

# Urbanisation and urban poverty reduction in low- and middle-income countries

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## What is the historical process by which goal setting in this sector has developed?

Goal setting has a longer history in international development than is recognised, and we explore this before addressing contemporary concerns on urban poverty.

All official international development assistance is justified by its apparent contribution to reducing poverty, both urban and rural. But during the 1960s, the focus was on economic growth and its underpinnings, such as an educated labour force and economic infrastructure. There was an important new discourse from the late 1960s on the need for development assistance to address social issues, including poverty. The recommendation that more attention be paid to social issues as an end in itself can be seen in the report of a United Nations expert group meeting held in 1969 (United Nations 1971). A critique of conventional aid policies and the demand for more attention to the needs of poorer groups is also evident in the work of Myrdal (1968, 1970). The Pearson Commission, set up to review the successes and failures of aid, included in its recommendations a greater emphasis on 'social' projects, although this was not one of its central concerns (Mason & Asher 1973).

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The World Bank was among the first of the official development assistance agencies to make explicit its support for a higher priority to 'basic needs' and for targets to monitor this. For instance, in a speech in 1972, the Bank's President Robert McNamara called for nations

'to give greater priority to establishing growth targets in terms of essential human needs: in terms of nutrition, housing, health, literacy and employment - even if it be at the cost of some reduction in the pace of advance in certain narrow and highly privileged sectors whose benefits accrue to the few' (Clark 1981: 173).

An analysis of World Bank lending priorities shows a clear increase in the late 1970s to the priority given to meeting basic needs (Satterthwaite 1997 & 2001). Various books have recommended a greater priority to basic needs, including ul Haq (1976), Ward and Dubos (1972), and Ward (1976). Indeed, in Ward's *The Home of Man* (1976) there is a chapter entitled *The cost of justice* that draws on World Bank estimates for the investments needed over one decade for meeting needs for food and nutrition, education, rural and urban water supply, urban housing, urban transport, population, and health.

Between 1972 and 1978, many development assistance agencies and multilateral banks made explicit their support for increased allocations to basic needs; although with differing views as to what constituted basic needs (see for instance, ILO 1976; Sandbrook 1982; Streeten et al. 1981; Wisner 1988; Wood 1986), and the extent to which it was compatible with economic growth (e.g. 'redistribution with growth').

The global conferences organised by the United Nations on key problems that began with the Conference on the Human Environment in Stockholm in 1972 also began to make recommendations with all government representatives to these Conferences, formally endorsing them, and these included many goals, with a few including targets. For instance, in the United Nations Conference on Human Settlements in Vancouver in 1976, the *Vancouver Action Plan Recommendations for National Action* (United Nations 1976) endorsed by all attending government representatives included the following:

'Safe water supply and hygienic waste disposal should receive priority with a view to achieving measurable qualitative and quantitative targets serving all the population by a certain date: targets should be established by all nations and should be considered by the forthcoming United Nations Conference on Water. [...] In most countries urgent action is necessary to adopt programmes with realistic standards for quality and quantity to provide water for urban and rural areas by 1990, if possible' (United Nations 1976: Recommendation C.12).

There are links here with some of the books noted above, since Ward and Dubos' book (1972), entitled *Only One Earth: The Care and Maintenance of a*

*Small Planet*, was commissioned by the United Nations as a book for a general audience on the issues being discussed at the 1972 Conference on the Human Environment. Furthermore, Ward's work (1976) was commissioned by the Canadian Government who were hosting the 1976 United Nations Conference on Human Settlements. Barbara Ward also toured Canada just before the Conference, and organised a meeting of experts that promoted clear goals and targets on water and sanitation, and urged government delegates to the Conference to set and approve these.

During the 1970s, there is also evidence of some official development assistance agencies giving more attention to urban poverty. The World Bank began supporting 'slum/squatter upgrading' programmes and site and service schemes (for example, in Nairobi, Kenya; Amman, Jordan; and Cairo, Egypt), and during the 1970s, increased its support of initiatives to reduce urban poverty (Satterthwaite 1997).

