

N-AERUS Recommendations for the New Urban Agenda

A Cities Alliance and N-AERUS Partnership Activity
to facilitate the link between knowledge generation
and global policy-making towards Habitat III

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Introduction

Urbanization is transforming social, economic, cultural and spatial conditions in cities, requiring urgent action to both hasten improvements in these conditions and cope with negative consequences of urban growth. This action is all the more relevant within the context of on-going preparation for the Third United Nations Conference on Housing and Sustainable Urban Development in October 2016 (Habitat III). Within the broad range of issues in the new urban agenda, international negotiations on the future global development framework (Sustainable Development Goals-SDG/Post 2015) revealed, for example, the need for further evidence on urbanization patterns and their transformative impacts on whole countries, the role of informal economies for sustaining city economies, and evaluative research on policies addressing urbanization and the growth of slums.

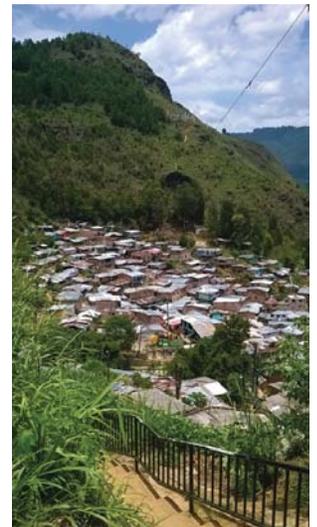
European universities and institutions have undertaken a large array of individual and joint research projects and participated in knowledge exchange partnerships in the Global South.

However, not only have most European Union governments failed to fully draw on this research and training to design their aid programmes and policies, but they have also lately been reducing their support for development research and aid. The Cities Alliance and N-Aerus Partnership was conceived with these needs in mind, aiming to facilitate the link between global policy making and knowledge generation. For the members of the Cities Alliance Secretariat, advocacy work in support of the new urban agenda is essential, and facilitating discussions between academic institutions and networks with development partners across Europe an important objective. N-Aerus, as a pluri-disciplinary network, was created two decades ago with the objective to mobilize and develop European institutional and individual research and training capacities on urban issues in the South.

The Partnership's work supports the following as priorities: to acknowledge the rights of citizens as a starting point for recognizing informality's contributions to the city; to increase the connectivity of urban actors; and to suggest ways to link housing policy and design with integrated planning. For policy, this leads to recommend developing context-dependent responses to specific local conditions and at a local scale, with participatory definition of strategies and programmes

in all settlements, both 'formal' and 'informal'. For research, the understanding of trans-disciplinary approaches is crucial, to support the achievement of the right to the city through a new de-centred and de-westernized approach to urban studies. To allow for such issues to be addressed by the research communities, an increase in demand-driven research agendas by means of more flexible grants would counteract the influence of developer or industrial lobbies on research agendas as well as complement multi- and bi-lateral funding agency programmes.

Habitat III is an outstanding opportunity for both organizations to fill crucial gaps in evidence to support investment in cities and urban research. Cities Alliance is able to identify the strongest arguments towards an urban agenda expressed in international negotiations. N-Aerus can identify evidence that could address these concerns. In this partnership, three strategic priority areas have been identified: Informality, Governance, and Housing & Planning.



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Executive Summary

The recommendations for policy and research developed by the three working groups within the Cities Alliance / N-Aerius Partnership are respectively summarized as follows:

Informality

The focus on informality highlights its growth in a context of increasing inequity, becoming the norm in many places. Despite decades of studies and interventions in the Global South, 'recognizing informality' is still a key issue; even though informal practices are increasingly also taking place in the North. In a new context of inequality, with a growing number of citizens deprived of their basic rights, the creation of solidarity and the development of mutualism are alternatives to the crisis of governmentality and to the incapacity of public institutions in responding to the 'demand for city'. Hence, the acceptance of informality is a pre-condition for structuring appropriate responses in order to manage urbanization. We need to address the reasons for such lack of recognition, which range from lack of political will and power imbalances that favour minority economic interests, through organizational incapacity, to lack of understanding of the contributions from all sectors of society in producing and managing urban space. In relation to **policy** we therefore need to:

- **Acknowledge the lack of capacity and/or willingness of 'formal' state, international agency and private sector organizations** to provide for the needs of large sectors of the population, and support 'alternative' means to access housing, infrastructure and services.
- Define as a key aim of urban policy (including in relation to 'informality') **the achievement of rights to the city and equity**, to impede speculative actions in urban development.
- Develop integrated and context-dependent responses to specific local conditions at local and city-wide scales.
- **Produce policies that acknowledge and consider the existence of 'informality'** in all its manifestations (practice, production, and representation).
- Accommodate for an **evolving and alternative definition of 'informality'** in both research and practice.
- **Applying trans-disciplinary approaches**, to ex-

plore ways in which informality can support the achievements of the right to the city through new de-centred and de-westernized approaches to urban studies.

- **Emphasize the role of local authorities** in labelling, defining, recognizing and deciding the formal-informal classifications/scales.

- Avoid the **dangers of romanticizing informality**, through its terminologies and interpretations.

Governance

Governance is crucial to manage the tremendous challenges that lie ahead for urban development. The city is a never finished product, and its processes and transformations are dependent on the interactions, conflicts, and negotiations of many stakeholders. Normative, binary, and technical thinking on urban governance leads to the assumption that urban challenges can be overcome by providing the "right" solutions. This thinking contributes to a stagnant production of knowledge that mainly repeats what is already known. Since there are no universal solutions to the manifold urban challenges, it is more likely that local problems can be solved with context-based solutions. To make the New Urban Agenda universally applicable yet locally adaptable, we believe that it is necessary to develop the concept of governance further in order to create the following in relation to **policy**:

- **Flexible and adaptive frameworks** for policies and strategies that build on local specificities, refrain from binary or silo thinking, ensure voice for all stakeholders, and promote innovative solutions.
- **Learning institutions**, capable of developing and furnishing capacities needed to address transformative urban challenges, that are adaptable to a variety of local contexts, rather than the universal, "one size fits all" solutions.
- **A balance of power** where different stakeholders are equipped with unequal power, finding equilibrium between more public, private, and societal interests.
- **Connectivity** within different sectors, aspects, and spheres of urban development, as interactions that also influence actions.

In relation to **research** we therefore recommend that it:

- Provides **evidence-based knowledge** on specificities of urban conditions and transformations to create a better understanding of challenges



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and potentials to support effective, local self-governance.

- Creates the basis for a **shift within the development of flexible and adaptive frameworks**, by researching the reasons why global solutions have had little success in fostering sustainable urban development and improved governance (e.g. global versus universal solutions).
- **Explores the conditions and circumstances** under which development actions can successfully reach sustainable, equitable, and local goals.
- **Informs and builds the capacity of citizens** in all positions and institutions.

Housing & Planning

Even after 40 years of progressive urbanization policies and 'agendas', scarce or inadequate housing remains a central characteristic of rapid urbanization and of structural change in many places worldwide. More than 1.2 billion people were estimated to live in substandard housing or to be overburdened by high housing costs in 2014. Housing is a widely acknowledged fundamental need and basic right. Though understanding of the interrelation between sustainable urban development and affordable

housing is well established, inequality within housing access continues to remain a challenge. Driven by standardized urban forms, financially lucrative outcome-based policies, inadequate planning models and codes, design standards etc., socio-economic and spatial segregation persists. Despite numerous effective and innovative approaches for the implementation of affordable and accessible housing, their adoption and adaptation remain a challenge due to stakeholders benefitting from the status quo and fail to be up-scaled or framed within a given locale's specificities. In relation to **policy** we therefore recommend the following:

- Housing needs to be handled as a **comprehensive social, economic, and cultural process** that is a **fundamental component of urban co-production** and planning, transcending the formal/ informal binary and its related dichotomies.
- From the perspective of legislation and governance, **land and housing markets need to be regulated by identifying stakeholders who validate and reinforce change**, for example, strengthening the capacity of local governments closest to the people, the vulnerable and poor.

- In terms of planning and design, housing needs to become an integral part of urban development schemes. Both new and regeneration approaches **should be based on the paradigm of mixed use, high-density and connected urban tissue, meaning also that approaches can be learnt and derived from the spontaneously self-built and historically layered city** by recognizing its assets in terms of programmatic assemblage, proximity and conviviality.

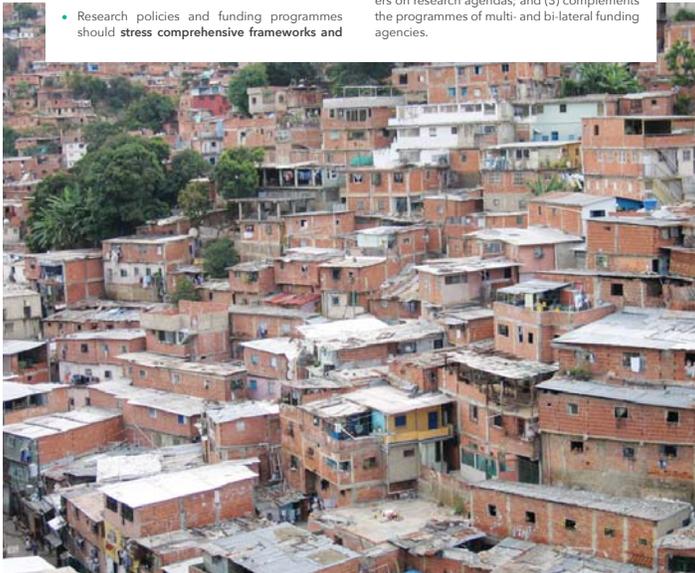
- In the context of economics and finances, one of the city's key assets – taxation and management of urban land – should be effectively employed to **influence housing affordability and increase access to a wider range of social groups by re-distributing value and diversifying options.**

In relation to **research** we therefore recommend the following:

- Fully **acknowledge postcolonial theory and decolonizing knowledge methodologies** to help us understand how cities can develop, and use comparative research to **scope the value and applicability of urban models** (e.g. smart cities, compact cities, etc.) as well as inform innovative approaches that can tackle the current scale, speed and form of urbanization.
- Research policies and funding programmes should **stress comprehensive frameworks and**

social justice perspectives looking into the implications for urban sustainability of all forms of urban development.

