

## »» Urban poverty: new challenges for growing cities

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More than half of the world's population is already living in cities with this number set to increase. The United Nations estimates that the global urban population will increase from 3.9 billion to 6.4 billion between 2014 and 2050 – partly as a result of internal urban growth and partly due to new arrivals (urbanisation). Especially in developing countries, cities are faced with the challenge of providing adequate housing, basic infrastructure and social services for the growing urban population. Already today, the expansion of urban infrastructure can hardly keep pace with the continuous growth of the population. As a result, many city dwellers and especially also new arrivals live in simple, informal settlements ("slums") at first and many end up there permanently. The number of people living in slums around the world is on the rise. Current UN-Habitat estimates assume that approximately 1.3 billion people lived in slums in 2015 – this figure is projected to reach 1.5 billion already in 2020. The slum inhabitants often represent the lowest socioeconomic class in cities: they usually cannot afford better housing and their precarious living conditions limit their chances of rising out of poverty on their own.

### Characteristics of urban poverty

Characteristics such as volatile and very low incomes, inadequate social security systems and poor social infrastructure characterise the living conditions of the poor, regardless of where they live. However, urban poverty also has several distinctive characteristics which require specific measures to overcome it, amongst them

- *Unprotected rights of residence:* The urban poor generally have no ownership rights to land in cities where they could legally build a place to live.

Many slum dwellers either have to rent basic shelters in an existing slum, often at greatly inflated prices, or look for a free space where they can build a hut on their own. They often find these spaces in precarious areas like steep hillsides, next to rubbish dumps or between train tracks.

In these areas, they are considered illegal settlers and are often at risk of eviction or exposure to environmental dangers such as landslides or flooding. Due to a lack of land rights, there are few incentives for public or private actors (and also for the residents themselves) to improve their living conditions by investing in infrastructure. Moreover, city administrations are often afraid that the informal settlements will become permanent as a result.

- *Precarious living conditions:* Consequently, basic infrastructure is inadequate in informal settlements. Water supply and waste water disposal are generally deficient. Most people live in unhygienic conditions, often in overcrowded rooms or housing units. This results in high rates of infection and illness that are exacerbated by the fact that basic health services are either inadequate or too expensive for residents.
- *High living costs:* The cost of living for slum residents is often comparatively high as a result of excessive rents, high inner-city transport costs and the need to buy food and drinking water from merchants. On the other hand, the urban poor can often generate a certain amount of income in cities by working odd jobs and providing micro services. However, this may lead to the paradoxical situation that many slum residents, despite obvious poverty, are not formally considered "extremely poor" as defined by the international poverty line of currently USD 1.90/day.

- *High crime rates and lack of political influence:*

Another typical characteristic of urban poverty is inadequate rule of law in the slums and the absence of political power among the residents. This goes hand in hand with a lack of security and a feeling of arbitrariness. Many people living in slums experience violence in their day-to-day lives. State security services (police) are hardly present in slums, barely have any authority there and are often perceived by slum inhabitants as more of a threat than enforcers of the law. Corruption is widespread. Slum residents usually have no voting rights in cities because they often live there illegally, making it almost impossible for them to effectively protect their interests.

### Approaches for international development cooperation

In light of the very dynamic urbanisation trend ongoing in most developing countries and city administrations which are often overwhelmed by population growth, there is a high risk that urban poverty will continue to spread. Central approaches to reduce urban poverty are:

- Formalising the status of informal settlements;
- Improving basic infrastructure;
- Supporting low-cost housing;
- Employment programmes (particularly for young people).■