

# The under-estimation and misrepresentation of urban poverty

**IT IS CLEAR** that the scale of urban poverty is greatly under-estimated, its nature misunderstood or, for political reasons, misrepresented and the best means for reducing it rarely acted on. It is also clear that a consideration of "urban" poverty in isolation misses structural causes of both urban and rural poverty and misses the connections between the two. These are among the key messages that come from the papers presented in this issue.

The papers go from the micro-case studies that provide great insight into the scale and nature of poverty, the people within the household who are most affected (usually women and children), the processes that underlie impoverishment in particular settlements and the responses of the inhabitants to papers that consider poverty or urban poverty at a national or global level. But the more general papers also draw heavily on micro-studies to warn against generalizing about urban poverty because its scale and nature differs so much from place to place - and within any place, over time. The first paper by Ellen Wratten provides the overview of the subject. This is followed by six papers that consider urban poverty within particular settlements, regions or nations and then two that consider particular aspects - the relationship between urban poverty and labour markets and the very different perspective that urban social policy brings to understanding and acting on urban poverty, compared to conventional economic policy. The final paper, by Robert Chambers, con-

siders poverty in a broader context that encompasses both rural and urban poverty.

Many papers in this issue draw on recent work on rural poverty, especially the work of Chambers, since this has deepened and broadened the analysis of poverty and has also demanded that "poor" people have the right themselves to define poverty and to shape the measures designed to reduce it. The papers also avoid the usual (often polemical) comparisons between the scale and nature of "rural poverty" and "urban poverty" while many point to the need to consider both urban and rural poverty together for they have many structural causes in common. Many papers point to the important connections between the two as households' livelihood or survival strategies have both rural and urban components; Jonathan Baker's paper illustrates this point with its description of household survival strategies at the rural-urban interface. The paper by Ellen Wratten also points to the linkages between the two in, for instance, rural-urban migration, seasonal labour, remittances, and family support networks. It describes the difficulties in separating the discussion of rural poverty from urban poverty but also outlines certain characteristics of poverty that are more closely identified with urbanization. While many papers in this issue and this editorial stress that the scale of urban poverty has been greatly under-estimated, they do not seek to downplay the scale and seriousness of rural poverty. It can only be hoped that the increasing interest in urban poverty

**Most of the papers in this issue were presented at a workshop on "Urban Poverty" organized by the Comparative Research Programme on Poverty (CROP) and IIED's Human Settlements Programme in October 1994 in Bergen (Norway). This Editorial also draws on discussions at this workshop. Special thanks are due to Else Øyen and Einar Gilberg of CROP and to the Swedish International Development Authority (SIDA) and IDRC (Canada) who helped to cover the travel costs of Third World participants. For more details about CROP's work, write to CROP Secretariat, c/o Chr. Michelsens Institute, Fantoftvegen 38, N-5036 Fantoft, Bergen, Norway, fax: (47) 55 574 166.**

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and in what is sometimes termed “the urbanization of poverty” does not divert attention away from the billion or so rural inhabitants - including smallholder farmers, the landless, nomads/pastoralists and internally displaced people - who are living in poverty.<sup>(1)</sup> It is also important to recall that much of the urban poverty is in smaller cities, even if most of the literature on urban poverty concentrates on the major cities; around two thirds of the urban population in the South is in urban centres with less than one million inhabitants.<sup>(2)</sup> The papers by Jonathan Baker and by Carlos Alberto Abaleron provide examples of the scale and nature of poverty in smaller urban centres.

We have decided to devote both this and the October 1995 issue of *Environment and Urbanization* to urban poverty. This is for two reasons. The first is that far more papers were submitted for publication and accepted than we can fit into a single issue. The second is that “urban poverty” proved to be one of the top preferences of readers, in the questionnaires sent out with previous issues of *Environment and Urbanization*, that readers returned to us.