- By acknowledging the importance of a political-economic perspective, to deepen insight into how specific stakeholders – **including market actors - influence housing markets and planning standards.** The interrelations between the so-called 'formal' and 'informal' dimensions of urban development and transformation should not be overlooked.
- **Allow key housing and planning issues to be addressed by research communities** within funding/financial frameworks in such a way that: (1) allows freedom for researchers' critical and independent thinking; (2) counterbalances the influence of developers or industrial lobby powers on research agendas; and (3) complements the programmes of multi- and bi-lateral funding agencies.



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Informality

KEY ISSUES RELATED TO INFORMALITY

Informality is growing in a context of increasing inequality, and in many places becoming the norm. Despite decades of studies and interventions in the Global South, 'recognizing informality' is still a key issue. In fact, in the face of state and market incapacity, increasingly significant numbers of households and individuals are seeking to provide themselves with employment, shelter and services through alternative (so-called 'informal') means. In the North, informal practices have become increasingly evident in the last decades. In a new context of inequality in which a growing number of citizens is deprived of basic rights, the creation of solidarity and development of mutualism are an alternative to the crisis of the welfare State and incapacity of public institutions to respond to the 'demand for the city'. Hence acceptance of informality is a pre-condition for structuring appropriate responses in order to manage urbanization. We need to address the reasons for such lack of recognition, which range from lack of political will and power imbalances that favour minority economic interests and social injustice (Álvarez et al. 2015a, 2015b) through organizational incapacity, to lack of understanding of the contributions from all sectors of society in producing and managing urban space. Key trends and mechanisms that need to be borne in mind when developing positions and recommendations towards policy-making and research addressing informality include the following:

Informality as normality

While informality in the Global North has long been neglected in planning discourses, based on dominant modernist planning ideals and the notion of a regulatory state, informality in the Global South has increasingly gained acceptance as the norm in rapid urban development (Hart 1973; Santos 1979; ILO). Nevertheless, informal settlements are continuously competing with economic approaches to city development. Consequently, informal settlements are constantly being threatened by eviction and calls for resettlement in the name of modernization, or pushed to peripheral unsafe areas prone to natural disasters. Nevertheless, a shift in the understanding of informality can be observed, away from informality as a survival strategy and towards seeing independent actors as initiators of urban development rather than as

problematic groups. This recognition leads also firstly to the identification of the drivers for the contemporary expansion of 'informal' behaviours (Huitfeldt & Jutting 2009), such as slow formal employment growth, restructuring of labour markets in the era of globalization, inappropriate formal sector regulations, and competitiveness to reduce costs. Therefore informal practices can be understood as a continuum of transactions and action (Roy 2005) and an 'organizing logic' (Roy & Alsayyad 2004). Secondly, to understand informality as practices leads to the recognition that not all informality is related to poverty, nor all poverty linked to informal practices, i.e. a more dynamic understanding of mechanisms at work on multiple levels, extending beyond the urban poor to encompass actions of sectors including middle- and high-income urban residents, the state, and business interests (McFarlane 2011).

Negotiation

In 'informal' mechanisms in urbanization processes, power is constantly re-negotiated among various stakeholders (including the state, private sector and urban residents from low- to high-income), around resources and legitimacy. Legitimacy is not solely to be understood as a legal concept, but also in its social, political and economic dimensions (Herrle & Fokdal 2011). Therefore informality is a political issue; as conceptualized by powerful actors it is an institutionalization of exploitation, domination and alienation. Accordingly, 'informality' has to be considered a political question, and has to be analysed depending on (i) the role it holds within the social structure and (ii) the linkages it has with power structures and with local institutions. UN-Habitat recently highlighted the consequences of the lack of proper policies in the current situation of severe housing backlog and rapid change in urbanization patterns: "due to constraints in formal housing and land delivery systems, more and more people who would otherwise qualify for housing programmes are resorting to slum settlements", often lacking very basic services and facilities. Land and housing, in particular, are increasingly considered as marketable tools/goods (Harvey 2012), and access to these is highly influenced by the disequilibrium between market value and the worsening of affordable options (based on per capita income). It is currently widely believed that such a context fosters alternative ways of production of space and of access to basic urban goods and services. Such alternative ways often imply paradoxical processes, developed through imitation of formal processes, although not legalized (Scheinsohn et al. 2010; Cabrera & Scheinsohn 2012), and are increas-

ingly consolidating as significant factors in urban growth. The state often criminalizes or temporarily 'tolerates' such alternative means, both approaches leading to eventual eviction or suppression of 'informal' activity - these being increasingly frequent. Local institutions, instead of guaranteeing integration of such processes, seem very proactive (in recent urban management trends) in fostering and creating facilities for a tiny elite, sometimes even worsening strict regulatory frameworks which affect alternative modes of space production.

Self-organization

In the past decades, many terms have been used to capture informal mechanisms such as 'unplanned', 'spontaneous' (Oestereich 1980) and 'self-organized'. State, international agency and NGO attempts to engage with such processes have been made through officially organized 'community participation'. Starting from the 1970s and 1980s (and earlier in some places), community participation was first acknowledged in site and services and slum upgrading projects, where it was 'limited to self-help labour inputs to housing construction, infrastructure installation and some services (e.g. drain cleaning)'. In the 1980s, communities got involved in consultation processes concerning the design and planning of urban goods and services. This involvement also rested on the proliferation of

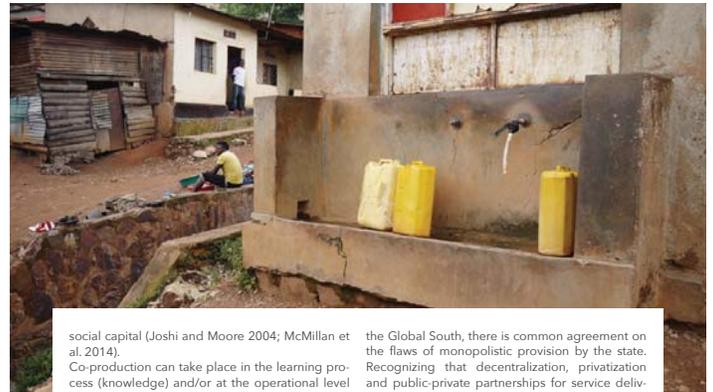
'tightly-organised systems of social solidarity' sharing common interests and requests, and on the capacity to demand the right to basic services and to protest against environmental dangers (Halfani et al. 1995: 102; Stren 2012). Yet, this participation was subordinated to a range of technical choices made in the early planning stages, mainly carried out on the basis of 'political allegiances' and subjective choice criteria, meaning communities were only involved in the final phases of the projects. The resulting increase in community conflicts, inequalities amongst the poor and non-replicability of projects, led to reconsidering the role of community participation. Thus, from the early 1990s, communities started to be called upon to directly manage all the processes of service delivery - from planning to maintenance - 'according to the decisions and priorities established by themselves'. At the same time, a series of enabling measures and reforms from central and local governments were aimed at empowering the communities. To some extent there has therefore been increasing recognition by state actors of community potential for self-organization. In addition, civil society organizations and individuals are increasingly moving beyond self-organizing mechanisms. They are networking globally and acting locally engaging with the state and multiple other actors through means of co-production (Ley et al. 2015).

Co-production

Co-production of service delivery through public participation initiated by the state (Watson 2014) gained prominence in the 1970s in the UK (Ostrom 1996; Joshi and Moore 2004). Joshi and Moore (2004: 31) define what they call 'institutionalized co-production' as 'the provision of public services [...] through a regular long-term relationship between state agencies and organized groups of citizens, where both make substantial resource contributions.'

More recently, co-production in development studies has focused on access to, and delivery of public services initiated by organized civil society, through social movements and grassroots or community-based organizations. The collective dimension of service co-production is particularly distinctive in Southern contexts. 'Collective co-production' is defined as 'the joint action of citizens to support public services and achieve outcomes, where either outputs are collectively enjoyed, or inputs collectively supplied, or both. The few existing pieces of research on service co-production generally emphasize practices and arrangements that include a wide range of local actors to universalize service access, make the service affordable, secure political influence for citizens, and create

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social capital (Joshi and Moore 2004; McMillan et al. 2014).

Co-production can take place in the learning process (knowledge) and/or at the operational level (resources). The first builds knowledge through community interactions grounded in the realities of addressing urban poverty. Here, co-production of knowledge is understood as empowerment of local groups - informal dwellers - which strengthens their negotiation power vis-à-vis the state and ensures transparency and trust while developing capacities among local communities. It uses horizontal exchanges to facilitate internal learning processes among urban poor communities across regions (e.g. Asia, Africa) and the world. In addition, these networks strategically extend towards local officials and include them in horizontal exchanges with other local officials in different contexts. This horizontal peer-to-peer learning process though exchanges has been picked up by local governments sending their officials on exchanges to learn from other local governments (Fokdal et al. 2015). In relation to the operational level, collaborations between public actors and citizens may be an alternative form of service provision (Ostrom 1996; Joshi & Moore 2004), not only in terms of increased service quality or quantity, but also of enhanced inclusiveness, empowerment, and citizenship (Batley 2006; Osborne & Strokosh 2013; Moretto 2014). Political willingness to engage in co-production is often limited, and in the Global South this is combined with limited resources and capacities in decentralized governments (Alfaro d'Alençon 2013). In the light of states failing to provide adequate and equal access to public services, especially in

the Global South, there is common agreement on the flaws of monopolistic provision by the state. Recognizing that decentralization, privatization and public-private partnerships for service delivery have done little to overcome these limitations, there is, however, little agreement on alternative solutions. However, civil society organizations are increasingly offering new ways of engagement with the state (and other actors) through modes of co-production, and thus problem-solving. This has been classified as co-production of knowledge initiated by social movements or organized civil society actors - bottom up (Watson 2014).

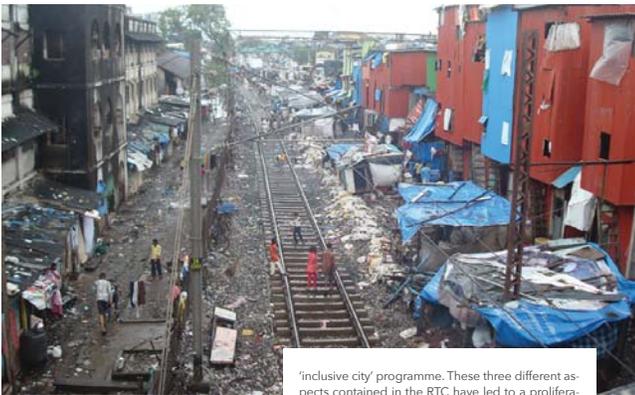
Shortcomings in housing and service delivery are also due to 'narrow visions' of practitioners, politicians and academics not addressing root causes but only symptoms. Co-production is therefore seldom reached and consequently, responsibilities are often unclear, undefined or neglected, and increasingly scholars argue that co-production of knowledge and resources should be seen as a political strategy or process to improve access and delivery of basic services (Roy 2009) and to overcome inequality and its underlying forces.