Another important goal and target was set at the International Conference on Primary Health Care in Almaty (previously Alma-Ata) in 1978.

'A main social target of governments, international organisations and the whole world community in the coming decades should be the attainment by all peoples of the world by the year 2000 of a level of health that will permit them to lead a socially and economically productive life. Primary health care is the key to attaining this target as part of development in the spirit of social justice.' (WHO & UNICEF, 1978: 1)

These commitments to addressing basic needs and to universal provision (for water, sanitation, and primary health care) tended to disappear as priority issues in the 1980s, in part because of the global recession (what is termed 'the lost decade' in Latin America), and in part because of the change in the orientation of most development assistance agencies, associated with economic policies of Thatcher and Reagan. There was also a shift in some agencies and professionals to 'selective primary health care', that sought to prioritise what were judged to be the most cost-effective interventions, but that were also cheaper and easier to implement and still left key needs unmet, including provision for water and sanitation. The commitments to meeting needs re-emerged in the 1990s, in part within discussions of human development,<sup>3</sup> and then within the Organisation for Economic Co-operation and Development's (OECD's) International Development Targets in 1995 (whose purpose was to get more popular support for aid agencies in high-income countries) that then led to the United Nation's MDGs in 2000.

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<sup>3</sup> Although many of the proponents of human development sought to distance themselves from the proponents of basic needs, there is considerable common ground between the two.

Thus, the MDGs in relation to urbanisation and urban poverty reduction are built on a long tradition of goal setting and international agreements in relation to broader developmental concerns. The MDGs' target of halving, between 1990 and 2015, the proportion of people whose income is less than US\$1.25 per day, addresses the goal of eradicating extreme poverty within a broader goal that addresses poverty and hunger as interrelated. The MDGs contain one explicit urban target in relation to what are termed 'slums': to achieve, by 2020, a significant improvement in the lives of at least 100 million slum dwellers. This is a rather odd target as it is much less ambitious than other quantitative targets (it is seeking to cut the number of people living in slums by 10 per cent, and not to halve or reduce by two thirds as in other MDGs) and it is for 2020, not 2015. It also sits a little uncomfortably within a goal on ensuring environmental sustainability.

### **What progress has been achieved in this sector through the Millennium Development Goals and other processes?**

It is difficult to assess progress in urban areas because of the (often very large) undercount in official statistics for those living in poverty, and because of inaccurate or inappropriate measures. The work of the World Health Organization (WHO) and the World Bank on disease and injury burdens, and on disability-adjusted life years (DALYs), provides a stronger basis for determining the most cost-effective interventions, but these are mostly done at national levels and so miss the (often large) differences in the ranking of disease and injury burdens between different locations within nations. They also do not provide the data needed by local governments, for instance the disease and injury burdens by ward or district.

The United Nations claims great progress towards most of the MDGs. In a report published in September 2013, the Secretary-General of the United Nations, Ban Ki-moon, said the MDGs 'have been the most successful global anti-poverty push in history' (UN 2013: 3). He added,

'Significant and substantial progress has been made in meeting many of the targets — including halving the number of people living in extreme poverty and the proportion of people without sustainable access to improved sources of drinking water. The proportion of urban slum dwellers declined significantly' (UN, 2013: 3).

However, much of the supporting evidence for these claims is based on faulty statistics or heroic guesses where there is no data. In regard to extreme poverty, the 2013 MDGs Report states that 'the proportion of people living in extreme poverty has been halved at the global level' (UN, Ibid: 4). But this is only because the United Nations uses an unrealistic poverty line of US\$1.25 a day. In most cities, this is not enough to pay for food and non-food needs (Mitlin &

Satterthwaite 2012). If accurate poverty lines were set in each nation based on what food and non-food needs actually costs, the proportion of people in extreme poverty would have declined far less than the United Nations claims.

