TREATING PEOPLE AND COMMUNITIES AS ASSETS

WHERE THE SIDEWALKS END:
HOW THE POOR COMBAT POVERTY DAILY

Molly O'Meara Sheehan

Squinting in the sunlight, George Ng'ang'a leads me up a mound of dirt and rubbish on the edge of his Nairobi neighborhood to take in the view. To the south unfolds a safari scene of grassy plains dotted with acacia bushes as far as I can see. To the north stands a dense gathering of gangly shacks cobbled together with cloth, mud, tin, rocks, and sheets of plastic. There are about 800 homes in all crowded onto some 5 to 6 hectares, says Ng'ang'a.

On city maps, the location of this settlement — called "Mtumba" by the 6,000 people who live there — shows up as prime habitat for rhino and giraffe. That's because this unsanctioned community lies on the edge of Nairobi National Park. Mtumba is only one of the many slums around Nairobi. In fact, more than half of the residents of Kenya's capital city cannot afford to live in "formal" housing, and have been forced to find shelter in slums like this one.

'We can't depend on the government for anything'

Ng'ang'a turns to me and tells me to call him "Castro," which, he says, is his nickname. He has the physique of a bear and is clean shaven, but he insists he was thin and bearded in his youth. I'm not sure if he's joking about the physical resemblance, but it's clear that he's passionate and politically active. For several years in a row the people of Mtumba have chosen Castro to be the leader of the community's governing council in informal elections — informal because the city government does not serve slums, so the people of Mtumba have found their own ways to organize and police themselves.

"We can't depend on the government for anything," says Castro as we walk through the settlement. One of his neighbors, a solemn man named Tom Werunga, joins in our stroll. Werunga, who carries a Bible, tells me that he's a pastor. He points out a water tap — one of two small spigots that supply water for the entire settlement. But no city water is piped here. Instead, these taps are fed by private companies that truck in tanks. And they sell their water at a premium. As of yet, no company has seen fit to establish any sort of business setting up toilets or sewers. Instead the 6,000 people who live here share three flimsy pit latrines. "Flying toilets," I learn, are baggies of human excrement that are flung atop roofs or into rubbish piles.

I am scribbling notes, trying to pay attention to the latrines Castro is showing me, but my eyes are stinging in the acrid air. Cinders and fumes from untended piles of burning trash mingle with ash and smoke from charcoal cooking fires where women prepare meals. At night, kerosene fumes from lanterns join the stew. More than 80% of Nairobi's households use charcoal for cooking, but the air is worst in neighborhoods such as this, which lack both electricity and trash removal.

Everything in Mtumba, it seems, is insecure and informal. There is no land ownership. There is no public infrastructure. And there is no protection provided by the law. Mtumba's families have moved together twice before, says Castro. They landed in this location in 1992. Since then Nairobi officials have threatened to evict the community several times. And on one occasion, he says, officials sent in bulldozers to completely demolish the settlement. Some families have seen their homes destroyed as many as 10 times. "Every day we are waiting for the demolition squad," says Castro. "We are refugees in our own country."

It is neighborhoods like Mtumba — not Greenwich Village in Manhattan or the Rive Gauche in Paris — that are setting the trends for modern urban living. The United Nations estimates that somewhere between 835 million and 1 billion people now live in some type of slum, whether in a kampung in Indonesia, a favela in Brazil, a gecekondu in Turkey, or a katchi abadi in Pakistan. The population of slum dwellers in some of the world's largest cities — Mumbai (Bombay), Bogota, and Cairo, for example — now outnumbers the population of people living in formal housing.

Poverty is rapidly urbanizing

In many cities — particularly in sub-Saharan Africa and South Asia — explosive urban growth is combining with the world's worst poverty to fuel the proliferation of slums. The world's population increased by 2.4 billion in the past 30 years, and half of that growth was in cities. Over the next three decades, global population is expected to increase by another 2 billion. Demographers expect that nearly all of that population increase will end up in developing-country cities, due to urban migration and high birth rates.

While most poor people still live in rural areas, poverty is rapidly urbanizing. As of 1998, more than 1.2 billion people were living in extreme poverty (on less than the equivalent of about US $1 a day), unable to meet even basic food needs. Martin Ravallion of the World Bank estimates that the urban share of the world's extreme poverty is currently 25%. He projects that it is likely to reach 50% by 2035.