DEBATES AND CONCEPTS AROUND INFORMALITY

The trends and responses described above demand that we reconsider how we conceptualize informality, as such conceptualizations constrain the scope for action. Here we focus on three key conceptual debates and we set out our positions on key areas of future research to inform policy.



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Right to the city and informality

Currently the right to the city is being discussed in a context far removed from its original settings and appears to form an integral part of diverging and even conflicting political and social projects (Kyumulu, Nicholls, Loopmans, etc.) when addressing the role and function of informality. Among some activists and academic circles, the right to the city (RTC) approach is seen to support the struggle for a radical and campaigning programme to combat the growing domination of urban spaces by private stakeholders' interests and capital (Harvey, etc.). First, the RTC is seen as an important prism through which to claim for giving any inhabitant, whether 'formalized or not', a right to be and resist in the city, as a pro-reform defence mechanism against neo-liberalism. A second set of activists and researchers use the right to the city as leverage to appeal for fairer 'informal' citizen participation. Thirdly, since 2005 international development agencies have placed the right to the city at the top of the development agenda, aligning the requirement to ensure the right to the city to the broader debate on the uneven distribution of urban resources (UNESCO, UNDP, UN-Habitat). The underlying political project draws on linkages between setting up 'good' urban governance and establishing an

'inclusive city' programme. These three different aspects contained in the RTC have led to a proliferation of work, mostly from and on cities in the Global North. However, certain large cities in the Global South, particularly in Brazil, India and South Africa, are playing a pivotal role in producing and disseminating the RTC concept (Brazil - De Souza, Mexico, South Africa - Parnell, India - Zerah, Dupont). Thus, in many places, the RTC has been reformulated, in local interactions initially, prior to flowing through to the various spheres of political action.

- **Our position in relation to the right to the city and informality - we need to:**
Move towards a new approach: not to highlight specific features of the right to the city in the Global South, but rather to enrich the debate on the 'right to the city - informality' in order to decentre and 'de-westernize' urban studies
- Promote new research and new practices on how people (globally) achieve their right to the city through informal channels/processes which position them within the urban scene: new processes, new actors involved, and how informality (or culturally embedded but not recognized practices) leads to the achievement of a desired level of perceived formality.
- To dismantle the embedded logic that equates 'good governance' with 'inclusion' and more formality' with an improved right to the city, which often does not reflect the reality. To recognize, at least, that this logic is not always applicable.

Formal / informal definition (alternative definitions)

The debate is clearly at a standstill: there are continued attempts in academic and policy discourses to overcome the dichotomy between 'formal' and 'informal'. This division has meant that urban informal settlements are often treated as outside 'normal' urban considerations (Roy 2005) and as sub-altern forms of urbanism. Many efforts have been made to overcome this dualism and point out that recent urbanization (in Africa, in this case) 'has led to an unprecedented variety of urban forms' that goes beyond any form of centre-periphery duality. In addition, since urban form is developing at great speed, distinguishing features can no longer be easily defined. However, despite the collapse of the formal-informal traditional definitions, these theorizations are not reflected in local urban policies, nor have they influenced urban legislation or local level urban authorities (Lombard 2015).

In terms of economic activity, informality and irregularity notably characterize the relationship that marginalized groups have with the state, or at least groups whose urban status is more fragile and contested than in the Global North, where there are older and more heavily urbanized societies. There are questions around what types of relationship the state is creating with these groups through transition processes from informal to formal and from irregular to regular.

Our position in relation to the definition of formal/informal - we need to:

- Include in the debate, and in policies (eventually in the language used by international organizations and state actors), alternative definitions and terms which recognize the cultural and social legitimacy of so-called urban 'informal' mechanisms, proposing an 'alternative formality'.
- Focus more on the role local authorities have in labelling, defining, recognizing and deciding the formal-informal classifications/scales.
- Consider the limitations and disadvantages of income-based measurement/indicators, mostly set by international agencies, which rely on sets of conditions defining what is informal, often equating this to 'slums'.

'Romanticization'

There is a current argument that the idealization of informality or of the capacities of informal settlers

is unhelpful, as it could underpin the perception of 'slums' as the paradigmatic expression of urban informality (which is not the case). Some authors warn against promoting the idealization and aestheticization of informality and, more generally, of urban poverty. Insisting on the idealization of the resilience, adaptability and temporary nature of informal uses of urban space could legitimize some non-interventionist tendencies on the part of local administrations. Moreover, relating informality to the concept of non-permanence and self-help solutions excludes informal settlement households from being treated according to the 'right to the city' standards that apply to the rest of the population, which could mislead and impede local political will to tackle urbanization challenges in informal areas. Key 'positive' concepts related to informality include: flexibility, struggle, self-development, and self-production of space in the face of lack of state actions ('the habitus of the dispossessed'). Some authors have expressed concerns about this essentialism of subaltern logics of urbanism, romanticizing autonomy, resilience and potential (Myers 2011). This essentialist approach is also applied in terms of subaltern agency.

Our position in relation to the 'romanticization' of informality - we need to:

- Strengthen our understanding of the 'transversality' of urban 'informal' behaviour among the various social classes (the concept of *agency*) with empirical data and studies.
- Avoid using terms such as 'subaltern logic' to describe not legally recognized practices, which should help understand that informality is not a survival option.
- Avoid time-related interpretations of informality (e.g. permanent vs. non-permanent).
- Recognize and understand the fact that urban informality (as a set of organized actions) has to do not only with the achievement of a space or a specific level of urban inclusion but most of all with the economic advantages resulting from this.
- Understand that this is not just a state-citizen relationship in terms of urban survival, and that a range of actors is involved in a particular behaviour defined as 'informal', especially at the present moment, with many countries shifting towards private land management.

RESPONSES TO INFORMALITY AND THEIR CONSEQUENCES

This section identifies key issues and positions on policy-making and research, and ways forward relating to responses to informality and the consequences of these.

We focus on four key groups of actors involved in responding to informality - state, communities, civil society organizations and private sector entities. Within these groupings, issues such as scale (whether actors operate at international, national or local scales) and geographic distribution are also important, although they are not covered due to the space limitations of this contribution. Our attention is mainly focused on informal settlements, recognizing the key role of informal economies in the city of the South and the relevance of other actors (such as international agencies/donors, political parties, criminal organizations, etc.) in the discourse on informality.

As stressed in the previous section, the state's role is fundamental in terms of determining responses to informality: how the state defines informality may shape its response, as diverse regimes approach informality in different ways. Very broadly, a spectrum of responses can be identified, from punitive to progressive with various positions in between. Punitive or repressive approaches tend to see informality as an aberration and to address it through eviction and displacement of residents, sometimes accompanied by the demolition of housing and structures, with usually negative social consequences for residents. While such policies were dominant in the 1950s and 60s, they have been generally superseded by tolerant approaches, though some suggest that eviction and displacement have been increasing in recent years. Tolerant approaches may mean that the authorities ignore informality: they may be characterized as "benign" on the basis that this allows neighbourhoods to develop on a self-help basis. At the more supportive end of this position are permissive or supporting approaches, which seek to facilitate neighbourhood development through the installation of services, the empowerment of alternative ways in housing or land tenure regularization. The latter is often seen as the main or a primary component of policy responses to urban informal settlements and is discussed in more detail below. Finally, progressive approaches seek to address urban informality in alternative ways, usually in partnership with the community involved, such as through co-production, also discussed further below.

Regularization has come to be one of the most prevalent state and international agency responses



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to urban informality, at least with regard to informal settlements. The two main approaches emphasize the provision of legal titles to land developed informally, often accompanied by some form of urban upgrading. This has been critiqued from various perspectives because of its actual and potential consequences, which may include lack of benefits for the inhabitants, lack of context sensitivity, and impacts such as the increase in land values and potential gentrification arising from tiling and upgrading. However, despite the risk of unforeseen consequences and the high cost of post-hoc regularization, it remains an aspiration for many informal settlers, as well as a relatively popular initiative among local governments.

The role of community members in terms of responses to informality - as distinguished from the actions, activities and practices that led to the characterization of informality in the first place - is to some extent constrained by the responses of the state. Residents of a given area or community may be engaged in filling the gaps left by the withdrawal of or lack of intervention by the state. They may become engaged in a dependent or clientelistic relationship in the provision of certain services such as food support or building materials. They may be organized and become actively engaged in seeking to negotiate for services with the local authorities. Finally, as suggested above, in a setting where progressive responses are possible, co-production of knowledge and services may be possible, based on collaboration between the

state and communities (with the potential support of other stakeholders).

The third and fourth groups of actors we refer to are civil society organizations and private sector entities respectively. Both groups may also play a role in responding in terms of filling gaps left by a lack of response from the state. Civil society organizations - whether grassroots and community-based, or international NGOs - may support communities in terms of fulfilling basic needs, negotiating with local authorities for services and improvements, and facilitating projects at settlement level. Meanwhile, private sector entities may also respond to local needs, identifying opportunities for commodification of basic services such as water, or acting as a contractor for local authorities with limited capacity.

Our position and recommended ways forward in policy-making and research in relation to responses to informality and their consequences

Despite decades of studies and interventions in the South, 'recognizing informality' is still a key issue. The recognition of informality is a pre-condition for structuring appropriate responses in order to manage urbanization in the South. This includes an understanding of the socio-spatial context in which informality takes place and a deep knowledge of the informal arrangements in terms of service provision, economic practices and access to land and housing at the local scale. At the same time an awareness of the complex and dynamic fabric of informal relations among the actors embedded in informal settlements is central in building responses.

Ways forward for policy-makers in building responses to informality may thus include:

- Strengthening progressive responses to informality (such as co-production);
- Setting-up context-dependent responses, which consider the specific conditions in place at the local scale;
- Dealing with informal settlements on a city-wide scale in an inclusive manner through joint decision-making on urban development at the city scale (e.g. through city development funds);
- Including participatory methods in the definition of strategies and programs of action in informal settlements;
- Using responses to informality as a way to achieve rights to the city and equity;
- Acknowledging the existence of urban informality and documenting it as the basis for policy intervention (e.g. through joint plot enumerations).

