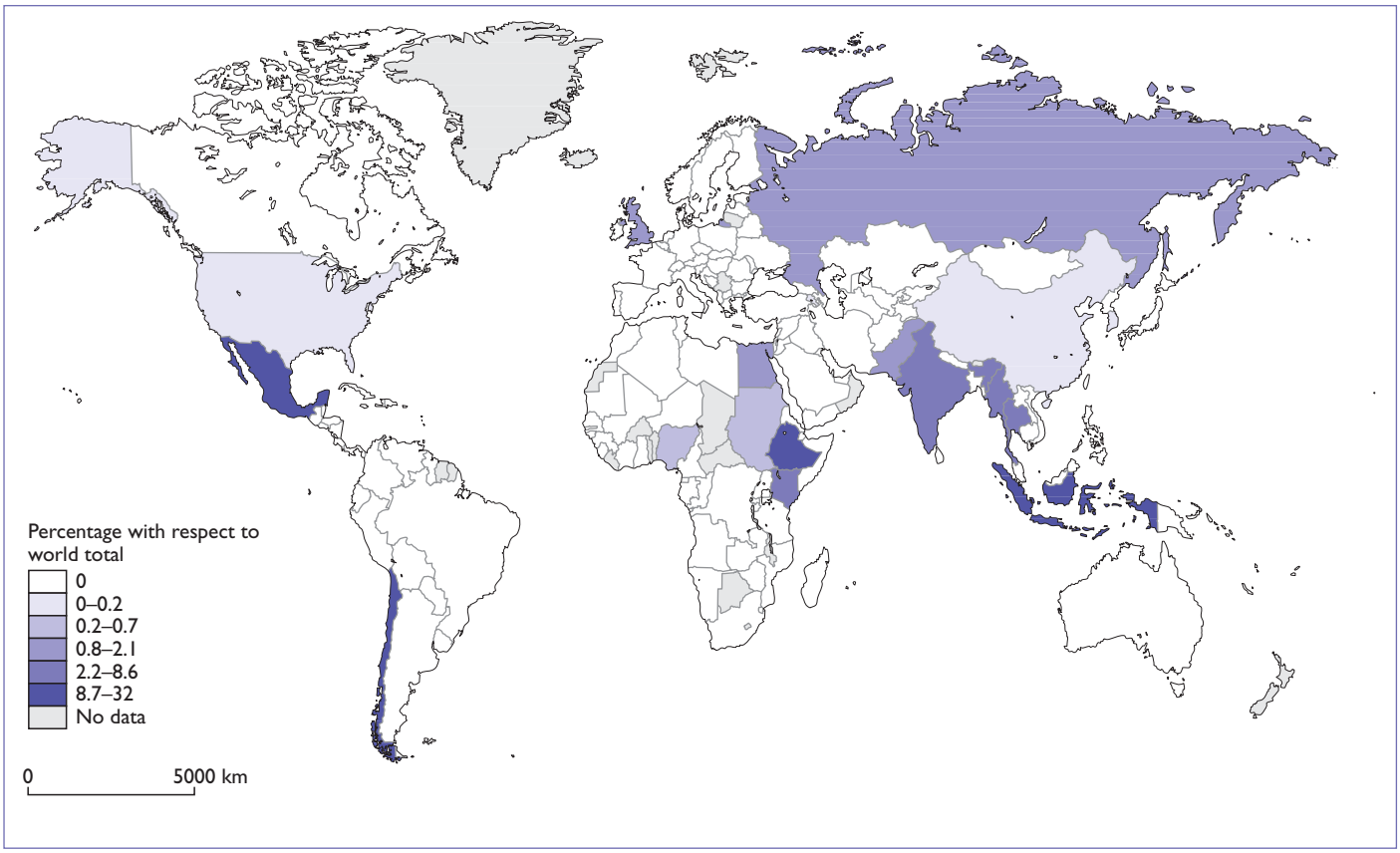
Recent experiences in Los Angeles, California, and Kobe, Japan, demonstrate the relationship between existing problems and disaster recovery. The earthquakes experienced by both cities had significant impacts on housing. In the 1994 Northridge earthquake, the damage was heavily concentrated in the San Fernando Valley, a suburb northeast of downtown Los Angeles. Fifteen neighbourhoods were dubbed 'ghost towns' where 40–90 per cent of the housing was uninhabitable. Post-earthquake inspections tallied about 60,000 units as severely damaged and 400,000 with minor damage, most in apartments. Because Los Angeles was in a deep recession at the time of the earthquake, rental housing vacancies were over 9 per cent, and earthquake victims were easily rehoused, all within their same postal code. Three years later, it became clear that there was also costly damage to about 300,000 single-family homes. The information on these damages only became evident as insurance claims were added to the loss estimates. In this circumstance, there was no sheltering crisis because of the available housing in the market, but the financial crisis resulting from a total of US$13,000 million in insured losses continues to have repercussions throughout California and the US.