### The under-estimation of urban poverty

**IF POVERTY MEANS** human needs that are not met, then most of the estimates for the scale of urban poverty in Africa, Asia and Latin America and the Caribbean are ridiculously low. For instance, an influential publication by the Overseas Development Council in the USA in 1989 decided that only 130 million of the Third World’s “poorest poor” live in urban areas which meant that more than nine out of ten of the Third World’s urban population were not among the poorest poor.<sup>(3)</sup> World Bank estimates for 1985 suggested that there were 330 million “poor” people living in urban areas which meant that more than three quarters of the Third World’s urban population were not “poor” on that date. These figures cannot be reconciled with the many national studies or studies of particular urban centres which show that a third to a half of a nation’s urban population or a city’s population have incomes too low to allow them to meet human needs. National

studies in several of the poorest African, Asian and Latin American countries suggest that more than half the urban population are below the poverty line.<sup>(4)</sup>

There is also the fact that poverty lines are set unrealistically low, so in many countries, a considerable proportion of the urban population who are “above the poverty line” lack the income or assets to ensure their needs are met. Poverty lines, the income level below which someone is officially “poor”, are rarely high enough to cover the cost of all basic necessities other than food including housing and basic services, and expenditures on health care and on supporting children at school. Many countries set a single income level as the “poverty line” for both rural and urban areas, when the costs of basic necessities (especially housing but also, often, food, fuel and the costs of getting to and from work) are generally higher in urban areas. Transport costs are particularly high for the inhabitants of large cities whose livelihood is in central areas but who live on the periphery, because only here are rents low enough or cheap land available on which a home can be built (although usually illegally). Housing costs are generally particularly high for the low-income individuals or households who have to live in central areas of cities, because they have poorly paid jobs but also long working hours. They often pay a high rent, even though they live four or more persons to a room in tenements or cheap boarding houses of very poor quality. One study of poverty in Latin America that took into consideration the real cost of living in different countries and that made allowances for the higher cost of living in urban areas suggested a much higher figure for urban poverty than the conventional measures of the World Bank.<sup>(5)</sup>

Hundreds of millions of urban dwellers in the South who, according to global estimates of poverty, have incomes that are above the poverty line live in very poor quality and usually overcrowded conditions with a great lack of infrastructure and services. We made an estimate in 1990, based on dozens of national and city studies, that at least 600 million urban dwellers in Africa, Asia and Latin America live in “life and health-threatening” homes and neighbourhoods because of the very poor housing and living conditions and

the inadequate provision for safe and sufficient water supplies and for sanitation, drainage, the removal of garbage, and health care.<sup>(6)</sup> If these 600 million urban dwellers are considered "poor" - for it is largely their lack of income and assets that makes them unable to afford better quality housing and basic services - it greatly increases the scale of urban poverty, when compared to conventional income-based poverty lines. The paper by Madhura Swaminathan describes how a large proportion of the inhabitants of Bombay whose incomes are above the official "poverty line" live in very poor quality housing which lacks basic infrastructure and services.

## The misrepresentation of urban poverty

**MUCH OF THE** literature on poverty is about its measurement or reporting on statistics that claim to measure it. As a recent book noted,

"...mainstream debates concerning poverty conducted in India today operate within a sterile statistical paradigm which has developed out of a tradition that sees poverty as the responsibility of the poor and the solution to poverty as social control. ...if the poor are viewed simply as statistics, figures and ciphers, then the policy that is formulated to alleviate poverty will in all likelihood follow suit and be more relevant to the manipulation of statistics than to the needs of people."<sup>(7)</sup>

This comment has validity in much more than India. In most countries in the South, the interest in "measuring" poverty is much greater than the interest in understanding poverty and its underlying causes. And as the paper by Robert Chambers explains, single poverty lines that divide the population into the "poor" and the "non-poor" are often the most inaccurate because they simplify and standardize what is complex and varied. As his paper states, "What is measurable and measured then becomes what is real, standardizing the diverse and excluding the divergent and different." Lusugga Kironde's paper notes that although Tanzania is one of the world's poorest countries, little is known

about the scale, nature and causes of poverty and about how it is changing. The paper also notes how little empirical research there is, especially at micro level and how little attempt is made to locate the poor geographically.

