



Satellite Image of Kibera slum settlement, Nairobi, Kenya

Cities Alliance in Action

The View from the City



ince its inception, the Cities Alliance has grown by learning from cities and by helping cities learn from each other. To date, its activities have involved almost 150 cities worldwide. This year it benefitted from an internal evaluation of completed Alliance-supported activities that involved both slum upgrading and CDSs. The activities evaluated included most of the Alliance's first generation of activities, many of which were approved within the framework of its 2000–01 work programmes.

While each activity has its particular unique features and has generated its own lessons, the evaluations identified some common themes. The exercise underscored the importance of examining the kinds of development challenges facing cities from the perspective of cities and their citizens.

All the evaluations reinforce the central importance of city and country leadership for sustaining and scaling up the impacts of development. Accordingly, the Alliance has moved purposefully to promote initiatives owned, generated, and designed by cities, with consistently positive results: there is no substitute for the clarity with which the mayors of cities like Addis Ababa, Amman, San Fernando, and São Paulo have set their own developmental priorities.

Despite the continued expansion of processes of democratisation and decentralisation, national governments are often still markedly reluctant to share their developmental responsibilities with local governments, leading to a mismatch between the risks local governments face and their responsibilities. Those national governments that still prefer to treat local governments as administrative extensions of the centre rather than as autonomous, but complementary, parts of a single, integrated system lose all the benefits of leveraging innovation, sharing responsibility, and demanding accountability from local governments.

Even from the limited analysis of our own evaluations, what is striking is the extent to which basic failures in the engine room of

government—policies, institutions, procedures, and administration—contribute directly to the underdevelopment of cities, the perpetuation of slums, and the creation of a political and social underclass. The same policy failures constrain slum dwellers’ natural inclination to improve their own lot and act as a strong disincentive for private sector investment. This is compounded by national governments’ and international development agencies’ common failure to acknowledge the importance of urban growth and city inclusion strategies as an integral

component of national poverty reduction strategies. The risks of this failure include perpetuating social exclusion, economic stagnation, and decline.

The importance of a positive vision and policy framework for urban development was sharply evident in the work the Cities Alliance supported with the World Bank and UN-HABITAT in three cities in Central America: Tegucigalpa, San Salvador, and Panama City. As the report on the activity notes, the starting point for comprehensive change lies with government: ‘The urbanisation process will continue to pour hundreds of thousands of generally poor people into towns and cities—local and national governments accepting this as a fact, and as a precondition for further social and economic development, can provide the basis for policy development’.¹³ In short, a policy framework that actively promotes social inclusion is a fundamental prerequisite for sustainable development.

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¹³ World Bank, *Urban Services Delivery and the Poor: The Case of Three Central American Cities*, vol. 1, Report no. 22590 (Washington, DC: World Bank, 2002, p. iii).

“[I]ssues of slum eradication, urban upgrading, and regeneration—all the elements that make up an approach to poverty reduction and form the basis for formulating a Cities without Slums program—will logically be identified as investment priorities under the City Development Strategy.”

—Asian Development Bank (ADB), *City Development Strategies to Reduce Poverty* (Manila: ADB, 2004, pp 4–5).



Zahedan slum, Iran, near the Afghan border

Not surprisingly, the evaluations reinforce the importance of mobilising the resources of all partners at the local level: those of the city government, the domestic private sector, and the poor urban communities. This is a simple and seemingly obvious lesson, but one that is not always heeded. While each party could undertake activities in isolation and push ahead according to its own agenda, few, if any, examples exist of large-scale, successful, and sustainable development activities that did not involve complementary efforts on the part of all local constituencies.

The evaluations and many ongoing activities within the Cities Alliance portfolio demonstrate the interconnections between slum upgrading and poverty-oriented CDSs. This is particularly the case in those cities in which a large proportion of the population already lives in slums. In such cases, a citywide upgrading strategy is implausible without a fundamental rethinking of how the city is being run, and the Cities Alliance’s two platforms necessarily merge into a single, citywide strategy.

This kind of rethinking is clearly the case for the strategies adopted in São Paulo, Hyderabad, and Johannesburg and those now emerging in Tetouan, Lagos, and Mumbai, where slum upgrading is but one of a number of reforms that are being addressed as part of a longer-term, citywide strategy.