Private insurance companies were shocked by the losses, not only from the Northridge earthquake, but also from similar losses in Hurricane Andrew in Miami, Florida in 1992. Most companies in California, Florida and Hawaii no longer offer disaster insurance along with a traditional homeowner insurance policy. State-run mini-insurance programmes have tried to fill the gap, but typically these have high premiums, high deductibles and limited coverage. Fewer than 20 per cent of Californians carry earthquake insurance, and federal aid will never take the place of insurance in helping victims to repair housing losses in a major urban disaster.

In Japan, the epicentre of a 7.2 magnitude earthquake was directly beneath the city of Kobe (1995), and 6000 people died in the event. The damage to buildings and infrastructure dwarfed the losses in the Northridge earthquake. Port facilities, freeways and railroads were extensively damaged. About 4000 commercial, industrial and public buildings were heavily damaged or collapsed. In total, approximately 400,000 housing units in 190,000 buildings were uninhabitable. Another 400,000 units were damaged. The total losses were estimated at US$89,000 million.[18]

The displaced population lived in shelters for nearly a year, and about 100,000 were transferred to 48,000 temporary housing units assembled by the government and placed in parking lots and open sites outside central Kobe. Some portion of the population was rehoused in the larger metropolitan area, but the shelter crisis was long term. Japan was also in a major economic recession at the time of the earthquake, and government invested heavily in the repair of the port and transport infrastructure. Although the government issued a three-year plan to build 125,000 housing units, government funds were used for only about 30,000 units of public housing. The remaining recovery efforts were left to the private sector. Because disaster insurance is virtually unavailable in Japan, individuals who lost their homes had to rely on savings and land value to finance any rebuilding.

More than half of the Japanese government's expenditures went for the provision of temporary shelter. Despite




**Map 3**

**Distribution of homelessness due to technological disasters (1990–1999)**

**Source:** Map created by Francisco Escobar at the Centre for GIS and Modelling, Department of Geomatic Engineering, University of Melbourne, using the quantile method for interval breaking in Arcview (ESRI). Data from the Centre for Research in the Epidemiology of Disasters, Université Catholique de Louvain, Belgium.

the obvious need, the temporary units costing US$40,000 each may not have been the best use of limited government funds. Government programmes rebuilt 20,000 units in Los Angeles, and 30,000 units in Kobe, but in both cases reconstruction was largely a private sector initiative. By contrast, in most developing nations, housing aid comes from international agencies and charities, and temporary shelters often serve long-term housing needs. See Table 15.4 for a comparison of the earthquakes in Mexico City, Kobe and Northridge.

**The vulnerability of residents of poorly built housing is made worse by their poverty, their state of health, their food supply and their physical and social infrastructure**

Research on more than 30 cases of post-disaster problems in developing countries has documented that their populations are vulnerable not only because their housing and buildings tend to be poorly built, but also because their vulnerability is increased by their poverty, their state of health, their food supply and their physical and social infrastructure.[19] In the last decade, much has been done to try to overcome or minimize the problems often associated with relief and aid. Many researchers have found disincentive effects associated with disaster aid and have shown the interdependence of development aid and disaster relief.