Alongside this, ways forward for further research may include:

- Exploring grassroots establishment of informal arrangements and transformations of informality;
- Understanding new relations between informality and formality in city production;
- Including trans-disciplinary approaches in assessing and experimenting with responses to informality;
- Working with local communities to gather infor-



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mation on urban informality taking into account the functional and interdependent relationship between formal and informal sectors.

Governance

KEY ISSUES RELATED TO GOVERNANCE

In urban development the need to apply a set of principles, such as transparency and efficiency, are commonly bundled under the term of good governance. These principles have been recognized individually and in conjunction, for their positive influence on the better steering and management of processes, particularly within the public realm. The term 'good governance' commonly refers to the following set of principles: accountable, transparent, rule of law, responsive, equitable and inclusive, effective and efficient, and participatory. These principles are of utmost importance for ensuring liveable cities for all, which can only be reiterated here.

This position paper intends to scrutinize the use of the term "good governance" and its underlying implications, especially within the New Urban Agenda under debate and its future implementation. By discussing existing normative definitions, their universality, and the necessity to push the working definition further, this paper contributes to the ongoing discussion on the role and meaning of "good governance". For this and other reasons, we believe that the normative understanding of (good) governance which forms a commonly agreed basis for national and international agendas needs to be critically reviewed and further discussed, by integrating multi-stakeholder and context-specific considerations, as well as the understanding of the ever-changing framework for governance. Though the term has found its way again into the New Urban Agenda, a proper revision is still due. This paper therefore seeks to point towards the pitfalls of urban governance as a universal goal, and offers ideas for an alternative approach.

The Good Governance Concept and its Development over Time

Good urban governance was already a part of the Habitat Agenda in 1996, and has been around as a concept for more than 30 years. As part of the UN documents, and discussed in the light of the NUA, this paper refers to the UN definition of

'Good Governance' with its eight principles as the common ground, i.e. Consensus Oriented and Participatory, Rule of Law, Effective and Efficient, Accountable, Transparent, Responsive, Equitable and Inclusive. During the Campaign for Good Urban Governance, launched by UN-HABITAT in the early 2000s, the following definition was proposed by the agency:

"Urban governance is the sum of the many ways individuals and institutions, public and private, plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizens." (UN-Habitat 2002)

The generalization of the term 'governance' is commonly traced back to a discourse that arose in Africa in the 1980s. However, the good governance principles clearly take a Western perspective on the requirements for the post-modern state. It is worthwhile to take a closer look at the origin of the term and its intention in the beginning in comparison to its development over time.

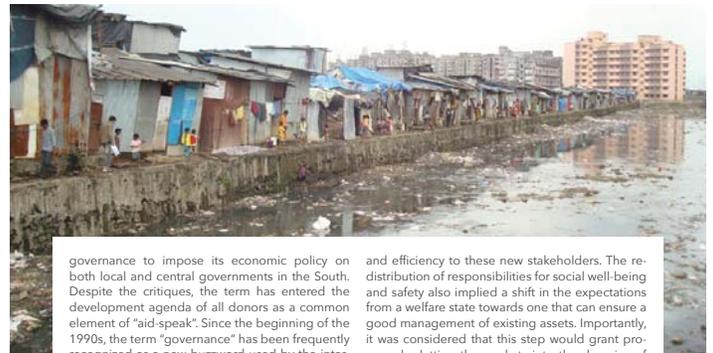
According to Leftwich (1994: 371), good governance includes three main normative levels:

- systemic: "refers to a system of political and socio-economic relations" including non-institutional and non-governmental actors,
- political: refers to a multi-party representative democracy and frequently includes different levels of government, and
- administrative: "an efficient, independent, accountable and open public service".

Nevertheless, the political and administrative means by which these norms could be put into practice have often been controversial, as they rely in many cases on external donor pressure for liberal democratization and privatization. As a result, the normative identification of good governance characteristics is commonly followed, in literature, by concrete descriptions of how good governance relationships and responsibilities should be operationalized (Rakodi 2003). This is easily recognizable at the urban level, through literature showing how good governance principles are operationalized in urban settings.

Some researchers raised early concerns about the prospect of governance becoming the "development fad" of the 1990s (Osmont 1995). Annik Osmont, for instance, has been openly worried about how the World Bank has used the notion of good

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governance to impose its economic policy on both local and central governments in the South. Despite the critiques, the term has entered the development agenda of all donors as a common element of "aid-speak". Since the beginning of the 1990s, the term "governance" has been frequently recognized as a new buzzword used by the international aid community to improve development assistance (Boeninger 1991; Paproski 1993).

In the context of development assistance, the concept of governance has often been replaced with that of 'good governance'. Good governance has represented a strategic key issue in achieving development goals and has even been seen as a reform objective in itself (Degnbol-Martinussen & Engberg-Pedersen 2003; Stren 2012). The rules for transformation and the nature of this transformation have been guided by global agendas and international politics. Above all, it has assumed a deep and specific normative connotation for donor agencies that has, in turn, resulted in a clear conditionality for recipient countries (Harpham and Boateng 1997; Devas 1999; Castro 2005; Hyden 2011), e.g. in applying for financial support from bi- and multilateral donor agencies. Governance, nowadays is most commonly seen as a "recipe for developing countries" on their route to development, deriving in its prescriptive nature from radical public sector reforms in the 1990s which had introduced New Public Management (NPM) to the world, following the mantra of "government as a facilitator, not a regulator".

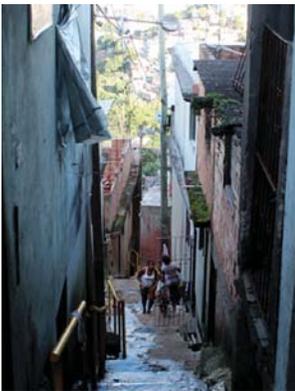
The concept of NPM, in line with neoliberal changes introduced since the 1980s, relied on an active private sector and civil society, ready to take on duties that would have traditionally belonged to the public sphere, such as public service delivery, housing provision etc. In the view of the retreating state (i.e. active role of government), it became a necessity to extend the prerequisites of reliability

and efficiency to these new stakeholders. The redistribution of responsibilities for social well-being and safety also implied a shift in the expectations from a welfare state towards one that can ensure a good management of existing assets. Importantly, it was considered that this step would grant progress by letting the markets into the domains of public interests. The need to control and steer development hence changed from a state-dominated regulation, to a less formal sphere of mutually agreeable principles that would help old and new stakeholders to make necessary transformations happen. Principles such as those of efficiency and effectiveness were outlined to ensure the benefits of substitute approaches, such as Public-Private-Partnerships for service delivery or NGO-provided shelters to name a few.

The term 'Urban Governance' increasingly represents the local level of application of good governance prescriptions in developing countries, in a normative as well as operational manner (Lombard 2013). It describes and characterizes the vertical relationship of the city to upper and lower tiers of government in a decentralized or deconcentrated system. For that reason, urban governance principles have been partially perceived as an additional burden for the weakest tiers of government, i.e. the local governments.

Good Governance Debates and Critical Reflections

The UN Habitat definition of 'Good Urban Governance' recognizes the importance of stakeholders, the nature of governance as a process - which needs to be managed - and the creation of common interests through negotiation. The value of governance perspectives lies in its capacity to provide a framework for understanding changing processes of governing. But as with many popular



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concepts and ideas, the term good governance has been misused and its connotations today have been diluted from its original intentions. Not surprisingly, once the concept was mainstreamed and incorporated into various international agreements, governance principles were even conditional for cooperation, fading away from its idealistic intentions.

Multi-stakeholder Settings and the Need for Contextualization

It is however important to add that cities are complex societal and spatial multi-entities. Cities are governed by internalities and externalities, which depend on contextualizations such as development paths, economic, social, cultural, political, environmental characteristics and conditions. It is understood that a city's resilience and vulnerability to outside pressures (in political, economic, environmental, and social terms) is determined by diverse institutions and groups that hold a stake in it. Hence, the responsibility for, and relationships between urban development and its causal factors is collective, driven by mutual accountability and reliabilities. These are also the conditions that establish the framework in which urban governance needs to be understood.

This is crucial. Taking a close look, "local" does not mean "city", since the city itself is made of many dif-

ferent pieces, and increasingly so. The crisis of planning is linked to the disappearance of the "general interest" being replaced by different "community interests", variable over space, level of state/society and time. Governance means setting up "places" and mechanisms where, and through which, such various "community interests" can negotiate priorities, needs, and values amongst each other. However, in the current competitive world, this condition conflicts with the need a city (any city), and the city government, has "to plan", i.e. to come up with the well-known "shared vision" that defines the mid- and possibly long-term way ahead.

The ever-changing Frame of Governance

As previously mentioned, the value of governance perspectives has been identified in their capacity to provide a framework for understanding changing processes of governing. However, as these frameworks continue to change the ideal conditions cannot be reached, thus the original intention has suffered from ill-application and needs to be revisited. In a world that is impacted by rapid urbanization, frequency and scales of change, there appears to be a growing discrepancy between formal expectations of this urbanization on the one hand, and real life scenarios on the other. This is the case with the current prescriptive nature of good governance principles, versus a more established de facto governance. There is also little empirical evidence on the improvement of cities based on different governance principles, and some cases have even shown a negative correlation. For example, when evaluating the progress within six categories taken from the Habitat Agenda, a recent study of the New School showed that institutional capacities have deteriorated in a number of countries (Cohen et al. 2016). Yet, this growing gap between the normative apparatus and the applied modus operandi of governance principles is not openly debated in the context of the New Urban Agenda.

The Public vs the Private - Universal Intentions vs Selective Applicability

Of the many interpretations that exist of urban governance, two fundamental definitions enjoy a large consensus: first, governance is broader than government and, second, it involves all stakeholders. "Governance, as distinct from government, refers to the relationship between civil society and the state, between rulers and the ruled, the government and the governed" (Halfani et al. 1995: 108). Within this definition, governance relationships have been described as "joint action" (Rakodi 2003: 524), "governing interactions" (Kooiman 2003: 5), "negotiation mechanisms" (Garcia 2006:

745), and "interact[ions] with a view to policy making" (Hydén 2011: 251). However, in contexts such as donor-financed programmes or national poverty reduction policies, the concept has only been applied to the public sector. Instead of addressing the challenges of the new free-market approach, especially in terms of service delivery and new mandates to substituent stakeholders, the implementation of governance criteria was made the duty of the public realm, just shortly after the public sector had been attested to be inefficient and mal-functioning. What this implies is that, while the concept has enjoyed mass-appeal, it has been reduced to its central intentions only: being universal to all stakeholders.