A number of factors are driving the growth of cities worldwide. Rural economies in many regions have been hard hit by environmental degradation, military or ethnic conflicts, and the mechanization of agriculture, which has curbed the number of rural jobs. The prospect of better-paying jobs has drawn many people to cities.

Latin America is by far the most urbanized region of the developing world. About 75% of people in Latin America live in cities — along with 75% of the poor. While only 37 and 38% of Asians and Africans live in cities respectively, a number of nations in these regions are beginning to see poverty shift to urban centers. For instance, the proportion of people living below the poverty line in rural Kenya between 1992 and 1996 increased from 48 to 53%, while the share of people living below the poverty line in Nairobi doubled from 25 to 50%.

Castro tells me that his family's land was taken by the colonial Kenyan government in 1952 to build a golf course. "My father was a businessman," he says, "so we went to different places, like nomads." Castro continued the itinerant lifestyle as a young man, but then he got married and began looking for a better life for his family. Eventually, he says, "we came to the Nairobi slums, even though I have an education."

Short-term benefits and long-term costs

In general, the "off-the-books" nature of Mtumba and other informal communities confers certain advantages. Rents are lower than in formal housing. There are no property taxes. Residents can skirt cumbersome zoning laws that separate housing from businesses, and set up shop inside their homes or just outside. Mtumba's commercial strip boasts rows of brightly painted storefronts, each about one meter wide. There are produce stands, coffee shops, a "movie house" showing videos, a barber shop, and an outfit that collects old newspapers. But the short-term benefits of living and working outside the formal economy rarely outweigh the long-term costs to residents — and to the cities that have failed to address their needs.

Slums are often located in a city's least-desirable locations — situated on steep hillsides, in floodplains, or downstream from industrial polluters — leaving residents vulnerable to disease

and natural disasters. Another long-term cost is the premium residents pay for basic services. The African Population and Health Research Center recently released a report showing that Nairobi's slum dwellers pay more than residents of wealthy housing estates for water — and, as a result, use less than is adequate to meet health needs. "A family needs 100 liters per day for drinking and cleaning," says Mtumba's Tom Werunga. As that much water costs 25 Kenyan shillings (US $.30), it could easily eat up half the income of people who, on average, make about 50 to 60 shillings (US $.60 to .75) per day.

Landlords operating in slums can easily gouge their tenants without fear of legal recourse. And the proportion of renters in slums is higher than commonly thought, as vacant land close to employment opportunities tends to be quickly developed by enterprising landlords. In fact, four out of five slum residents in Nairobi are renters, according to a study done by the Kenyan government and UN-Habitat, the United Nations Human Settlements Program, which happens to be headquartered in Nairobi.The shacks are lucrative investments, finds the survey, yielding a return in less than two years (compared to 10 to 15 years in the formal property market). Yet landlords do not typically reinvest their profits in the shacks by repairing them or hooking them up to electricity or water, and tenants have no way to hold landlords accountable.

Lacking adequate access to water, toilets, and trash removal, crowded slums also breed diseases that threaten the public health of entire cities.

More than half of Nairobi's 3 million people live in slums, squeezed into just 5% of the city's land area. In urban centers throughout the developing world, the AIDS virus is facilitating outbreaks of tuberculosis — and both diseases are spreading rapidly. In the Nairobi slums, the mortality rate of children under five years of age is 151 per 1,000 births, far higher than the average of 61 per 1,000 for the city as a whole.

Economic inequalities may significantly hamper public health, according to several new studies. *The Society and Population Health Reader* has brought together journal articles showing that economic inequality in the United States and parts of Europe correlates with reduced public health. In Nairobi, where slums occasionally abut posh, gated enclaves, the economic disparities are as glaring as the public health nightmare.

The growth of slums in an era of unprecedented economic prosperity may also contribute to tensions that threaten local, national, and even global security. "Poor urban settlements are breeding grounds for disease, crime, and terrorism," warned Anna Tibaijuka, the Executive Director of UN-Habitat, in April 2002. While desperate situations may foster problems, it is the poor who are disproportionately the victims of crime. Some slums are crime ridden and others are nearly crime free, but those that lack municipal or community policing are usually more dangerous.

Following the September 11, 2001 attacks in the United States, *New York Times* columnist Thomas Friedman wrote that in an increasingly interconnected world, it will be impossible to ignore the problems of people living in desperate conditions at home or abroad: "if you don't visit a bad neighborhood, a bad neighborhood will visit you."

