

CHAPTER 5

The Need for Effective Policies and Strategies

There are various strategies that governments can adopt when faced with the environmental problems caused by uncontrolled urbanization and, in some cases, by industrialization. These strategies range from a lack of intervention, with the situation regulated purely by market forces, to direct governmental intervention in all environmental matters, from the urbanization process itself to specific cases of air and water pollution.

The ways that different governments in Africa, Asia and Latin America have tried to solve these problems have depended basically on the socio-economic organization of their countries. To appreciate this, it is necessary to define what is meant by governmental policies, especially environmental policies. The term includes all measures adopted by government in order to fulfil its control function in accordance with some generally-presumed hegemonic model of socio-economic reality. As elements of this model, environmental policies cannot be set apart from, nor be contradictory to, the rationale of the socio-economic system. Any policy is thus a definition of a general line of action which attempts to take the best advantage of the resources with which a society is endowed, in order to fulfil the economic and social goals of the ruling sector. Such a policy may be formulated at a national or at a local level but effectiveness at either level depends on how well the nature of the problem is understood in terms of its source, magnitude and complexity.

With specific reference to the environmental problems of human settlements in the developing countries of Latin America, Asia and Africa, four types of policies appear to be pertinent and to relate to either a national or local level of operation. These relate to:

- (a) the urbanization process itself;
- (b) the urban development process;
- (c) the urban land situation;
- (d) shelter provision.

POLICIES RELATED TO THE URBANIZATION PROCESS

In the countries of Latin America, Asia and Africa, policies related to urbanization have often been formulated at the local level, in an effort to limit the

growth of a specific urban centre. Not unexpectedly, most of these policies cannot be implemented effectively, since the urbanization process takes place at a national scale and requires decisions to be taken at the national and even international levels. In general, the local level of decision-making lacks the political and economic power to control the process.

What is invariably needed, therefore, is a national urbanization policy based on location criteria for economic activities, at least for the main urban centres in each region. In its social and demographic aspects, such a policy should indicate objectives for the distribution and characteristics of the population, as between urban and rural areas, in accordance with the general economic programme for the country. In its physical aspects, it should provide some basis for the development of urban-regional systems, whilst in its institutional aspects it should lead to the organization of adequate mechanisms for supporting all aspects of the policy.

In addition to being a means of development, a national urbanization policy should be the integrating element of an incipient urban-regional system based on more efficient regional and national hierarchies. It should define and establish for a country the relationship existing between one, two or more relatively dynamic centres and the rest of the country; that is, between the points in which are concentrated the best opportunities, the highest living standards and the most efficient services, and the rest of the national territory that is devoted almost exclusively to the production of raw materials for the main centres and for foreign countries.

A national urbanization policy thus attempts to include a spatial dimension in plans for economic and social development. Since economic and political forces determine the spatial structure of productive investments and services, and since it is this latter structure which in turn encourages or discourages the location of human resources in particular areas of the territory, the political and economic power (i.e. the ruling class) should determine whether that structure serves the needs of the region or country in terms of certain defined goals. In other words, it is the special role of central government in the developing countries of Africa, Asia and Latin America to define, elaborate, approve and implement a national urbanization policy as a primary basis for dealing with the environmental aspects of its human settlement problems. In no country in the three regions did we find such a policy fully elaborated, although a few governments are currently groping in this direction.

POLICIES RELATING TO THE URBAN DEVELOPMENT PROCESS

The urban development process is the way that space within an agglomeration is defined, organized, acquired and put to use in the socio-economic system. No city, however, can plan its development and provide essential services for the well-being of its inhabitants without the participation of the national government. Indeed, the sectoral policies of central government, especially in the field of industrial and infrastructural development, shape and institutionalize the process of population concentration. Whenever an urban development policy has been formulated with an outlook opposite to, or merely different from, that of the sectoral policies of the central government, it has failed to be implemented. In Latin America there were various such cases during the 1960s.