The papers by Nazneen Kanji on a settlement in Harare and by Jonathan Baker on a small town and its surrounding rural villages in Tanzania show the complexity of the processes that underlie impoverishment and how they are rooted in the specific social, economic, and political structures of these places. They also show the responses of individuals and households to such processes. The responses of households to economic crisis in Guadalajara (Mexico) is also considered in a paper by Agustín Escobar Latapí and Mercedes de la Rocha, within a detailed description of the dramatic increase in poverty in Mexico during the 1980s. All these papers reveal an obvious but often forgotten aspect of poverty - the struggle by people themselves to avoid poverty or to limit its impacts.

These papers also caution against generalization by showing how different the situation is from one location to another. These three papers all describe household responses but reading these papers also emphasises the differences in the local context. For instance, in Kambuzuma (Harare), it was not possible for households to respond to increasing prices and falling wages by increasing the number of earners in a household since there were no income-earning opportunities available. Women were also unable to increase their informal income earning as some sectors of informal production were saturated.

By contrast, in Mexico, as the paper by Escobar and de la Rocha states:

"To avoid a drastic reduction in food consumption, households have sent more members out to work. More youths, women and children have entered the workforce to earn the income needed for the survival of the household. Home-making duties have increased because many goods and services that were previously purchased in the marketplace must now be generated within the household (for example, mending and reconditioning domestic items). As a result, the domestic work load of women has

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increased, due both to the greater number of household members and to the greater dependence on at-home production. ...Household unity and family solidarity have become the principal defences against deteriorating wages although, paradoxically, they can also exacerbate certain conflicts within households. These responses have only partially alleviated the impact of a worsening economic situation and they have increased the stress, conflicts and violence within households, leaving some members in a more critical and vulnerable situation, as in the case of women and children."

Conventional poverty lines give scant attention to health or to social indicators, and therefore fail to demonstrate the social and the health dimensions of poverty. For instance, according to official Indian statistics, the Indian state of Kerala has virtually the same proportion of its urban population under the poverty line as the average for India but life expectancy in Kerala is 11-12 years higher than India as a whole.<sup>(8)</sup> The urban population in Kerala clearly has fewer health problems than the urban population in most of the rest of India but this is not reflected in urban poverty statistics. Nor is the much higher level of adult literacy among males and females in Kerala. Again according to official statistics, only 20 percent of India's urban population was below the poverty line around 1987 and much is made of the apparent drop in urban poverty in India. Yet the proportion living in very poor quality, overcrowded dwellings with inadequate or no provision for water supply, sanitation, garbage collection and health care is clearly much higher, as illustrated by Madhura Swaminathan's paper for Bombay.

### The "poor's" right to influence poverty assessments and policy responses

**SEVERAL PAPERS CONSIDER** in detail aspects of deprivation that are usually forgotten in discussions of poverty, unless these discussions include the views of those with low incomes or assets. As Ellen Wratten's

paper notes, great value may be given by low-income people to qualitative aspects such as independence, security, self-respect, identity, close and non-exploitative relationships, and legal and political rights. This is also illustrated in the findings of research by N.S. Jodha in two villages in Rajasthan (India) that are reported in Chambers' paper. This found that the inhabitants' own analysis of changes in their economic status between the mid 1960s and early 1980s was far more detailed and sophisticated than conventional poverty research would have used and that there were many households who would have been judged by external measures to have become poorer but who judged themselves better off by a wide range of criteria such as more independence, better quality housing, wearing shoes regularly, less dependence in the lean season and not having to migrate for work.<sup>(9)</sup> The paper by Caroline Moser highlights the many dimensions of poverty that economic policy ignores. It notes that social policy differs from economic policy in recognizing that social and political structures within which people live as well as their physical and economic environment determine well being. The paper by Chambers includes a section on aspects of deprivation other than "income-poverty" and this includes a discussion of vulnerability, powerlessness, isolation and humiliation.