Walking again with Castro, I am being pursued by a friendly, giggling swarm of small children, none taller than my waist. They want to hold my hands. My tour guide is talking about the three vehicles owned by various people in Mtumba: one old car and two bicycles — but my attention is drawn to the children. Many of them have no shoes, yet are following us over sharp rocks, human and animal waste, and all sorts of garbage.

It is impossible to watch bright-eyed children play in toxic trash and human waste, and listen to their articulate parents describe their efforts and their hopes to build a better life, and not feel

obliged to help somehow. This well-intentioned impulse to help slum dwellers into better housing, however, has been carried out with rather disastrous consequences throughout history.

Poor people improve communities more effectively than government projects

Brazil, Colombia, Egypt, and South Korea were among the developing nations that launched huge public housing campaigns in the 1960s. These costly efforts destroyed the networks of family and friends that poor people had used to survive. Communities often had to move from inner-city locations to outlying areas with fewer job prospects. Added transportation costs meant less could be spent on food.

In many cases, the people whose homes were destroyed could not afford the new public projects, which ended up housing wealthier residents. "Urban renewal" projects often had the perverse effect of worsening living conditions for the people they were intended to help.

A major shift began to occur in the 1970s, as city planners were faced with the fact that poor people had been improving their neighborhoods more effectively and with less money than many government projects. Drawing on his experiences working in the slums of Lima, Peru in the 1960s, British architect John F.C. Turner challenged the prevailing orthodoxy with his influential 1972 book, *Freedom to Build*, warning that officials should stop doing more harm than good.

Lacking city services, some communities have managed to close the gap themselves. One of the trailblazers was Akhter Hameed Khan, who in 1980 began mobilizing the community of Orangi, the largest squatter settlement in Karachi, Pakistan. He started a research institute called the Orangi Pilot Project to help residents organize and build a sewer system. Each block collected money and began construction of their own sewers, which served some 90% of Orangi's residents by the late 1990s. Between 1982 and 1991, infant mortality rates in the settlement dropped from 130 per thousand to 37 per thousand.

In the slums of Nairobi, communities long neglected by the government are just beginning to gain some level of political effectiveness. In Mtumba, for instance, residents have begun to organize. "On our own," says Tom Werunga, "we have built a school." Four teachers juggle morning and afternoon shifts to teach more than 400 children in three classrooms. The classroom I saw boasted a small chalkboard, and about 30 to 40 small children, who jumped up smiling from their desks as we passed.

With the help of a local nongovernmental organization, the Pamoja Trust, Mtumba has started a savings scheme and opened a bank account to pool funds. They hope to save up enough to purchase land at a better location. So far, they have saved about 300,000 Kenyan shillings (US $3,800) altogether. According to Pamoja Trust's Jack Makau, his organization would like to match the savings accrued by the Mtumba families, shilling for shilling, and help them invest it, to speed the time necessary to reach the 5 million or so shillings that will be needed.

The residents of Mtumba and Nairobi's other slums are starting to flex some political muscle, bolstered by a city-wide federation, Muungano wa Wanavijiji. "Unity is strength," says Jane Weru, the head of Pamoja Trust, which is supporting the federation in 40 of Nairobi's more than 100 slums. Muungano members are setting up savings groups, which help build trust and can be turned into revolving loan funds. They are also collecting data on their neighborhoods and sharing experiences to help build coalitions that will help sway government policies in their favor.

Slum residents in Nairobi are also learning from their counterparts around world, loosely organized by Shack/Slum Dwellers International (SDI). The group was founded in 1996 when the Asian Coalition for Housing Rights joined forces with the South African Homeless People's Federation. Today, the group boasts members from Argentina, Cambodia, Colombia, India,

Kenya, Madagascar, Namibia, Nepal, the Philippines, South Africa, Swaziland, Thailand, Zambia, and Zimbabwe. "A lot of what we do in Nairobi" says Pamoja Trust's Jack Makau, "has been tried out in other cities by the SDI network."

In recent years, these new coalitions have articulated ground-breaking strategies for urban development, where governments engage slum dwellers as equal partners in efforts to improve communities. "We are not coming here to beg," declared Jockin Arputham, the head of Shack/Slum Dwellers International, at UN-Habitat's World Urban Forum in Nairobi in May 2002. "We can sit together with you — national governments, city authorities, and bilateral aid agencies — to plan the city."