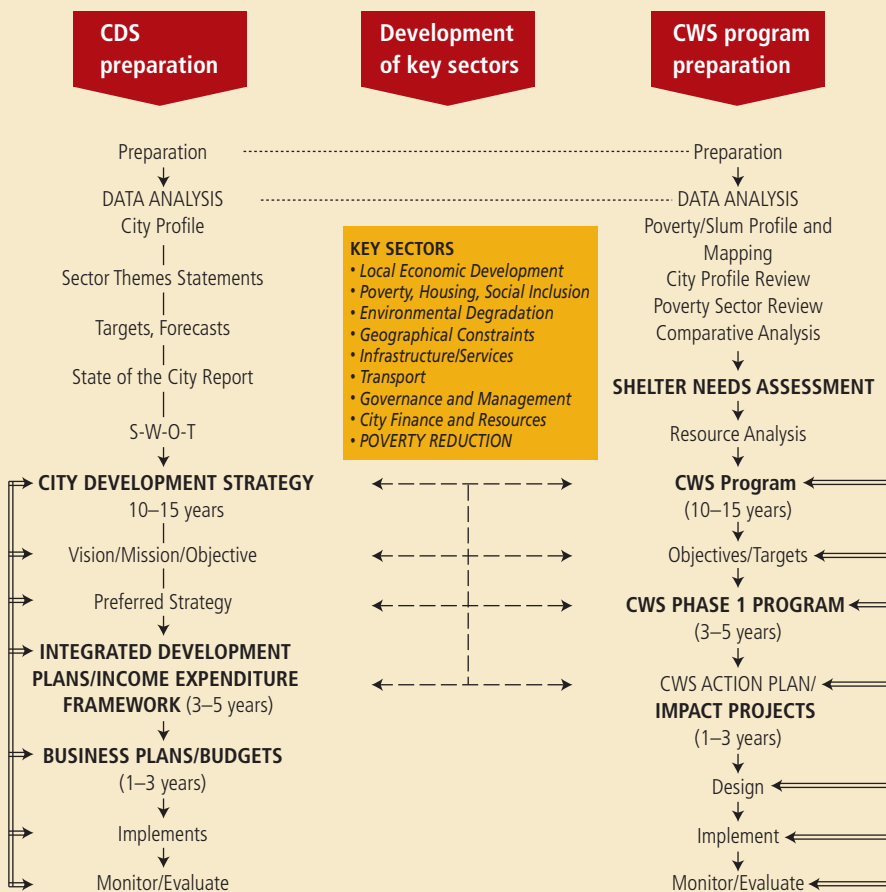
Notwithstanding which entry point is used, Cities Alliance activities are highlighting the importance not just of the policy framework and the

institutional arrangements that operate at the local government level, but are increasingly emphasising the issue of a sustainable financial strategy, both in terms of a city’s budget and in terms of investment. While an important and catalytic role for international assistance and investment often exists, the main focus of city managers should be on mobilising domestic capital.

The evaluations of a number of CDSs highlight both the difficulty of and the need for local governments to create conditions that help investors

and residents alike to take a longer-term view and invest in both their own and the city’s future. Local governments can contribute to this climate by promoting a rules-based economy with transparent and participatory decisionmaking processes that lead to stable and consistent policies, investing in infrastructure, maintaining a fair and efficient administration, supporting a commercial environment, and using the city’s resources to the advantage of all citizens.

Figure 2. The CDS and CWS processes interrelation



Legend
 — Main CDS/CWS Program Preparation Process
 Important CDS/CWS Linkage
 - - - Linkages between ongoing CDS/CWS Program Process and Key Sector Studies/Review
 == Review feedback
 CWS: Cities Without Slums
 S-W-O-T: Strengths, weaknesses, opportunities, and threats

Source: Asian Development Bank (ADB), *City Development Strategies to Reduce Poverty* (Manila: ADB, 2004, p. 23).

“Municipal governments play a key role in managing the local conditions for private sector development. They establish the governance frameworks and practices. They play a leadership role in community development, managing and administering the local business environment, purchasing and delivering goods and services, enabling integration facilitating equity and building networks and policy frameworks.”

—Yves Ducharme, President of the Federation of Canadian Municipalities, in his cover note to *Municipal Role in Private Sector Development*, Policy Paper Series no. 1 (Ottawa: Federation of Canadian Municipalities, 2004).