It is also noteworthy that not only the local private and non-governmental stakeholders seem to be excluded from applying governance principles, but that these also are not necessarily practiced by supporting agencies. Structures that deny governance principles prevail in organizations that finance governance programmes, particularly in terms of accountability, transparency, participation and others¹.

To summarize: The guiding principles of good governance?

Though many definitions of urban governance have been provided by a number of agencies, definitions in general remain vague and blurry. Necessitating a push for the further development and a reevaluation of the concept.

Looking at the core of the 'Good Governance'



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concept, its eight principles, the following can be noted. All principles can be differently interpreted, depending on local contexts, cultures, and understandings. They moreover transport a message of an ideal that can - by definition - never be reached completely. In order to point out the paradox of implementing its principles: Good Governance approaches can never be turned into a state of best governance. The following impediments need to be addressed further:

- Proliferation of the use of the term: using it in new contexts and with new attributes - but not further developing or improving its application (example, little research on the assumed positive impacts of good governance on city performance);
- Principles cannot be applied in dogmatic ways (example: not all information can or will be shared among different stakeholders, thus the principle of transparency can only be relative to the context);
- Principles are not / cannot be prioritized equally. As there is no pre-determined prioritization of the eight, it is implicit that all of them have to be equally achieved. This leads to a further complication for the successful implementation of the concept: the contradictory nature between some of them (see next point);
- Principles can be contradictory:
 - Efficiency and participation: go quick or go together: the dogma of efficiency hampers more sustainable and deeper approaches, e. g. in terms of joint learning;
 - Transparency and effectiveness: sharing all plans with everyone can trigger NIMBY reactions (for example: building a new metro station in the neighbourhood).
- All the principles are part of a wider range of political or managerial instruments: they all will be used sometimes - but not all the time;
- Principles are meaningless if they are not contextualized and owned by different stakeholders.

Accordingly, good governance does not tell us how to ensure that all the different principles are in place, it only indicates the principles themselves.

¹ For recent reports regarding the performance of some of them please refer: <http://www.brettonwoodsproject.org>.



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There is thus a need to illustrate the potential pitfalls of using the notion of governance as a starting point:

- The difficulty to implement an ideal or even achieving a universal utopia within the complexity of contemporary urban development;
- Preconditions often get mixed up with governance itself - decentralization (or the empowerment of the local level) is NOT a principle of urban governance - but the degree of decentralization also determines the capacity of governance;
- Governance principles, such as efficiency, depend on preconditions such as resources or local capacities - here a disadvantage of developed vs. cities in development is evident.

KEY MESSAGES: THREE APPROACHES TO CONCEPTUALIZING GOVERNANCE

A commonly agreed estimate based on population growth and migration is that the world's urban population is expected to rise by 2.5 billion people by 2050. This implies tremendous challenges for urban development that need to go beyond the extension and improvement of existing urban areas. Taking into account that nearly 90 per cent of the increase will be concentrated in Asia and Africa (UN, 2014), it is imperative to talk about new concepts of urbanization that cannot be based on past experiences from other regions alone. These regions are facing an increase in urban population closely linked not just to rapid economic growth, but also to environmental pollution, rising exploitation and depletion of natural resources, the

It is hence an incomplete recipe. Most important is to achieve an optimal balance, as only a balanced and site-specific distribution of these principles may contribute to cope with the above-mentioned impediments, and to improve living conditions and the creation of more sustainable cities.

In addition, the threefold crisis -- i.e. current social, environmental, economic transformations and their impacts -- is shaping a diversity of urban contexts contributing to a hybridization of governance forms (Robinson 2006; Roy 2009; Parnell et al. 2009; Robinson & Parnell 2012). As a consequence, good governance principles cannot be universally quantifiable nor universally applicable. Although there have been attempts to measure urban and local governance by the international community (e.g. Kaufman et al. 2004; Un-Habitat 2004; Wilde et al. 2009), the literature shows their shortcomings. First, there exist differing normative approaches on urban governance between different multilateral organizations (Obeng-Odoom 2012; Moretto 2007, 2015). Second, there is a divergence of reality from normative prescriptions when governance operates on the ground (Joshi & Moore 2004; Tunstall 2001) and, hopefully, "today governance relies less on normative blueprints and more on practical experimentation" (Hyden 2011: 19).

mounting impact of climate change, and inadequate working conditions.

In order to guide development approaches, conceptualizations of urban governance need to be based on the understanding of a "city as a process rather than a product". The role that governance plays in shaping these processes is vital. One of the primary concerns though lies in the historic legacy of the principles of good governance, and the "universality" of its applications. While many Northern Countries may have achieved high levels of public accountability towards its citizens, some Southern Countries continue to struggle with this, due to technical and capacity limits. To promote a more cohesive and interconnected approach when addressing urban governance, we recommend considering three main issues: diversity, negotiation of interests, and the local context.

Diversity as an asset for governance innovation

Although "all [governance] assessments have a normative bias otherwise it is not possible to judge what is good or bad or if something is improving or deteriorating" (Wilde 2011), we believe that governance innovation is only possible if diversity is regarded as an asset.

The draft New Urban Agenda, building upon the internationally agreed wording on sustainable urban development and good governance, assumes that normative, binary, and technical thinking on urban governance serves to overcome urban problems.

Appreciating what has already been achieved within international debate, we thus recommend considering the following issues for further development of an improved urban governance approach:

- **Diverse approaches - Expectations, approaches and outcomes differ from city to city.**
Understanding "urban governance" as a universal "one-size-fits-all" approach towards steering this complexity seems questionable when considering the social, economic and cultural diversity shaping various cities and regions. Moreover, the complexity of territorial government - which also entails policies at different government tiers, i.e. national, and sub-national levels, needs to be better contextualized to provide a more comprehensive picture of urban institutions.
- **Recognition of difference in norms and practices.**
In our view, urban problems cannot be overcome by providing more of the same but by adopting diverse and different approaches, e.g. traffic con-

gestion cannot be solved exclusively by more roads, housing shortage by new housing, and water & sanitation by pipe and sewerage systems. All urban stakeholders need to combine their efforts with the aim to create sufficient options for the livelihoods of all. The processes of this cooperation might vary and the priorities given to an improved urban development can differ widely. It often appears that improvement of basic services and decision-making can be also reached without and/or outside governance systems. This determines the need for more adaptive governance concepts.

- **Sectorial thinking cannot be overcome by governance alone.** The obsolete division in sectors or silos and disciplines still governs our thinking and thereby creates adverse consequences. This is detrimental to urban governance, thus the push towards synergies and the avoidance of siloing of information as well as planning and investment is necessary.
- **Pushing governance innovation** for more inclusive co-creative strategies after decades of the "city as a project". Collaborative urban transformations such as place-making and increasing attempts at "Do It Yourself (DIY) urbanism", is a signal of both the retreating state and the growing awareness for the "city as a platform" for various stakeholder interests. For the support of new types of collaboration and interrelations, data and technology needs, systems have to be implemented on various levels that encompass legal, technical, and social openness. Planning should (as it always has) question and harness new energies associated with DIY projects, ideas on place-making, and urban technologies to expand and support equitable, effective and locally adapted solutions.
- **Understanding what we do not know yet.** The local aspects and processes, to which cultural and historical differences have contributed, are not only diverse, but they also continuously evolve over time. In order to further the development of governance strategies that support sustainable urban transformation, it is necessary to constantly review what we believe to know, and seek to discover what we do not.

Towards more societal approaches: a few examples

Housing: The assumption that the lack of housing in a city can only be overcome with the provision of more housing (or land) ignores other solutions and

namely the possibility for developing holistic strategies that would entail far better solutions. The housing problem could be addressed by new forms of planning and policy making that organize the built environment with the support of self-organized initiatives, and through alternative housing solutions such as co-sharing of spaces, modal shifts, accessory dwelling units, Baugruppen, etc. More options need to be explored within affordable housing policies as well, e. g. rental housing as a relevant solution for the urban poor, but also for professionals that seek more mobility. Smart solutions in the housing sector could also entail co-sharing, land-pooling, etc. Similarly, all that could be offered by ICT solutions for housing has not yet been realized. However, one of the main challenges also lies in changing the mindset of the stakeholders involved, from traditional terms of housing provision towards more co-creative solutions.

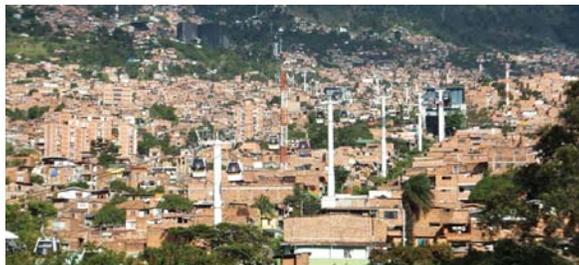
Inclusive VS effective local governance?

Looking to recent service coproduction practices in Venezuela (Moretto 2014), more general questions about the capacity of the principles of effectiveness, equity, participation and accountability to comprehend the way in which governance works in practice emerge. For instance, looking at the example of accountability, evidence exists from research that stresses how the boundaries between the spheres of the local stakeholders taking part in the "tiers of governance" are blurred and imprecise (Bovaird 2007; Benequista & Gaventa 2011; see also Oia 2011). Quite often, alternative governance practices for better services and housing develop outside formal procedures, codified rules and official administrative structures and bodies, mixing the roles of different actors. The question thus arises around

how these alternative practices can ensure credibility and accountability through "undefined, informal and renegotiated almost continuously" relationships between for instance the state and citizens (Joshi & Moore 2004), rather than through clear and enforceable contracts (see for instance, Ostrom 1996; Batley 2006; McDonald & Ruiters 2012). Alternatively, can formal, explicit and direct accountability encompass the increasingly undefined, informal and blurred relationships among local actors in the urban arena?

Urban transformation as shaped by differing stakeholder interests

Understanding a city as a process, its transformation is dependent on interactions including conflict, negotiations, and agreements among various actors. Complex decision-making structures, in which numerous stakeholders interact (and are sometimes excluded) in parallel have brought about the discussion of the legitimacy of representative democracy. This understanding has raised demands for additional forms of citizen participation, and further exploration of the inner dynamics of representation (Cain et al. 2003; Saward 2010). With the transition from indirect decision making to direct citizen involvement over the last few decades, we are now becoming more aware of the additional challenges with respect to participation, conflicts, and collaboration. For example, the relationship between the municipal administration and the elected city councils, i.e. between bureaucrats and politicians, is not static or universally similar, but depends on the institutional framework, on the local systems of representation, and on the persons involved with their specific capacities and interests (Logan & Molotch 2007).