Without an understanding of the needs and priorities of those who are classified as "poor" built into the measurement of poverty, the "poor" will continue to be seen as passive and the "target" for poverty alleviation. As Tony Beck has pointed out,

"This is the language of bureaucratic planning, with 'targets', 'aims' and recipients ready to be 'pushed', 'raised', accept delivery and be attended to. It is the language of control. The poor have become statistics with which statisticians can play and experiment.... The preoccupation with measurement fits well into a system where policy is created by a centralized state and then imposed on the poor 'from above' in order to shunt the poor above the poverty line"<sup>(10)</sup>

## Urban poverty and structural adjustment

**ALTHOUGH THERE HAVE** long been serious problems with urban poverty in the South, it was only in the 1980s that it was given more attention as economic crises and the impacts of structural adjustment increased the number of urban households with incomes below the poverty line and increased the intensity of their deprivation. The fact that urban poverty grew with structural adjustment is well established<sup>(11)</sup> - although some of the social and economic costs attributed to structural adjustment may have been there even if the policies associated with structural adjustment had not taken place. For instance, as the paper by Philip Amis describes, part of the growth in urban poverty in Africa arises from the general decline in urban wages that has been evident since the 1970s.

In most countries undergoing economic crisis and structural adjustment, large numbers of people lost what had been relatively stable jobs and very few received an income from social security or welfare systems. For instance, as Nazneen Kanji's paper describes, in Zimbabwe, between 1991, when the economic structural adjustment programme began and 1993, over 45,000 jobs were lost in the public and private sector.<sup>(12)</sup> There were retrenchments in the agriculture, textile, clothing, leather and construction industries and the number of people employed by the government in the civil service is set to fall by 25 percent between 1991 and 1995. There was also a very large increase in the proportion of households with below poverty-line incomes. Kanji's paper also gives a detailed insight into the increased economic and social stresses that structural adjustment brought to the inhabitants of one settlement in Harare. The paper by Escobar and de la Rocha describes the dramatic fall in real wages, the increase in prices, the stagnation in formal employment and the decrease in public investment in infrastructure and services in Mexico that was associated with structural adjustment and also notes how comparable problems were evident in many other Latin American countries.

## Vulnerability and structural adjustment

**SEVERAL PAPERS DISCUSS** vulnerability as distinct from poverty - for instance the papers by Ellen Wratten and by Philip Amis consider the importance of considering the vulnerability of urban populations both to stress and to sudden shocks. As the paper by Chambers notes, vulnerability does not mean want but exposure and defencelessness when confronted with stress or sudden shocks. The papers by Escobar and de la Rocha and by Kanji show how many households who were not poor became poor as wages fell and prices rose. They highlight the vulnerability of households with low incomes and few assets to economic change. Chambers also notes that vulnerability has two aspects. The first is the external side - the exposure to shocks (for instance a flood that damages or destroys the home) or stress (for instance the gradual erosion of household income through inflation). The second is the internal side, the lack of means to cope with the shock or stress, without damaging loss. Structural adjustment revealed the vulnerability of large sections of the urban population, as falling wages, job losses and rising prices considerably increased the proportion of people with incomes that become too low to meet basic needs.

But households with relatively low incomes are vulnerable to more than rising prices and falling incomes. They are often more vulnerable to injury, illness or premature death because their homes and neighbourhoods have the least provision for water supply, sanitation, drainage and health care.<sup>(13)</sup> They are often more vulnerable to eviction because their homes are built on land that is occupied illegally, as all legal land sites are too expensive for them to afford. The many who sell goods on the streets or in unlicensed street stalls are more vulnerable to arrest, harassment or confiscation of their wares - as Wratten's paper describes in more detail. They are often more vulnerable to floods, landslides or other "natural" hazards, as they live on land sites subject to flooding or landslides because these dangers make the land less valuable and lessen the likelihood of their being evicted.