Furthermore, different patterns of income distribution are reflected in the spatial distribution of the population within the urban area and in the way physical and social services are supplied to the various residential districts. In general there is an inadequacy in the collective consumption of these services in a large number of these districts. Owing to the dependent nature of the economy and the limited financial resources, national governments in most countries cannot eliminate these shortages in collective consumption. This is the source of the most challenging environmental problems in these countries, and it provokes a search for new and imaginative solutions in the short and medium run.

Urban development policies at present are essentially normative and take the form of regulations and legal instruments issued by the central government and administered at the local level. During the last two or three decades, many of these policies have concentrated on the formulation and implementation of master plans. These plans have been developed for a large number of cities, using different approaches and scope. In many cases, the plans have been supported both by national governments and by various international organizations. But such plans cannot solve any problems if they are not backed by adequate social and political decisions at the national level. Such backing has been very rare, with the result that it has not been possible to implement most of the plans. The investment they required could seldom be afforded and was not usually taken into consideration in the overall national plan.

Moreover, traditional master plans are characteristically rigid and detailed, following obsolete criteria for the solution of pressing and constantly changing urban problems. In order to achieve real solutions to such problems, it is necessary to have more flexible, and continually updated, local and national strategies, as well as broader sets of criteria to guide the urbanization process at different levels.

POLICIES ON URBAN LAND

The land on which urban activities take place is of the utmost importance in determining the environmental problems of human settlement. In most countries of Latin America, Asia and Africa, the practically-uncontrolled operation of the urban land market and the process of wealth concentration in the market¹ are the main causes of environmental problems at this level. Three aspects of the current urban land market situation in these countries deserve special mention:

- (a) The high price of land in the downtown area of the agglomerations and the increase, over time, in price of more peripheral sites as a result of the oligopolization of the market which prevents lower income groups from buying urban land.
- (b) The large number of speculative subdivisions in the main urban centres which have taken place during the last few decades, as the urbanization process has accelerated. The land involved is often of low quality, easily flooded, close to dumps or to noxious or annoying industrial plants. The speculative character of the process also means that plot sizes are minimal and their shapes inappropriate. The land unnecessarily subdivided remains vacant for a relatively long time, as the large owners and speculators hold it

back from development in anticipation of appreciation in its value and because of the lack of funds for such investment by many in the low-income bracket. The high social cost that vacant plots represent can best be measured in terms of the unnecessary expansion of the urban area and of the basic infrastructural networks of roads, water and sewage pipes, electricity and telephone cables; and the equally unnecessary high level of transportation costs and travelling time, especially for the low income group, that this low-density patchwork development pattern involves.

- (c) The lack of control on the use of urban land leads to high population densities in some areas in the urban centres, as a result of the high land prices. This in turn causes serious environmental problems such as air pollution from home incinerators and from motor cars, lack of sunshine in the dwellings and minimal dimensions of rooms. Moreover, this lack of control gives rise to the mixing of incompatible uses, such as the location of offensive or noxious industries next to residential areas.

It is impossible to conceive of solutions to the present environmental problems of developing countries without the adoption of policies on urban land that are relevant to the socio-economic situation of individual countries. Land and land tenure policies, as elements in the development process, must be directly related to the social, economic and political structures, as well as to the development level, of each country. The present procedures for guiding urban development in most countries of Latin America, Asia and Africa are based on an outmoded concept of the right to private property and on an equally outdated process of decision-making. These are serious obstacles to the formulation of workable plans and policies and they prevent the orderly expansion and development of human settlements. The main goals of a policy on urban land must, therefore, be public control of land use and acceptance of public responsibility for the supply of land for all necessary uses in accordance with the plan adopted.²

In the Asian countries of Japan, South Korea and the Philippines the seriousness of this problem has been acknowledged and national programmes have been formulated for determining and controlling land use. In Japan in 1968 a Law on City Planning defined two types of urbanizing area: 'the area of urbanization promotion' and 'the area of urbanization control'. This Law requires government and public officers to take the necessary steps to encourage the effective use of land in the former area. No permission is needed for the urbanization of land in the case of certain settlements specified in the law. Another interesting aspect of this law is the requirement that city plans must be compatible with national and regional plans, as well as with state programmes concerning roads, bridges, railways, airports and other services. The law also empowers cities to create land funds to buy land.