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Various studies have demonstrated that the ability of stakeholders to participate in, and shape, collaborative processes is to a large extent determined by the resources available to them, and that therefore such practices often result in the "continued dominance of the already powerful" (Fainstein 2000: 458). Fox-Rogers and Murphy (2014), for example, discuss institutionalized procedures hinting at a "shadow-planning system". Planners' lack of power has been highlighted when analysing that holders of power (often politicians or economically powerful stakeholders/ investors) often bypass the formal structures of planning systems. Collaborative processes may become symbolic procedures that increase inequalities in decision-making instead of favouring good governance. Consequently, urban transformations are a result of continuous negotiations between different actors that balance public, private and civil interests. Thus the following key issues need to be taken into consideration:

- **Stakeholder relations are governed by flows and chains of funds, information, and control.** Accountability, however, is sometimes blurry and cumbersome, while the dysfunctionalities of administration and government still provide quick benefits for a few, but with long-term disadvantages for many. This has already created scenarios where some stakeholders profit from the under-performing and mal-functioning of city governments in the short term - tax evasion being one obvious example. Also in many land markets, lack of control leads to informal transactions - some can purchase land, others not - thus resulting in long term damage to the urban form.
- **Within the public, private and third sector, a significant diversity exists.** Civil society can have a multitude of roles and functions, for example organizations can act as watch dogs, service providers, and have different political affiliations and interests, to name a few. These roles, however, are not static. There is clear evidence that continuous transformation of cities also impacts the stakeholders and power balances/distributions within cities. Urban governance requires the frameworks to engage with multiple stakeholders to come forward with development plans and ideas that a coalition of stakeholders is ready to accept and implement. This goes beyond a formalized participatory process, pushing for decision-making skills among all actors.
- **The benefits of conflicts.** Governance is seemingly about "avoiding conflictual situations". However, conflictual situations are part of transformative

processes. They can also potentially lead to innovation, and further commitments and interactions within a group of stakeholders. This is an instance where the positivistic formulations of existing governance principles are not always helpful, and other aspects attached to governance processes should be recognized and eventually dealt with. This would require also a shift in the thinking of international development agendas, for example in terms of responsibilities, relationships, inequality, informality, etc.

Balancing the formal and informal: The right balance between the formal and the informal needs to be found: the options to informalize the formal and simplify developments outside institutional frameworks should, for instance, always be considered (CDIA 2016).

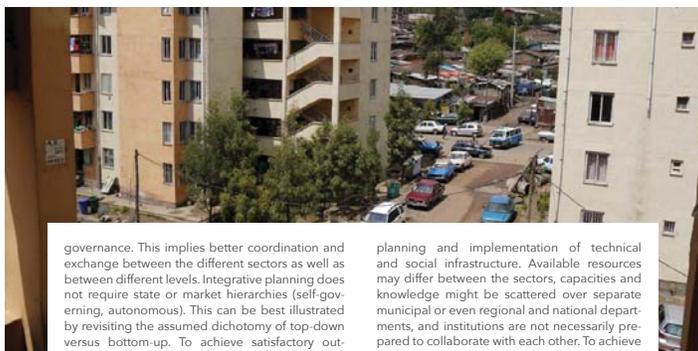
Example: Bad effects of "Good governance" programmes

Better governance programmes and normative political reforms can have opposite effects than the expected ones when they underestimate the complexity of local politico-economic relations between local stakeholders. For example, Phnom Penh (the capital city of Cambodia) has been experiencing a complete reorganization of its territorial administration since 1994 through decentralization/deconcentration policies. These reforms are articulated around the concept of "good governance", which theoretically seek to transfer responsibility and power from the central government to local institutions and citizens. At the local level, these reforms, by giving more autonomy and power to local chiefs, contribute to reinforcing clientelist politics and kinship networks that favour powerful stakeholders, such as local representatives, businessmen, real estate investors, etc. (Fauveaud 2015). At the metropolitan level, it also opened new spaces for informal negotiations between important investors (mainly in the real estate sectors), and local institutions (Fauveaud 2016). Finally, good governance reforms appear to be more symbolic than effective, while reinforcing inequalities between powerful stakeholders and citizens in decision-making processes.

The local context as the point of reference for urban governance

Improved and effective urban management needs to bring all aspects of planning (development, financing, implementation, and evaluation) together, and is complementary to existing principles of

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governance. This implies better coordination and exchange between the different sectors as well as between different levels. Integrative planning does not require state or market hierarchies (self-governance, autonomous). This can be best illustrated by revisiting the assumed dichotomy of top-down versus bottom-up. To achieve satisfactory outcomes that are effective, accepted and integrative, both approaches are indispensable and have to be brought together. Although it is important to recognize that there are inherent necessities for effective and equitable governance, it cannot be taken for granted that the principles of good governance, as commonly presented by multilateral aid organizations (Hickey, 2010; Wilde, 2011) work in practice. We thus recommend to consider:

- **Starting from the local contexts:** Different types of governance arrangements and relationships can unfold at the local level, according to a process based on the involvement of communities as the central actors in the development process. In developing countries, when the public or private sectors fail to guarantee formal provisions, the urban poor rely on a broad variety of different practices to gain access to housing, basic services and other urban needs. These systems are generally developed at the micro level, based on a wide spectrum of informal and sometimes illegal arrangements (belonging to market mechanisms or solidarity networks), and are rooted in traditional or consolidated practices. They are usually "needs-driven", in contrast with the more formal and "policy-driven" mechanisms (Allen et al. 2006, Watson 2003) supported by institutional bodies or development agencies.
- **Connections and synergies:** The common division into different sectors and departments, such as education, transport, health and housing, poses significant obstacles to the efficient

planning and implementation of technical and social infrastructure. Available resources may differ between the sectors, capacities and knowledge might be scattered over separate municipal or even regional and national departments, and institutions are not necessarily prepared to collaborate with each other. To achieve functioning urban systems and liveable neighbourhoods, institutions will have to go beyond the governance principle of cooperation and actively pursue connecting their tasks for better synergies.

- Both points above can be summarized as an **adaptive governance concept**, the first as a bottom-up approach that includes cultural and regional specificities, the second as a dependent of the different institutional setting that exists in each city; hence its governance will differ from others too.

Example: Alternative governance systems

Evidence from research carried out in the last two decades has shown that, when local institutions recognize and support needs-driven practices, new forms of collective arrangements originate between low-income communities and other actors involved in the service delivery process, mainly through co-production practices. Many critics agree that these co-operative/co-produced actions and arrangements need to be supported and included in the broader discourse regarding urban governance, as alternative governance systems to achieve structural improvements in many sectors of urban life. The need to connect issues and join forces for larger areas has been especially highlighted for extended urban agglomerations, for which the term metropolitan governance has been coined². But more than being a new pragmatic solution to the complexity of urban territorial devel-

opment, it should also be understood as a second layer of local solutions united through a concerted approach. Similarly, sectoral plans need to be based on an integrated planning strategy at the city level. Concepts for mobility for example, or inclusive approaches for informal settlements, need to be embedded spatially as well as thematically. To this end, recent research has investigated how the more political and institutional processes can - formally or informally - support and collaborate with the wide variety of urban actors, exploring ways in which to articulate informal and local practices to the more formal systems, producing synergies rather than negative effects (see for instance, Allen et al. 2006; Phumpiu & Gustafsson 2008; Olivier de Sardan 2009; Batley & Mcloughlin 2010; Allen 2010, 2012; Booth 2011; Gaventa & Barrett 2010; Wild et al. 2012).

RECOMMENDATIONS AND WAYS FORWARD

We believe that **tremendous challenges** for urban development are already evident today and even greater **lie ahead**. Population increase and migration require building and sustainably transforming cities for about two billion new urban dwellers by 2050. We argue that **a city is never a finished product**, it provides the ground for its daily reproduction by its inhabitants. It cannot be managed by a single stakeholder but is a process, dependent on the interactions including conflict, negotiation and agreement of many stakeholders.

We believe that **urban problems cannot be overcome by providing more of the same but by enabling diverse and different approaches** (e.g. traffic congestion in the transport sector cannot be solved by more roads, but by alternative systems). A normative, binary, and technical thinking on urban governance (as proposed in the Hill policy paper) leads to the assumption that urban problems can be overcome by providing the "right" solutions. **We fear that this thinking contributes to a stagnant production of knowledge that is mainly repeating what we already know, rather than trying to find out what we do not know.**

We think that there are no universal solutions to the manifold challenges of and within urban areas. It is more likely that **local problems** can be solved with **local solutions**.

We thus propose to take the "social, sustainable

rights of the citizens and the city" as a starting point for urban governance and suggest building on the local context determined by various citizens' interests.

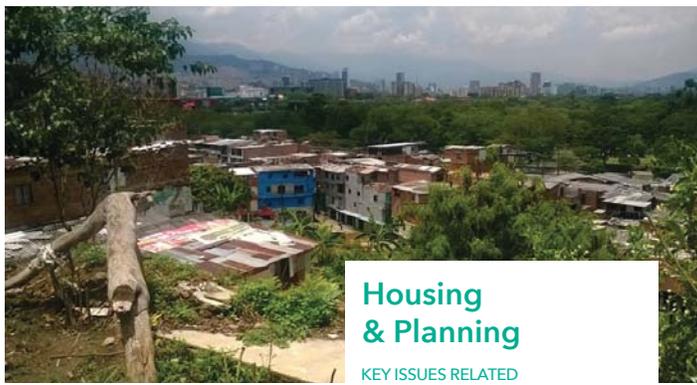
There is a danger of mixing up the global and the universal, or the general and the universal. It is central to our different arguments here. If urbanization is a global phenomenon that globally questions governance issues, the answer cannot be universal. In this context it is not only the governance issues that need to be localized, but also the urban dynamics, which are not always the variation of the same phenomenon (the so-called "planetary urbanization").