Set a poverty line low enough and much of the poverty will disappear. In applying the US\$1.25 poverty line, there appears to be virtually no urban poverty in China, the Middle East, North Africa, and Central Asia, and very little in Latin America. Why then, are hundreds of millions of urban dwellers in these regions — who apparently are not poor — still living in poverty in poor quality, overcrowded homes that lack safe and sufficient water, sanitation, drainage, health care, and emergency services? Why are so many of their children malnourished? It is not difficult to conclude that their poverty is not 'extreme' enough for the United Nations to include them in their statistics.

In regard to provision of water, the 2013 MDGs Report states that 'over two billion people gained access to improved sources of drinking water' between 1990 and 2010, and 60 per cent of these were in urban areas; but this was only because the bar is set so low. Under United Nations definitions, a household has improved provision for water even if it only has access to a public tap or stand-pipe; so someone is said to have improved water even if they share a public tap with hundreds of others. The United Nations definition of improved water says nothing about whether it is available, affordable, or even potable.

The 2013 MDGs Report states that 'the proportion of slum dwellers in the cities and metropolises of the developing world is declining' (UN 2013: 4). It also states that 'many countries across all regions have shown remarkable progress in reducing the proportion of urban slum dwellers' (Ibid: 4), and that between 2000 and 2010, conditions improved for more than 200 million people so they were no longer living in slums. It even added that 'between 2010 and 2012 alone, conditions improved to the point where an additional 44 million people were no longer considered to be living in slums' (Ibid: 50).

Claims have been made by the United Nations that the proportion of India's urban population living in slums fell from 42 to 29 per cent between 2000 and 2010, and that there have been very significant falls in the proportion of urban populations living in slums in Bangladesh, Uganda, Angola, and the Democratic Republic of the Congo (Mitlin and Satterthwaite 2012). However, the supporting evidence for this can be questioned. It is very difficult for UN-Habitat, the institution that produces these slum statistics, to show changes in slum populations by year. Censuses can reveal detailed data about slums but they take place only every 10 years and many low-income nations have had no census in recent years. Household surveys that may provide limited data on slums are also not undertaken each year.

In regard to sanitation, the 2013 MDGs Report states 'gains in sanitation are impressive — but not good enough'. But here too, the bar is set so low that what is measured has no relation to what people need in urban contexts: a toilet in their home with good provision for disposing of excreta and for washing. A household is said to have improved sanitation even if it only has a pit latrine with a slab.

The 2013 MDGs Report, like so many United Nations documents, repeats a common view that conditions are worse in rural areas. But in large part, this is because it is inappropriate to set the same indicators for rural and urban areas. The definition for improved water and sanitation is the same for both rural and urban areas, despite the different contexts. So is the US\$1.25 a day poverty line, suggesting that food and non-food costs are the same in rural areas and large cities. In most urban areas, much of the low-income population must pay a substantial proportion of their income for housing, water, and to use toilets. They often have to pay for (very poor quality) schools and health care because, as ‘illegal settlers,’ they do not qualify for publicly funded social services (Mitlin & Satterthwaite 2012).

A constant theme running through this chapter is how the local government institutions with responsibility for addressing different aspects of poverty are not engaged in making relevant commitments. There is the same disjuncture in regard to data: the MDGs rely mostly on national sample surveys to measure and monitor progress, including the Demographic and Health Surveys Program. But their sample sizes are too small to provide data on the geographic distribution of different deprivations. Local governments need data that can produce maps of exactly where those lacking provision for piped water, sanitation, and health care live at the level of their street or ward. Censuses can provide this, but national census authorities often refuse to provide the detailed data to local governments to allow this, and of course censuses usually only take place once every 10 years, if that. If it falls to local governments to implement many of the MDGs and many of the new set of goals and targets of the post-2015 process, then the collection and availability of data should be serving their needs.