Two examples document the changing approach to disaster aid and housing recovery. In 1985, an earthquake devastated the centre of Mexico City. The official estimate of 76,000 housing units lost is probably low. The initial government response was to move earthquake victims to new communities on the outskirts of the city but, when victims protested, the Federal District government undertook an innovative plan to quickly shelter victims in tin sheds in the streets, and then built 100,000 replacement units in two years. Half the units built were in new buildings on vacant lots, and half were in renovations of damaged structures. The programme was funded with aid from the International Monetary Fund and loans based on federal government debt-restructuring. The building process was managed by a central government agency created for the building programme and disbanded after its completion, using hundreds of local architects and contractors to carry out the work.

In the Maharashtra earthquake in India in 1993, over 8000 people were killed and 1 million residents were rendered homeless. Approximately 67 villages were completely destroyed and there was extensive damage in 1300 villages in the Latur and Osmanabad districts. The condition of housing in the area prior to the earthquake was extremely poor, and the government of Maharashtra committed to a massive rebuilding programme that included a commitment to improving the living standard of those affected. The scale of the losses dictated the use of a variety of approaches. In areas which bore the brunt of the devastation, villagers were too traumatized to undertake rebuilding themselves. Here contractors were used to build new houses in relocation villages. In other areas, NGOs were involved in the reconstruction, but the largest component of the programme was an owner-builder programme, designed to allow individual work and choice. Housing funds (largely provided by the World Bank) accounted for 58 per cent of the programme's budget and included reloca-

tion of 52 villages, reconstruction of 22 villages and in-situ strengthening of houses in 2400 villages. The remainder of the budget was dedicated to infrastructure, economic and social rehabilitation and technical assistance, training and equipment.[20]

**There is a trend to include community development and social and economic rehabilitation in post-recovery efforts**

Both the urban example of Mexico City and the rural example of India demonstrate the trend to localizing services and investing in community development as part of disaster relief. In both cases, housing is better and safer as a result of the effort.

Given the increased urban vulnerabilities and the increased cost of relief, it is important to recognize that no governments or relief organizations can make disaster victims whole. The best these agencies can do is to understand the local development needs and help the local governments and victims decide housing strategies that can improve rather than hinder future local development. Research indicates that, in this connection, national governments can have an important role in fostering local adoption and enforcement of seismic provisions of building codes.[21]

In any disaster, urban or rural, in a developed or a developing country, the old, the young and the very poor suffer disproportionately. Successful disaster aid should use a variety of organizations to manage construction, employing local engineering and construction methods, local leadership and community participation. This multi-pronged approach will expedite and lower the cost of recovery and can be combined with reducing future vulnerability and enhancing sustainable development.

It is important to take into account the wider context within which such efforts are undertaken. The Marmara earthquake of 1999 provides a good example. Given that, during the 1990s, three other major urban earthquakes in Turkey preceded this disaster, the experience of this country offers an opportunity to examine the lessons learned. In this regard, some observers have pointed to corruption and lack of professional training as reasons behind inadequate enforcement of building codes.[22] Be that as it may, there is a wider context as well, relating to patterns of urbanization in Turkey and the country's economic policies in the context of globalization. In the years before 1980, the Turkish government adopted prevailing IMF and World Bank guidelines, prescribing privatization of its policies in support of public transport, health care, education, housing and economic development. Concomitantly, some 60–70 per cent of urbanization occurred illegally on lands surrounding new industrial centres, many of them in earthquake-prone areas. All planning functions were transferred to the local level and between 1983 and 1991 there were eight amnesties for illegal residential and commercial development. Land became a major commodity; in 1998, land speculation and rent amounted to 30 per cent of GNP, equal to the national budget. Municipalities used master plans as an instrument to realize financial profits and had no incentive to undertake rational planning in the public interest.[23] In a different context, the US experience in the flawed local adoption and enforcement of building codes also points to an important role of national government in disaster mitigation.[24]

| | Mexico City September 1985 | Kobe January 1995 | Northridge January 1994 |
|---|---|---|---|
| Magnitude | 8.1 | 7.2 | 6.8 |
| Deaths | 7,000 | 6,000 | 57 |
| Total damage value (US$) | 12,500 million | 150,000 million | 40,000 million |
| % housing loss | 33% value<br>64% buildings | 50% value<br>99% buildings | 50% value<br>90% buildings |
| Housing units lost | 76,000 | 400,000 | 60,000 |
| Total units damaged | 180,000 | 800,000 | 500,000 |
| % multi-family | 100% | 30% | 80% |
| % uninhabitable | 50% | 50% | 1% |
| Vacancy rate | ~ 1% | ~ 3% | 9% |
| Short-term recovery | 50,000 temp. housing | 48,000 temp. housing | Minimal sheltering |
| Long-term | 46,000 new units, 42,000 repaired with govt. funds in 2 years 7,400 units by NGO | 29,200 public sector units complete 9/97; est. 70,000 private sector units built in the region | 20,000 govt. funded units built; earthquake insurance for homeowners |