In 1969, another law was passed in Japan to check the increasing prices of urban land. This established a system for the periodic determination and announcement of fair prices for standard plots. These prices are meant to guide private sales of land and provide a unified basis for determining prices of land needed for public purposes. Although it may be premature to judge the efficiency of this measure, it is doubtful that it will modify significantly the present situation, since the rise in land prices is not due to lack of information about market conditions.³

In India, a policy for the rehabilitation of poor districts or slums is being implemented in the major metropolitan centres such as Bombay, Calcutta and Madras, which implies the application of urban land policies. The government has also designed a plan in Delhi for lodging immigrants on urbanized public land, in so-called 'camps'. These camps are adequately provided with all essential services and facilities. Every immigrant family is assigned, or rents for a small sum, a parcel of 25 square yards, where it can build a hut or dwelling of any kind and with any kind of materials. The plan also anticipates moving those already there to larger parcels and better dwellings, as their economic situation improves. This project, however, implies expenditures by a population which in many cases has no funds at all. Moreover, the immigrants' economic situation is not likely to improve in the short run, since this policy is not backed up by an employment policy at the national level.

In Taiwan, laws have been formulated in accordance with a taxation theory of urban land. Increases in the value of land have been viewed as an autonomous and coordinating means of developing a multi-dimensional and integrated land policy. This policy attempts to establish an upper bound on the ownership of urban land, discouraging inadequate use and lack of building on the plots, by taxing the value of the land and capturing for the community the increase in value.

The 1954 Law on Equality of Rights in Land states that an owner of a plot larger than the standard established by that law must sell the excess within two years. If the owner fails to do this, the land is expropriated by the government and then sold for building to persons who need it. This measure is complemented by tax regulations requiring taxes on vacant plots that are three to ten times higher than those on built-up land. Taxation of increased land value takes place when the land is sold, or every ten years if it does not change hands. This law has two serious disadvantages; first, it can be applied only within the organized city unit, which very often covers only a small part of the agglomeration. Secondly, it has been very inadequately enforced, due to the lack of an efficient organization for tax administration.

In Indonesia, existing law states that 'all rights on the land have a social function'.⁴ Article 2 of the Agrarian Law establishes that the land, water and air space, and the natural resources within them, are 'controlled by the national government'. This includes regulation of the use and holding of the land, determination of the legal relationships on ownership rights, and the revocation or expropriation of these rights.

Among the Asian countries, the Philippines, Thailand and South Korea emphasize the liberal concept of land tenure, though they have introduced policies which allow for extensive ownership by public authorities.⁵ But these countries have not modified their administrative systems so as to be able to implement the policies effectively.

In the African countries, the traditional concept of community land ownership has been adapted to the needs of a developing society, so that governmental action is accepted as a factor in land development.

In some Latin American countries attempts have been made to implement policies on subdivision and land use by controlling the operations of the market. As yet, however, no important results have been obtained that restrict speculation by owners and traders in urban land. In Peru, legislation was passed in 1968 that

sought to check speculation especially in the expanding urban areas. The objective was to 'reduce the decision making power of the group of owners in control of the supply of land through public incorporation of such new land'.⁶ In Argentina there is no policy on land use at the national level. At the provincial level, an attempt was made in the Province of Buenos Aires in 1969 to implement a policy of market restriction based on zoning of the urban land uses. This regulation was revoked after one month due to pressure from land owners and building companies.

Among Latin American countries, Cuba is the one country where advanced measures on urban land have been taken. The government has passed a number of land laws as part of a programme of urban reform. In 1959, Law 218 provided for expropriation of all the plots in cities and its surrounding areas that were not built on. The aim was to control and limit the activities of land speculators, to establish a basis for orderly urban growth. Law 691 of the same year complemented the previous one by regulating the prices of land in the city and its vicinity, and establishing a procedure for expropriation. This law limited the activities of land owners and speculators, who now had to account for the prices of new subdivisions to the Institute for the Promotion of Insured Mortgages, and who had to commit themselves to provide the necessary services. These measures have succeeded in stabilizing the price of urban land and controlling all speculative operations. They have also encouraged the use of land in a more profitable way than previously.⁷