Obstacles to effective political partnership

Where local and national governments have been willing to seriously engage those living in urban slums, the partnership has often produced significant results. But for the most part, governments still have a long way to go to help address the problems faced by people living in slums. In general, slum leaders like Arputham have identified three key obstacles that governments must surmount in order to become more effective partners:

1) Home Security

"Land is the key to implement any project for development," says a Mtumba woman who is involved in the community's self-run school. She explains that the people of her community have difficulty convincing themselves — let alone anyone else — to invest in water, toilets, or any sort of improvement. Why bother if the neighborhood could be bulldozed the next day? Indeed, a central obstacle to any sort of "self-help" in many slums is that the residents do not belong on the land where they live in the eyes of the law.

If governments were to grant people in informal settlements legal recognition or titles to the property where they live, it could open up new opportunities for development, and even credit. Buildings without titles are "dead capital," says Peruvian economist Hernando De Soto. They are useful only for whatever shelter they provide. Buildings with titles, in contrast, can have a second "life" in capital markets, where their owners can leverage them.

De Soto was instrumental in prompting Peru to undertake a massive titling program, which formalized some 1 million urban land parcels between 1996 and 2000, first in the pueblos jovenes of Lima, and then in other cities. In his recent book, *The Mystery of Capital*, De Soto suggests that titling programs could have a huge global impact. He estimates that the value of real estate not legally owned in the developing world and former Soviet bloc nations is US $9.3 trillion.

Granting titles to residents in much of Lima and some other Latin American cities has been fairly straightforward, as a number of informal settlements arose after groups of settlers planned "invasions" of unused public lands. But in places like Kenya, many slums are on private land or on public land given — often under the table — to large-scale shack builders, who rent out their tenement housing. Sorting out ownership can be further complicated by a confusing mix of English land laws and African customary laws. One new innovation in Kenya is a "community land trust," which allows a neighborhood to collectively own its property, while each household retains some individual property rights.

This issue of secure land tenure is gaining in prominence. Heads of state meeting in New York for the UN's Millenium Summit in 2000 pledged to improve the lives of 100 million slum dwellers by 2020. The two measures of "improvement" are to be access to sanitation and security of tenure.

When asked how improved security will be measured, William Cobbett of the Cities Alliance acknowledges that "it's tricky." Many governments don't count slum dwellers in their censuses, let alone measure their sense of security.

2) Employment Opportunities

Most people come to cities seeking jobs. And the slums that many of these people end up living in — with rickety homes, mounds of refuse, and inadequate water supplies — could become key sources of employment. At little cost, municipal authorities could employ slum dwellers to build sewers, collect trash, compost organic waste, or otherwise improve their communities. If organic waste is composted, it can be used to nourish urban agriculture, which can provide both food and jobs. Cities could also revamp their policies on transportation, land use, and small-scale credit to improve the ability of poor people to make a living.

In 2000, the Kenyan government committed itself to working with the slum dwellers federation, local authorities, and the UN on a seven year slum-upgrading initiative. This program aims to make physical improvements — to extend roads and services into slums to connect them to the rest of the city. "We're looking at all possible sources of job generation," says UN-Habitat's Chris Williams, including providing housing, water, electricity, and other services.

Schemes to collect and compost organic waste — such as paper, food scraps, and even human excrement — can help nurture urban gardens and reduce the problems and costs of waste management while producing food and money. The UN Development Program (UNDP) estimates that 800 million urban farmers harvest 15 percent of the world's food supply — and the share could grow if governments promoted, rather than discouraged, the practice. Agriculture provides the highest self-employment earnings in small-scale enterprises in Nairobi, and the third highest in all of urban Kenya.

High transportation costs limit poor people's access to jobs. Zoning laws that separate homes from businesses discriminate against the poor, as do decisions to invest in infrastructure for private cars, rather than dedicated bus lanes, cheap transit, safe pedestrian walkways, or bicycle paths. "More than 95% of money that is meant to tackle transport issues in Kenya goes to motorization, while less than 5% of Kenyans actually own cars," says Jeff Maganya of the Nairobi office of the global Intermediate Technology Development Group (ITDG). Today more than 40% of Nairobi's residents can't afford to pay bus fares.

Most people would benefit if governments were to shift their priorities towards cheaper forms of transportation, including informal jitneys (small buses called matatus in Nairobi) and bicycles. For many years, high luxury taxes on bicycles and a large fee for registering bicycles prevented poor people from buying and keeping them in Nairobi. Isaac Mburu, a bicycle mechanic who lives in Mtumba, had his bicycle confiscated by local authorities because he could not pay the fee. When Kenya reduced its tax on bicycles from 80% to 20% between 1986 and 1989, bicycle sales surged by 1,500%.