**Source:** Comerio, 1998; Tomiko, 1997.

Table 15.4

**Comparison of housing loss and recovery: Mexico City, Kobe and the Northridge earthquakes**

## Enhancing the Classical Post-disaster Recovery Model

**Disaster recovery and mitigation has evolved into a global enterprise involving multiple transnational relief agencies and the increasing use of special assistance programmes**

Disaster recovery and mitigation have evolved into a global enterprise involving multiple transnational relief agencies and the increasing use of special assistance programmes. Traditional transnational efforts are crucial to any national recovery framework where resources are transferred from developed to less developed countries, and much of this work is now carried out by NGOs. Although the logical stages of disaster recovery – from emergency response through restoration and replacement – appear to be orderly and sequential, experience clearly demonstrates that these stages are not so easily 'governed'. Each stage acquires a momentum of its own which must be understood in process terms before any useful post-disaster planning can be done. Each country has its own history of tension between central government efforts at risk prevention and local and regional needs to address urbanization pressures while promoting risk mitigation measures. Thus it is essential to understand the catastrophic consequences of the risk-sharing formula in each country.[25]

The following section examines the 'classical post-disaster recovery model' and suggests additional elements that take into account the growing realities of citizen participation and new leadership roles being played by grassroots organizations and NGOs. A new, enhanced model then focuses attention on how to utilize disasters to empower local authorities and civil society to rebuild in ways that are

constructive for all segments of society, and which help to prepare for the next disaster. After disasters, especially in developing countries where central governments often do not have the resources to sustain strong preparedness organizations, the non-governmental sector and the informal sector actually furnish *de facto* governance of the long-term recovery process. The classical model needs some adjustment to accommodate these realities.

## The institutional framework: globalization and disaster recovery

The notion of 'single, high-level institutions as the best means of controlling human settlements' supported at Habitat I, the first United Nations Conference on Human Settlements, convened in Vancouver in 1976, and upheld as a framework for governance, now seems oddly anachronistic. To the extent of their abilities, centralized governments can and must provide a channel for foreign assistance and some general policy guidance or technical expertise.

**Networks established by the informal and non-governmental sectors furnish the framework for a more inclusive model of institutional recovery following disasters**

But as the process of transnational globalization continues, the networks established by the informal and non-governmental sectors furnish the framework for a more inclusive model of institutional recovery following disasters. As urban services to support globalization (especially transport and communications infrastructure) become more sophisticated, response at the community level fosters self-help, local governance and the introduction of appropriate technologies to serve various constituencies.

A framework for disaster recovery has evolved in which stakeholder groups mobilize to serve their defined interests alongside traditional, centralized government relief programmes. In this context, new linkages will develop, joining groups not previously allied. A good example of this organizational adaptation following a major disaster occurred in Central America in the aftermath of Hurricane Mitch (October–November 1998). The tracking of international relief supplies defaulted to the 'stovepipe' model (see below), with major NGOs such as CARE, Red Cross and humanitarian religious groups taking over direction of their own field efforts in the absence of effective national coordination. Institutional improvisation and unplanned adaptation took place alongside very limited national-level organization, forging alliances among stakeholder groups and village leaders in Honduras and Nicaragua which are now serving to facilitate allocation of long-term recovery resources.[26]

In Honduras, the Public Law, which authorizes disaster functions at the national level, was amended six months after Mitch to reconstitute the lead disaster agency, COPECO, as a civilian group operating independently of military authority for the first time in the country's history. This action was observed by one executive staff member to be a move towards the 'municipalization of emergency services' which will enhance local stakeholder involvement in administering disaster programmes during future emergencies. A marked increase in participation by municipalities and NGOs in flood hazard-prone areas of the country is taking place in areas such as the Aguan and Choluteca River valleys, supported by grants from international organizations like the Pan American Development Foundation and Peace Corps, which have strategic importance for reducing vulnerability to future disasters.[27] This experience suggests that it is useful to reconsider the classical disaster recovery model.