Thus, while most of the responsibility for providing basic services and addressing other aspects of deprivation in urban areas fall to local governments, they often have new mandates, goals, and targets put upon them by national governments without the funds and support needed to act<sup>4</sup>. In most countries, these are also held to account for their performance in doing so in local elections and it is with this level of government that most citizens with unmet needs or facing deprivations actually interact.

In summary, it is difficult if not impossible to measure progress made to urban poverty in the past 10 years, but beyond the difficulties in measurement, there must surely be recognisable trends and change within the MDGs lifespan. Looking across the goals, it seems that progress made towards water goals, however limited or flawed, significantly outstripped progress made towards for example, improving maternal health.

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<sup>4</sup> Similar problems arise in three other key urban agendas that need to be addressed – disaster risk reduction, climate change adaptation/resilience and climate change mitigation. National governments make commitments but much of what needs to change depends on local governments.

## What is current debate about future goal setting?

The debate at the moment for the Post-2015 SDGs is on:

- whether these goals should have a stand-alone urban goal with its own set of targets and indicators;
- whether goals should be universal and with the same targets and indicators for rural and urban areas;
- or whether goals should be a modification of the latter, i.e., universal but with different targets and indicators used for rural and urban areas;
- how to incorporate cross-cutting issues such as gender.

These options are set in the context of an increasing urban challenge, with approximately 50 per cent of the world's population living in urban areas in 2008, and this figure is estimated to rise to 75 per cent in 2050. Since September 2013, a global Urban SDG Campaign was launched, made up of many institutions (including United Cities and Local Governments who represent local governments within the United Nations system) to lobby for a stand-alone urban goal. As illustrated above, the challenges of developing a stand-alone urban goal are many. Urban contexts have a set of characteristics that is distinct from rural contexts, and it is important for targets and indicators to recognise this difference. Of course, this is complicated by the great diversity in rural and urban contexts: what might be considered as urban contexts (high density, lack of open space, high levels of overcrowding, difficulty finding land on which to grow food and/or raise livestock, large distances between home and workplace, and access to highly monetised housing) are not present in all urban contexts, and are present in some rural contexts. These complex differences throw doubt on the validity of targets and their measurement to set the same monetary poverty line for rural and urban areas if many urban residents face much higher costs; and the same doubt applies to using the same indicators for access to water and sanitation, as well as many others.

In addition, the urban context is an increasingly important arena in which to address questions of justice, not only in terms of class but also by gender, age, ethnicity, race, religion and disability. Inequalities in cities have strong gender and other social identity dimensions (Levy, 2002; UN Habitat, 2012; Levy, 2013). The challenge is how to reflect and address these unequal cross cutting intersectional identities in the post-2015 goals, targets and indicators.

As of June 2014, the UN Open Working Group on Sustainable Development Goals proposed 17 goals, including a stand-alone urban goal, Goal 11, which focuses on 'making cities and human settlements inclusive, safe, resilient, and sustainable' (UN Open Working Group, 2014). This goal proposes 7 targets to be met by 2030, ranging from access for all to adequate, safe and affordable housing and basic services, energy efficient transport, efficient land use through

participatory management, promotion of cultural and natural heritage, reduction of risk and disaster impacts, reduce environmental impacts of cities, and access to safe, inclusive and multi-purpose public space (Ibid). The proposed indicators for these targets are disaggregated by income, gender, age and disability, where appropriate. (UN Urban SDG Campaign, 2015: 5-13). An important concern for the Urban SDG Campaign is that 'the productive role of cities in adding economic value and creating informal and formal livelihoods' is not recognised in Goal 11, not least because it will 'provide the basis for the implementation and financing of key SDGs' (Ibid: 4). The forthcoming intergovernmental negotiations will be decisive in the future shape of Goal 11, which reflects the greater interest within development discussion in the role of cities and their governments in meeting many of the sustainable development goals.

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