POLICIES ON SHELTER PROVISION

In many countries of the three continents, governments have formulated and are implementing various policies related to shelter provision. Broadly, these policies fall into five broad categories:

- (1) Direct Construction
- (2) Site Development
- (3) Provision of Materials
- (4) Financing
- (5) Standard-setting

1. Direct Construction

Faced with the so-called 'dwelling deficit' and often encouraged by foreign or international agencies, many governments have embarked on the direct construction of houses and the development of residential estates. Although most of these are occupied by middle income groups, there are frequent statements of intent to provide 'low-cost housing' for the low income group. In no country of the developing world, however, has a government been able to meet this objective. Everywhere the process of direct government construction of houses, even when subsidized, results in the products being priced well beyond the purchasing capacity of the majority of urban residents.

2. Site Development

Other policies on shelter provision take the form of site development, in which government provides the infrastructure of roads, water supply, electricity, drains and sewerage and the layout of plots which can be bought by citizens. In many countries, such efforts are designed less to meet shelter needs than to ensure orderly urban development. In the circumstances, such layouts tend to be for the middle and upper-middle income groups. Although there is not much difference between such site development and the site-and-service provision generally accepted as a means of enhancing environmental conditions in low-income residential districts, it has not always been convenient for many governments either to develop such sites or to provide them on a scale appropriate to the magnitude of the problem.

3. Provision of Materials

A few governments, notably those in Tanzania and Zambia in Africa, have policies that assist low income groups by providing subsidized building materials for constructing their shelter. Elsewhere, little interest is shown in this aspect of environmental improvement. Emphasis continues to be put on the use of expensive, and usually imported, building materials and little or no attention is given to improving local building materials, particularly those derived from renewable resources.

4. Financing

Finance for shelter provision appears, on the face of it, to be the item that is in short supply. Evidence in many countries, notably those in Latin America, shows, however, that access to finance is the more crucial problem. The need for guarantees of loan repayment generally puts most conventional sources of credit for house construction outside the reach of low-income workers.

5. Standard-Setting

Finally, most governments establish, maintain and administer a system of standards in the whole area of shelter provision, and particularly building construction. For the majority of people, who cannot avail themselves of governmental assistance in the provision of their accommodation, *the set of standards operated by local authorities constitutes the single most important obstacle to their settled existence in the urban areas to which they have migrated*. The local authorities, providing no help to the urban migrants in their search for suitable shelter, nevertheless assume the right and power to destroy, as substandard, the modest and admittedly unattractive efforts of the migrants to construct shelter for themselves. The issue of standard-setting, therefore, seems to be at the centre of the problem of environmental conditions in the human settlements of developing countries.

NOTES

1. As shown by studies on Argentina and other Latin American countries and some Asian ones such as Iran. See Vieille, Paul, *Le Marché des Terrains et la société urbaine*, (1970), Anthropos, Paris.
2. Haim-Darin-Drabkin, 'Control y ordenación del suelo urbano. Hacia el desarrollo de políticas del suelo urbano', Paper presented at the Interregional Seminar on Urban Land Policies and Land-use Control Measures, Madrid, November 1-13 1971. (Report published by the United Nations (1973), ST/TAO/SER.C/148. New York.)
3. J. P. Sah, 'Control y desarrollo planeado del suelo urbano: Medidas para el control de suelo', Paper presented at the Interregional Seminar on Urban Land Policies and Land-use Control Measures, Madrid, November 1-13, 1971. (Report, *op. cit.*)
4. J. P. Sah, *op. cit.*
5. J. P. Sah, 'Urban land policies and land use control measures in the ECAFE region', paper presented at the Interregional Seminar on Urban Land Policies and Land-use Control Measures, Madrid, November 1-13, 1971. (Report *op. cit.*)
6. Translation of a passage (p. 65) in Luis Consiglieri Cevalco, 'Rol del estado peruano en el control del funcionamiento del mercado de tierras. Estudio del caso: Lima Metropolitana 1968-1972', *Revista Interamericana de Planificación* vol. 9, no. 34, June 1975, pp. 63-73.
7. J. P. Sah, *op. cit.*