## The classical recovery model defined

The recovery/reconstruction classical model includes four overlapping periods,[28] as illustrated in Figure 15.1. The time required for reconstruction is a function of economic or other trends, which were already in place before the disaster occurred. What exists in terms of social class and economic conditions in society prior to the disaster will define to a great extent the shape of long-term recovery. The four periods of recovery are:

1 the *emergency period* covering the first few days following the disaster when services are disrupted and response is organized regionally, nationally and internationally;
2 the period of *restoring major urban services*, combined with debris clearance;
3 the *replacement period* when homes, jobs and major civil and commercial activities are restored;
4 the *developmental reconstruction period*, when improvement of previous public and private production and distribution systems occurs as part of future growth and expansion.

These periods do not necessarily follow in perfect stepwise sequence, and their application can be uneven. Political, technical, institutional and class factors intervene to direct the placement and delivery of recovery services. For example, an affluent neighbourhood with more direct access to outside assistance usually recovers faster than a heavily damaged, and largely ignored, lower-income neighbourhood.

The classical model is useful to disaster planners in marking the points at which various kinds of relief and reconstruction assistance can be channelled to local governments from state and federal sources. For example, under US federal disaster statutes, reimbursement for emergency protective measures, such as sandbagging operations, are paid from different categories of assistance from debris clearance or rebuilding of transport infrastructure. In defining the stages of recovery, the model establishes a 'sender–receiver' relationship between levels of government during recovery. This is done to facilitate the administration of disaster relief based on clearly established categories. At the international level, these would be defined as 'sectors' such as housing, transport and water systems,

supported by transnational donor institutions. The model needs enhancement, however, in defining how completion of recovery actions actually led to preparation for future disasters and in identifying the 'sustainable' elements for community participation at each stage.

## Enhancing the classical model

Based on experience in Asia and Latin America, the classical recovery model can be improved by adding to it other kinds of activities, which occur sequentially. Three general areas of effort are: mitigation measures and risk assessment; special donor groups; and a period of logical planning. These efforts are described below and illustrated in Figure 15.1.

1 *Mitigation measures and risk assessment* can be simultaneously carried out in the emergency and restoration periods, instead of later in the recovery. Such an enhancement would capitalize on the engineering and damage assessment resources which are on-site immediately following disasters, rather than delaying such studies until later, when crucial data or observations may be lost. Among the most useful examples of these immediate actions directed at reducing future losses is the post-Hurricane Mitch evaluation report prepared by the US Geological Survey, the Army Corps of Engineers and the University of South Carolina in January 1999, just two months following the disaster.[29] The report analysed the suitability of selected sites for housing reconstruction in seven municipalities, including evaluation of landslide and flooding risk, and water supply and access issues. Both short- and long-term recovery decisions were made using the report's technical findings, which were available in Spanish and English on the World Wide Web.

2 Identification and support of *special donor groups* which serve as expedient conduits for disaster relief, often operating independently of the central government's effort. This phenomenon is sometimes known as 'stovepiping', a descriptive term which suggests stakeholder organizations acting in a vertical fashion to nurture their own constituents' interests, linking headquarters policies and priorities directly with in-country field elements.

3 Finally, the classical model can be enhanced by an overarching effort to combine mitigation, risk assessment and the issues articulated by special donors into a new national programme for integrated disaster preparedness, driven by special legislation, emergent leadership and support from international financing institutions. Going beyond the replacement and reconstruction periods of the existing model, and building on them, this *new period of 'logical planning'* represents an expression of national application of post-disaster recovery activities. These activities are designed to empower local authorities to develop and implement reconstruction plans, which incorporate local realities and allow for full expression of participation and voice by stakeholders. This logical planning phase provides a space for new actors to participate. This certainly was the case in Kobe, Japan where the Machizukuri process of town design, building and citizen participation was implemented as a result of the catastrophic 1995 earthquake.[30]