Governments can also take steps to open up lines of credit in informal communities, not only for home improvement, but for small-business development. Even in the poorest neighborhoods, there are buildings and money-making activities that could be leveraged to increase economic opportunities and strengthen communities. Nairobi's jua kali, or "hot sun," workers — street hawkers selling vegetables, motor parts, and all manner of goods and services — act as a crucial source of income for many poor people.

3) Government Representation

A number of factors can contribute to silencing the voices of the poor and limiting public scrutiny of key decisions about how resources are allocated: collusion between politicians and real estate developers; government influence over or control of the press; or a weak civil society, for example. The wealthy, even if a small minority, simply have greater political power.

Government corruption also takes a disproportionate toll on slum residents. "When you take a complaint to a local authority employed by the government," says Isaac Mburu, who lives in Nairobi's Mtumba slum, "if you go without cash, you won't be served."   While 67% of all Kenyans surveyed recently by Transparency International-Kenya said that interactions with public officials required bribes, 75% of the poorest and least educated said they were forced to pay bribes. An independent fact-finding team visited Kenya in March 2000 and concluded that "the land and housing situation is characterized by forced evictions, misallocation of public land, and rampant land grabbing through bureaucratic and political corruption."   According to Transparency International's Michael Lippe, "corruption is a tax on the poor."

In some parts of the world, however, corruption is being thwarted by community organizers and committed leaders. Porto Alegre, Brazil has become famous for a municipal budgeting experiment started in 1989 that invites citizens to engage in setting public priorities and shows people how funds are allocated. A survey done after the first year of participatory budgeting in Porto Alegre revealed that the process had amplified the voices of the city's poor. Most of that city's slum population had indicated that clean water and toilets were their highest priority, whereas the government previously assumed that public transport was at the top of their list.

Today, more than 200 cities in Latin America have introduced participatory budgeting. In July 2001, Brazil enacted a national "City Statute" that requires municipalities to include citizens in urban planning and management, through participatory budgeting, among other measures. While only a small share of a city budget is usually up for grabs, the process does get important issues on the agenda and helps thwart corruption.

In Mumbai, India, both the municipality and poor neighborhoods have gained as a result of the evolving partnership between local authorities and the National Slum Dwellers Federation (NSDF). "Fifteen years ago, we were just trying to get poor people to be part of the city," said Sheela Patel, director of the India-based Society for the Promotion of Area Resource Centers (SPARC). "Now there's a realization that this is a key component of good governance." For example, she says, "when hawking is illegal, the municipality loses 170 million rupees (US $3.5 million) per month by not giving the hawkers licenses."

In Nairobi, citizens convened the first ever Nairobi Civic Assembly in January 2002 to demand that the government open itself up to all citizens, including the poor majority. "We have a city without citizens because most of them have no voice," said Davinder Lamba, the head of the local human rights group, Manzigira Institute. Participants discussed how they might tackle a number of specific problems, from the city council's failure to provide water in poor neighborhoods to corrupt "land-grabbing" by public officials.

Neighborhood by neighborhood, things are beginning to change. For years, whenever residents of a Nairobi slum called Huruma Ghetto tried to repair their homes, the city council blocked them, forcing them to pay bribes or forbidding their efforts on the grounds that they were squatters on public land. The community's initial efforts to organize themselves to overcome these obstacles met with failure. Once, when the community collectively refused to pay the bribes, their houses were set ablaze.

Banding together, and fortified by allies, Huruma Ghetto's residents are getting local authorities to work with them, rather than against them.

In May 2002, I watched as the Huruma Ghetto held a groundbreaking ceremony for a model home paid for by its locally organized savings group and approved for construction by the Nairobi City Council. Residents of Mathare, Mtumba, and other Nairobi slums, as well as activist friends from all over the world (including Jockin Arputham of Shack/Slum Dwellers International), came to Huruma Ghetto to take part.

"With the savings scheme, we are not only collecting money, we are collecting people," says David Mwaniki, a 37-year old father of five children who makes a living selling utensils. He also serves as the assistant to the secretary of Huruma's community council, which organized the savings group. "We want to eradicate poverty, and we want people living in informal settlements all over the world to join us, so we can wipe out slums."

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