Key recommendations

To make the New Urban Agenda globally applicable yet locally adaptable, we believe that **it is necessary to develop the Governance concept** further in order to create:

- **Flexible and adaptive frameworks** for policies and strategies that build on local specificities, ensure voice for all stakeholders, and promote finding innovative solutions. These new frameworks need to refrain from binary or siloed thinking (e.g. "good vs. bad urban development", "public versus private sector", "social and not economic development", "either formal or informal", "urban versus rural").
- **Learning institutions**, capable of developing and furnishing the capacities needed for the transformative urban challenges, and adaptable to a variety of **local contexts**, with local and effective governance building on the rights of the citizens and of the city, rather than on universal, "one size fits all" solutions.
- **A balance of power** among different stakeholders, finding equilibrium between more public, private, and societal interests. Flexibility must not make us forget that urban transformation should be understood as a result of interactions between stakeholders equipped with unequal power, and thus each urban stakeholder needs specific consideration and voice.
- **Connectivity** of the different sectors, aspects, and spheres of urban development, as interactions that also influence actions. For instance, different sectors, such as transportation and

² The Draft New Urban Agenda (28. June), for example, indicates the need to support "local and metropolitan multi-level governance".



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Housing & Planning

KEY ISSUES RELATED TO HOUSING AND PLANNING

housing, are strongly connected and mutually influence each other.

To contribute to the implementation of the New Urban Agenda, we believe that **it is necessary to foster research** that:

- Provides evidence-based knowledge on specificities of urban conditions and transformations to create a better understanding of challenges and potentials to support effective, local self-governance, i.e. learning institutions, a balance of power and connectivity of sectors, self-governing practices.
- Creates a basis for a shift in the development of flexible and adaptive frameworks, by researching the reasons why global answers ("global versus universal solutions") have been little successful in fostering sustainable urban development and improved governance.
- Explores the conditions and circumstances under which development actions can successfully reach sustainable, equitable, and local goals, while taking place outside, or besides, good governance norms.
- Informs and builds capacity of citizens in all positions and institutions.

Housing is a core element of urbanization and a fundamental need and a basic right. Delineating the private sphere and the basis of individual and household existence, housing is closely intertwined with basic needs such as safety, reproduction, food, health, education and employment. Despite decades with innovative policies and solutions and 40 years of the Habitat process, the challenges correlated with the lack of housing and inadequate housing provision remain enormous. In the context of effects commonly associated with urbanization and globalization, today about a billion people are estimated to live in substandard housing or to be overburdened by extreme housing costs (UN-Habitat 2016). While models based on local solutions, subsidiarity and self-help have been deemed as unsuccessful - mainly in their capacity to be reproduced on a massive scale - we witness a rise of financialized outcome-based policies and a renaissance of supply-driven planning models. These, however, are leading to problematic forms of urbanization that are contributing to monotonous urban environments (lacking mix and diversity) which tend to be secluded, in remote locations, short of economic opportunities and of public spaces, and lacking access to transport and services.

Given the above problem and the fact that by far the majority of the housing structures and activities worldwide remain based on self-construction, we

deem that a reappraisal, re-validation and propagation of the strengths of bottom-up housing processes (such as the quality of the human scale in most of the self-constructed settlements) is urgently needed. This re-estimation should be aimed at balanced and integrated housing policies that seek to mediate between demand and supply, plan and self-organization, diversity and efficiency, individual and collective needs. Therefore the following section aims to outline central recommendations on housing and planning through the three prongs of (a) Governance and regulation, (b) Planning and design, and (c) Finance and economics - an approach developed in by UN-Habitat as part of their strategic framework for the New Urban Agenda. The respective sections that follow have two parts, addressing the needs of: (1) Progressive housing and planning policy, and (2) Needs for research and researchers.

HOUSING GOVERNANCE AND REGULATION

Aspects of a progressive governance and regulation towards a more sustainable and equitable housing approach

Equitable and sustainable housing approaches need to mediate between diverse stakeholder interests, protect the vulnerable and poor, and adapt to changing circumstances.

Over the years, many examples of innovative, progressive and practical housing approaches and policies and programmes for regulating land and housing markets in the public interest have been identified in a wide range of contexts - whether self-help, cooperative models, community trusts, or incremental shelter approaches. Indeed, the



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step that often remains difficult is the mainstreaming and upscaling of the 'innovative' solutions. Hence, it is important to recognize that housing solutions and planning policies are not neutral. They often include trade-offs between various actors and stakeholders with different ideologies, strategic interests and various power levels. In the process, the poorest and weakest parties tend to suffer most. Additionally, policies tend to be re-active and inclined to maintaining the status quo and therefore lagging behind the speed or scale required to provide secure and affordable land and housing for those in need. This is why crucial attention is required to acknowledge the political economy of housing, to identify the stakeholders benefiting from the status quo and propose options for change.

Governments need to embrace co-development of housing by various stakeholders, incorporate better access to services and infrastructure for the urban poor and include Civil Society Organizations as facilitators in the process.

Many local authorities have largely failed to provide for adequate housing for the poor - in most instances due to the sheer scale of the challenge. The private sector and self-builders have been left with the task of housing delivery. However, coordination tends to be lacking and the private actors are insufficiently considered in urban planning policies. This contributes to urban fragmentation and large populations lack access to services and appropriate infrastructure. Hence it is necessary to take into account the various producers of housing - from the private sector and from civil society - as contributors to collective urban (co-)development. Moreover, grassroots organizations and social movements have important roles in the mediation between the public and private spheres. Therefore, housing policies, legislation and urban planning instruments need to inspire the roles and foster the cooperation among different stakeholders, including Civil Society Organizations, while incorporating the public service and infrastructure domain.

Planning and legislation towards sustainable and equitable housing for the urban poor need to promote and balance the social value of land and housing with its economic value and include diverse, incremental and socially acceptable forms of land tenure and property rights.

The contemporary mainstream promotes the individual ownership of land and housing as a crucial component of economic development and as the ideal policy option. This is often based on the assumption that property can be used as collateral for

loans to promote economic development (Domeher & Abdulai 2012). However, the approach is accompanied by important negative effects and risks. The rising competition for land and financialization of real estate (Krippner 2005) tends to increase prices and so exclude large sections of the population, especially the young, the poor and the old. It also changes the role of land and housing from a means of building communities and obtaining shelter in which to raise a family to one of an investment opportunity. Moreover, financialization bears enormous macroeconomic risks as has been demonstrated in the Asian financial crisis of 1998 and the global economic crisis of 2008. Therefore, sustainable and equitable policy instruments need to craft a balance between the economic and the social value of housing, and identify and promote a diverse range of tenure options to improve the efficiency and equity of land and housing markets.

Alternative governance forms of property management beyond formal and public administrations need to be acknowledged.

In order to promote decentralization and local accountability, land administration systems should recognize and incorporate alternative forms of governance. Many rapidly urbanizing countries are in the process of transitioning from state-controlled or customary systems of land management towards market-based systems. Urgent attention is therefore required to identify options for strengthening the capability of central and local governments in regulating land and housing markets in the public interest in ways that are sensitive to diverse local conditions. Capacity-building programmes are required to assist and advise governments on how to stimulate local and inward investment in ways that can capture a reasonable proportion of the added value generated for allocation in the public interest.

Urban planning regulations, standards and norms geared towards sustainable and equitable housing solutions need to be context-appropriate, based on a holistic understanding of the urbanization and housing processes, and incorporate the concept of spatial justice.

The way planning standards are defined and implemented has a great influence on patterns of urbanization and of land use and housing. In many countries, the system of urban planning regulations, norms and standards is too complex and rigid. It is frequently based on western models and standards developed during colonization periods, and it serves often to secure the status quo of distinct elites, rather than promoting patterns of sustainable and equitable development. Cities

therefore need simple but appropriate standards and regulations. These should be based on core principles balancing individual rights and community values, which for example promote concepts such as spatial justice, with the main aim of reduction of inequalities, while at the same time allowing for adaptation and change. In many contexts it is therefore not necessary to add more regulations, but to revise and simplify present rules and legislation making them appropriate to the local context.

Housing regulations and standards need to be based on participation and subsidiarity.

Urban planning and housing policies, standards and norms are often set in a technocratic, top-down manner, with obscure consultation processes and without involvement of the affected populations. In order to create the normative system that will promote social justice and tackle inequality, it is vital to develop it through the process of full participation of all the stakeholders. Moreover, in line with the principle of subsidiarity, decisions will be most sustainable and resource-efficient if based at the lowest possible level.

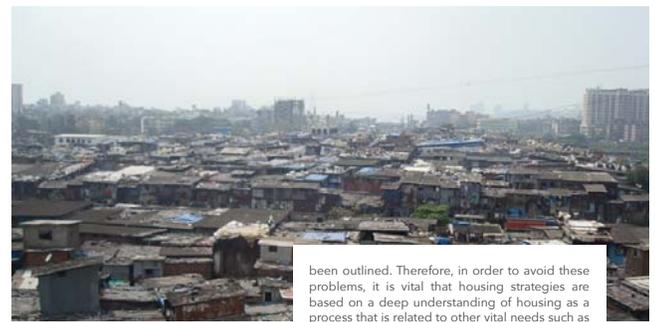
What do research institutions and researchers need in order to better understand and resolve the problems related to governance and regulation?

Fostering research on governance dynamics and the political economy of urban development.

In order to be able to manage and regulate the stakeholders involved in the development of cities and their relations, as well as to develop new urban planning standards and norms, it is necessary to focus research on the dynamics of urban governance and on the political economy logic of urban development and management. Urban development has its own culture of political economy where specific stakeholders use their formal and informal influence to shape the outcomes of policy and planning. The post-colonial discourse on urban informality has already engaged in opening the black box of planning practices. These efforts need to be broadened theoretically (to better include market actors) but also geographically to include countries of the Global North.

Sharing and co-producing information and knowledge and learning related to urbanization among policy-makers, researchers, practitioners, and citizens.

Nowadays, in the age of big data, an enormous – and ever increasing – amount of data about cities is being generated. However, this information tends to be scattered and it is not always readily



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available. Information and data can be 'concealed' on purpose, in order to protect copyrights or private interests, for privacy reasons, etc. Furthermore, many stakeholders do not have the means of data retrieval and interpretation. Experts and lay persons are lacking the capacities and the skills of 'critical' interpretation and knowledge transfer. However, often data is collected but not made accessible in a simple way, because there is no consideration to share the data, or because the data management capacities are lacking and a culture of mutual learning is missing. Therefore everyone could mutually benefit from a more open approach of sharing data, whereas researchers can use the data to better analyse reality or better ground their theories. Cities can gain from these insights and adjust their policies accordingly.

PLANNING AND DESIGN

Policy recommendations related to planning and design for sustainable and equitable housing and planning approaches

We encourage integrated planning and design approaches based on a comprehensive understanding of the nature of housing and urbanization processes.