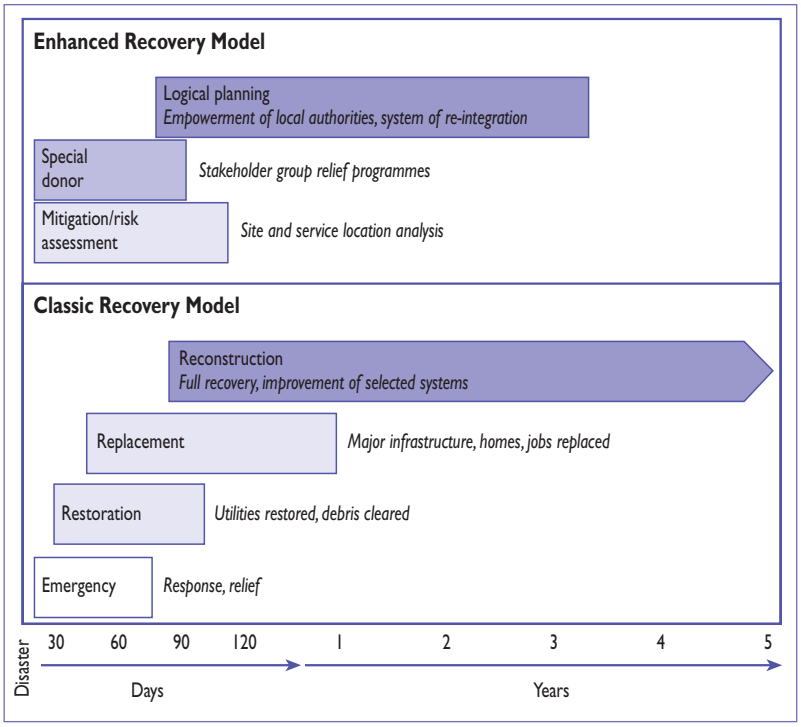



**Figure 15.1**

**Classical and enhanced recovery model**

**Source:** Siembieda and Baird (Background Papers)

Coordination is essential in all aspects of the enhancements described above. What varies, however, is the extent to which regional and local governments are furnished with the authority and resources to direct and influence the work of donor groups, and to allow civil society to participate. The long-term risk assessment as is advocated here will require coordination between units of government and all agencies, including sharing of information and technology at appropriate levels.

## Opportunities for local capacity building

**Post-disaster activities provide unique opportunities for local governments to build new planning capacity in preparation for the next disaster**

Post-disaster activities provide unique opportunities for local governments to increase planning capacity in preparation for the next disaster. This may require changes in national law (as was the case in Japan and Honduras) and will certainly require new resources such as training and technology. The continued integration of transnational assistance organizations at the local level is occurring. In Honduras, United Nations and Organization of American States-sponsored projects are providing mayors and regional preparedness staff with the resources needed to strengthen

local capacity. Cooperatives have formed in the post-Mitch environment to acquire parcels of land and engage in self-help activities with the assistance of small-scale donors. The Honduras experience mirrors many others in the developing world. From it, we see a need for spatially bounded functional operations and transcending administrative boundaries, allowing for much stronger pre-event planning and service provision. It should also be recognized that a 'return to normality' is difficult to achieve in countries with wide income and class differences. A good example is the housing recovery policy that followed the Hanshin Great Earthquake of 1995. Before the earthquake, urban restructuring had been generating growing socio-economic polarization and geographical disparities in housing conditions in the city of Kobe. A detailed analysis of housing recovery policies during the three years following the disaster showed that these policies simply reinforced pre-existing inequalities, with the result of further isolating low-income and elderly households.[31] In a related vein, a series of recent studies analyses disasters as socially constructed events, with gender-based actions that endure amidst and after severe disruptions. There are, however, examples of disaster recovery efforts that have sought to empower women, converting disaster relief into development work supportive of women's needs.[32] Thus, public policies need to promote a 'betterment of normality' approach, based on the enhancements outlined in the classical recovery model, which alone can address the reality of institutional change and capture whatever benefits globalization can give to post-disaster recovery efforts.