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One factor that has increased the vulnerability of low income groups is the increasingly commercialized nature of urban land markets which also increases house prices and rents. In many cities, until relatively recently, it was possible for low-income households to find some land on which to build a house or hut - even if it was acquired or occupied illegally. This allowed households with low incomes and little if any assets to develop their own home and even to earn income from it (from renting out rooms) and develop it as a capital asset. In many cities, even informal or illegal land markets have become more commercialized. The paper by Lusugga Kironde illustrates this in Dar es Salaam where, in theory, all households should be able to acquire land for housing since the land is publicly owned. But, in reality, as his paper describes, the land allocation system has permitted only the socially powerful members of society to get access to planned land cheaply while lower income and less powerful people have great difficulty acquiring land for housing.

A consideration of vulnerability becomes important because it can help clarify the means by which relatively low-income households can be protected - or protect themselves - from shocks and stresses. Assets are particularly important in reducing vulnerability - and as the paper by Chambers describes, these include both tangible assets (for instance foodstocks, jewellery, cash savings and, for urban dwellers, their house) and intangible assets in the form of claims (for instance support obtained from family, friends or patrons) and access to services (for instance access to health care or information). A good health care system and adequate provision for water supply, sanitation and drainage are obviously important in reducing vulnerability - both to ill-health and premature death and to the often enormous economic losses that low-income households face if one of their income earners becomes sick or injured.<sup>(14)</sup> One of the most important assets for any household is the number of household members able to work. The paper by Escobar and de la Rocha describe in detail the response of many households to falling incomes and rising prices was to increase the number of workers. This was generally adult women who went to work or increased their

working hours or young males (14 years old and younger) who left school to go to work. They describe this for Guadalajara, based on their own research, and give examples of comparable changes in many other Latin American countries.

## Urban poverty and gender

**A CONSIDERATION OF** poverty often neglects the differentials between men and women in terms of access to income, resources and services. Such differentials may occur within households between men and women or between individuals (i.e. between single men and single women) or between households with women-headed households at a disadvantage to male-headed households. The difficulties that single parent households face - and most of them are female headed - are obvious in that they do not have two adults who can work and contribute to household tasks. There are also many gender-based differentials in vulnerability to illness and violence.

Many papers describe gender differentials and stress the importance of understanding and acting on these. The paper by Nazneen Kanji is unusual in the level of detail given about such differentials and about the differences in the ways that women and men responded to changing circumstances. In describing people's response to the difficulties associated with structural adjustment, her paper notes:

"women modified their lives to a greater extent than men. Their responses were mainly individual, taking greater cuts in their own consumption, spending more time shopping for bargains, working longer and harder hours in the informal sector for poorer returns, and engaging in even fewer leisure activities. For the majority of women, not in formal employment, tensions increased with wage-earning husbands who continued to engage in private spending rather than on household need, if this tension had not resulted in overt conflict. The implications of these changes for women and for their households is almost entirely negative."

## Participatory tools and methods

**THIS ISSUE INTRODUCES** a new section to *Environment and Urbanization* - on participatory tools and methods. The first of the two papers in this section by May Yacoob and Linda M. Whiteford describes how to involve community members in the definition of their environment, the diagnosis of local health problems, the determination of appropriate remediation strategies, and the monitoring of environmental health conditions. The second by John Thompson and Diana Mitlin describes the many participatory methods increasingly used in urban research and action and the circumstances under which they can contribute to development interventions that both better meet the needs and priorities of low-income groups and ensure more accountable and effective public institutions. The special issue of *RRA Notes* that is on *The Use of Participatory Tools and Methods in Urban Areas* and includes 13 case studies of their use is available from the Sustainable Agriculture Programme, IIED, 3 Endsleigh Street, London WC1H 0DD, UK. This is available free of charge for orders from the South and is £5 (including postage) for orders from the North.

## NOTES AND REFERENCES

1. Jazairy, Idriss, Mohiuddin Alamgir and Theresa Panuccio (1992), *The State of World Rural Poverty: an Inquiry into its Causes and Consequences*, Intermediate Technology Publications, London, 514 pages.