## Notes

1 See www.un.org.in/dmt/orissa/shelter.htm.

2 See www.who.int/eha/emergenc/turkey/index.htm. See also 'Reflections on the 1999 earthquakes in Turkey', a background paper by Fahriye Sancar, University of Colorado.

3 See also Key Issues and Messages in this report for the disaster that hit the Payatas dumpsite community in the Philippines in the Spring of 2000.

4 This definition was approved in September 1992 in a workshop that brought together representatives from OCHA, IDNDR, IFRC, UNEP, CRED, USAID, WHO and WFP (Personal communication from Caroline Michellier, Centre for Research in the Epidemiology of Disasters (CRED), Ecole de Santé Publique, Université Catholique de Louvain, Belgium, 25 January, 2000).

5 This number is, however, greatly deflated since it does not include, for example, accidents with fewer than ten people affected, thus excluding injuries and fatalities resulting from most domestic and traffic accidents. Nor does this figure include the large numbers of people who are displaced or whose experience of home is otherwise adversely affected by exposure to air, water and land pollution.

6 Difficulties in data compatability across different sources did not permit a regional breakdown of the Americas.

7 See Sanderson, 2000.

8 According to UN estimates, women and children make up 70–80 per cent of refugees and internally displaced persons.

9 For example, UNCHS (Habitat), UNIFEM, UNDP, and UNCHR have worked with the Women for Peace Network (www.unchs.org/unchs/english/feature/peace.htm), and The Global Campaign for Secure Tenure has produced a report, 'Women's rights to land and property during conflict and reconstruction' (www.unchs.org/tenure/Gender/Woman-land.htm). In Kosovo, UNCHS created a Housing and Property Directorate and Claims Commission as part of a larger strategy to restoring housing and property rights that includes also the development of a cadaster and land information system and capacity building to re-establish municipal administration and the basic functions of local government. These efforts have led to the proposal of similar support in East Timor and Sierra Leone (see 'Rebuilding municipal government in Kosovo', CHS/00/15 (www.unchs.org/press2000/chs15.htm) and 'Successful creation of Kosovo Housing and Property Directorate and Claims Commission leads to similar proposals for other post-conflict zones', CHS/00/02 (www.unchs.org/press2000/chs2.htm). See also 'Housing and property in Kosovo: Rights, law and justice' in Leckie, 1999.

10 The following sections draw heavily from 'Natural hazards and human settlements: Issues and lessons from recent experience', a background paper prepared by Mary C Comerio (University of California, Berkeley) and 'Who governs reconstruction? Enhancing the classic post-disaster recovery model', a background paper prepared by William Siembieda (California Polytechnic State University) and Bruce Baird (California Governor's Office of Emergency Services).

11 See www.who.int/eha/emergenc/mitch/index.htm.

12 See www.who.int/eha/emergenc/turkey/index.htm. See also 'Reflections on the 1999 earthquakes in Turkey', a background paper by Fahriye Sancar, University of Colorado; Ozerdem, 1999.

13 See www.un.org.in/dmt/orissa/shelter.htm.

14 See www.who.int/eha/emergenc/mozamb/index.htm.

15 Boulle et al, 1997.

16 Swiss Reinsurance Company (Zurich) (14 March 2000), cited in Emergency Preparedness News. Business Publishers Inc, Silver Spring, MD, p 51. During the same decade, the US experienced 460 presidentially declared disasters, including the costliest in its history, the 1994 Northridge earthquake with total damages estimated at over US$40,000 million.

17 Jacobs, 1997.

18 See Comerio, 1998. See also Hirayama, 2000.

19 See Anderson and Woodrow, 1989.

20 See EERI, 1999.

21 See Burby and May, 1999.

22 See, for example, Ozerdem, 1999.

23 See Sancar, 2000.

24 See Burby and May, 1999.

25 Burby et al, 1999.

26 Olson et al, 1999.

27 Pan American Development Foundation, 2000.

28 Schwab et al, 1998

29 United States Geological Survey, US Army Corps of Engineers and University of South Carolina, 1999.

30 Topping, K C 'Urban planning during rebuilding: The Machizukur experience' (unpublished manuscript).

31 See Hirayama, 2000.

32 See Enarson and Morrow, 1998.