2. The number of people in million cities is drawn from the sum of the populations of all the cities with one million or more inhabitants listed in United Nations (1993), *World Urbanization Prospects: the 1992 Revision*, Department of Economic and Social Information Policy Analysis, ST/ESA.SER.A/136, New York. However, the figures for the populations of individual cities have been updated, where more recent census data has become available.

3. Leonard, H. Jeffrey (1989), "Environment and the poor: development strategies for a common agenda", in H. Jeffrey Leonard and

contributors, *Environment and the Poor: Development Strategies for a Common Agenda*, Overseas Development Council, Transaction Books, New Brunswick (USA) and Oxford (UK), pages 3-45.

4. Tabatabai, Hamid with Manal Fouad (1993), *The Incidence of Poverty in Developing Countries; an ILO Compendium of Data*, A World Employment Programme Study, International Labour Office, Geneva, 105 pages.

5. Feres, Juan Carlos and Arturo Leon (1990), "The magnitude of poverty in Latin America", *CEPAL Review*, No. 41, August, pages 133-151.

6. This was an estimate made with the help of Sandy Cairncross at the London School of Hygiene and Tropical Medicine - in Hardoy, Jorge E., Sandy Cairncross and David Satterthwaite (1990), "The urban context" in Hardoy J.E. and others (editors), *The Poor Die Young: Housing and Health in Third World Cities*, Earthscan Publications, London. This estimate was subsequently endorsed by the World Health Organization's International Commission on Health and the Environment - see WHO (1992), *Our Planet, Our Health*, Report of the Commission on Health and Environment, Geneva. Official UN figures for the proportion of the Third World's urban population with adequate provision for water supply and for sanitation imply that far fewer than 600 million people lack adequate water and sanitation. However, the criteria used to define what constitutes "adequate" water supply and "adequate" sanitation are set so low and governments are given such latitude in defining what is considered "adequate" that the official UN statistics greatly overstate the number of urban inhabitants adequately served. Studies for particular cities or for the urban population of particular nations usually reveal a far lower proportion of people adequately served with water and sanitation than official figures. We suspect that official figures for the proportion of urban populations adequately served with health care are also inflated, for similar reasons, since official statistics for the proportion of the urban population adequately served often seem at odds with local studies. It also seems likely that UN statistics for the proportion of

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rural inhabitants with adequate provision for water supply, sanitation and health care are also inflated, for similar reasons to those given above for urban areas.

7. Beck, Tony (1994), *The Experience of Poverty: Fighting for Respect and Resource in Village India*, Intermediate Technology Publications, London, page 4.

8. The work of Amartya Sen develops this point about how certain societies with relatively low per capita incomes have social indicators that show much greater progress than others with comparable levels of per capita income. One of the examples he uses is the state of Kerala and the statistics about Kerala and India in this paragraph are drawn from Sen, Amartya (1994), *Beyond Liberalization: Social Opportunity and Human Capability*, Development Economics Research Programme DEP No. 58, London School of Economics, London, 36 pages.

9. Jodha, N.S. (1988), "Poverty debate in India: a minority view", *Economic and Political Weekly*, Special Number, November, pages 2421-2428.

10. See reference 7, page 21.

11. Moser, Caroline O.N., Alicia J. Herbert and Roza E. Makonnen (1993), *Urban Poverty in the Context of Structural Adjustment: Recent Evidence and Policy Responses*, TWU Discussion Paper DP #4, Urban Development Division, World Bank, Washington DC, 140 pages.

12. The Zimbabwe Congress of Trade Unions puts the figure at 60,000; see the paper by Nazneen Kanji

13. This is described in more detail in Hardoy, Jorge E., Diana Mitlin and David Satterthwaite (1992), *Environmental Problems in Third World Cities*, Earthscan Publications, London.

14. See, for instance, Pryer, Jane (1993) "The impact of adult ill-health on household income and nutrition in Khulna, Bangladesh", *Environment and Urbanization*, Vol. 5, No. 2, October, pages 35-49.

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