As part of the introduction to this section, some of the problems related to a supply-driven and financialized housing approach, such as spatial exclusion, uniformity, lack of access to services and amenities, or poor provision of public spaces have

been outlined. Therefore, in order to avoid these problems, it is vital that housing strategies are based on a deep understanding of housing as a process that is related to other vital needs such as food, reproduction, safety, or income generation. The role of housing is either to fulfil these basic needs, or to provide efficient and sustainable access to these. Demand-driven and participatory approaches are vital elements of this extended approach, as these provide efficient ways to understand the range of specific needs for various target groups and locations.

Two aspects are therefore essential in this context: 1) To mainstream this 'extended' understanding of housing as part of the planning and design of dwellings and residential neighbourhoods, and 2) To integrate this comprehensive understanding of housing with urban planning strategies and frameworks, thus intertwining housing with other sectors and with overarching goals related to infrastructure, mobility, health, economic development, etc.

For example, in this manner housing solutions can become incremental, resource-efficient and culturally appropriate. Housing can be provided in accessible locations with access to a maximum of amenities and opportunities that cities offer, and it can be part of dense and mixed neighbourhoods maximizing accessibility, social value, opportunities and resource efficiency.

Planning and design approaches need to learn from self-built environments and support these practices.

Worldwide, a large amount of urban structures, probably the majority, including housing, are generated by self-help initiatives and the creativity of citizens in need. Indeed, it can be argued that this 'approach' existed before urban planning was in-

vented. While the processes are often outside the law and while safety and security standards are frequently neglected, the solutions include a vast amount of efficiency, sustainability, creativity and innovation. The phenomenon has many major lessons and implications for planning and design: (1) because it cannot be foreseen that the problem of housing will be resolved through large scale supply-driven government or private sector interventions in the foreseeable future, self-build needs to be acknowledged and supported as part of diverse housing solutions; (2) it has to be integrated in official planning frameworks and mainstreamed university curricula; (3) its inherent qualities such as modularity, incrementalism, human scale and walkable cities, resource efficiency, mix and heterogeneity need a stronger acknowledgement as they have many lessons to offer to formal urban planning and design practices; (4) on the other hand, more innovative planning and design solutions are needed to tackle the risks of many self-build schemes, i.e. in the informal sector. That would also mean designing guidance instruments and financing mechanisms, and adapting building norms and bye-laws that can accompany progressive, incremental building in the long-run.

Urban development and housing schemes for the existing and new urban fabric should be based on the paradigm of mix, density and access.

Housing solutions, when planned and implemented in a supply-driven and top-down manner, tend to result in standardized and homogeneous schemes, often located on cheap land in peripheral locations, segregated from urban amenities and services. While they are internally effective and efficient for their own system and institution, the results tend to be unsustainable and rather costly for society at large. For this reason, a housing and planning approach is necessary that is guided by an urban vision of mix, density and general accessibility that offers diverse housing options and typologies and that blends with other private and public functions such as public services, retail and recreation - thus promoting accessibility and equity and a better quality of life.

There is a need for researchers and research institutions related to planning and design for sustainable and equitable housing and planning approaches

Scientific institutions need to devote their attention to accomplish a holistic understanding of urban processes and phenomena and to understand their respective interrelationships. The overarching research policies and funding institutions



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need to support this target through dedicated funding opportunities.

Indeed, holistic approaches to planning and designing the city and equitable housing for all require a comprehensive understanding of urbanization processes that go beyond individual problems and phenomena and that are based on a profound understanding of interrelations and processes. For example, informal areas, slums and poor communities should not be considered as the only focus of policy interventions, but confronted with other forms of urban settlements (e.g. gated communities), which have a negative impact on social cohesion, mobility and high consumption of land. In this context, the research community needs to balance its focus on the specialized and narrow with integrated, holistic and complex questions as only multi-sector, multi-scale and concerted interventions can tackle the complexity of housing issues in urban planning. Moreover, it needs more capacities for interdisciplinary and comparative studies and for an efficient and adequate dissemination of the results to non-researchers.

More attention is needed to build the capacity of researchers in adequate and efficient communication and knowledge transfer from research to practice.

Scientific culture, including urban research, has a logic built on core scientific principles and other factors ranging from objectivity to self-motivation, reputation, or volunteerism. On the other hand, the scientific world tends to cultivate systems of ongoing specialization, self-reference and the rise of expert languages. While this system is internally efficient and beneficial for gaining reputation and for advancing careers, it obstructs communication between different research disciplines and also, more importantly, between academia and policy and practice. Therefore researchers, in particular

those dealing with problems of space and society, need improved capacity in formulating the normative implications of their research and in knowledge transfer to practice. The building up of the related skills needs to be supported through respective policies, programmes and initiatives and factored into education systems and into scientific culture.

In order to promote innovation and new ideas, research agendas and funding programmes need to be more open and also allow for small scale projects.

To allow for key housing and planning issues to be addressed by the academic and operational research communities, we need to increase demand-driven research agendas by means of smaller and more flexible grants so as to: (1) provide independence for researchers' critical thinking; (2) counterbalance the influence of developers or industrial lobby powers on research agendas; and (3) complement the programmes of multi- and bi-lateral funding agencies.

We need additional and better qualified housing and planning experts and mutual partnerships that reflect a post-developmental approach in research and education towards sustainable housing and urban planning.

To tackle the vast challenges of global urbanization, including those related to affordable and ad-

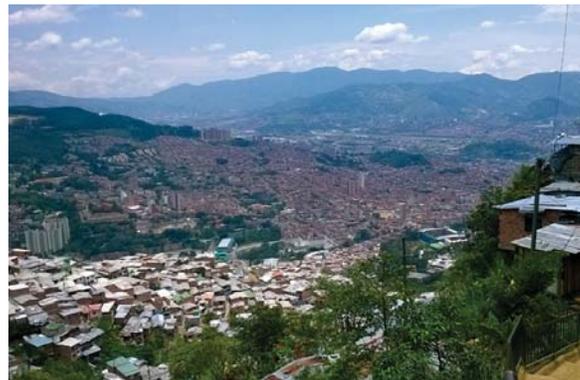
equate housing and sustainable planning, a vast amount of appropriately trained professionals in practice and academia is needed. In addition to mega cities and large urban agglomerations, the group of small and medium-sized cities that most often features the steepest rates of transformation, most urgently requires human resources and appropriate policies. Donors and decision-makers therefore need to create adequate policies and to invest significant resources in education and training facilities such as urban labs of excellence and innovation. Moreover, an intensification of co-operation and exchange of experiences through South-South and South-North Partnerships will be essential.

FINANCE AND ECONOMICS

Policy recommendations related to finance and economics of housing and planning

Democratize the financial gains of property value appreciation.

Private developers of land and housing are able to secure the majority of profits while negative externalities and risk, such as negative environmental and social effects, tend to be externalized and covered by the wider public. Therefore housing policies need to be developed that enable



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democratically-mandated authorities to capture a reasonable proportion of financial gains from property appreciation (for allocation in the public interest). For this to happen, it is important to underline that housing has a use and an exchange value and thus fulfils two vital social and economic functions that need to be reconciled and differentiated. On the one hand it is a place of identity and belonging (a home), an important safety-net and family asset, a space of individual and household consumption and re-production. On the other, it also is an important wealth asset and serves as an object of investment for both poor and rich (Tibaijuka 2009). Planning tools are needed that enable the broader sharing of benefits of value appreciation—especially in speculative land markets (Ingram & Hong 2012). In parallel, real investment—i.e. on the physical and qualitative improvement of the built environment and associated services—needs to be incentivized. So more research is required, and needs to be funded, on the impact of land management, zoning plans (e.g. transport-oriented developments), property taxation, and conditional construction permits (e.g. compulsory provision of affordable housing) as value-capture tools to cross-finance public goods and revert financial gains back to the local population and economy.

Improve access to institutional housing finance.

Housing policies need to grant more importance to housing finance reaching the poor - i.e. lower income and/or informally employed households. In many parts of the world, the lack of affordable housing (commonly defined as housing priced at 3-4 times the household income) is not a result of missing housing units but rather a problem of access resulting from a demand-supply gap: the supplied units are too costly for families that need housing the most. While speculative practices are one explanatory vector, the unavailability of institutional housing finance—e.g. lack of non-exploitative credit—is another major cause for lack of affordability. In many large cities price-to-income affordability levels have reached double digit numbers (see Numbeo 2016). This points at a considerable gap in housing markets (the difference between the lowest priced housing unit and the limit of institutional finance). We propose that monetary policy and bank lending requirements and practices need to be revised and adjusted to the needs of low-income families, such as through targeting net wealth and promoting financial literacy (Arestis & Karakitsos 2013).

Augment urban land market efficiency in better contributing to equity and sustainability.

Institutional answers need to be found for improv-

ing the efficiency and equity of urban land markets, in particular in countries in transition from state-controlled or customary systems of land management. Land market transactions can be among the most profitable real estate operations and yield great profits (particularly through land-use changes) within a short time span. National land administrative systems need to be developed that efficiently grant tenure security, assess property value, collect transaction data, and map the property landscape of a country. These systems should also recognize and support a wide range of incremental, communal and temporary forms of land tenure and property rights that enjoy social legitimacy in different contexts.

Research recommendations related to finance and economics of housing and planning

Promote alternative understandings of the macro-economic context of housing.

The 2008 global financial crisis has demonstrated that greater attention is needed to understand the political economy of national and global real estate practices, including the relationships between financial markets, monetary policy, investment cycles and their incidence over land and housing. Whereas the mainstream of neoclassical economics led the academic debate until 2008, thereafter alternative, so-called authoritative heterodox explanations, have started to emerge. These comprise, among others, a behavioural economics (Shiller 2009), post-keynesian macroeconomic (Arestis & Karakitsos 2013), and a political economy of financialization of housing (Aalbers 2016 and Allen et al. 2012). The underlying message is that the complex political ecology matters for the behaviour of agents, be it rent-seeking global elites or local investors. Speculative practices take advantage of the information mismatch between planning authorities and real-estate practitioners but are also institutionally enabled by ineffective regulatory systems that facilitate the commodification and financialization of land and housing markets. Therefore ways need to be found to reduce current levels of social and economic inequality resulting from macroeconomic determinants over land and housing markets. Adequate funds need to be allocated to research which focuses on these issues.

Sponsor the concept of affordable housing as central subject of housing research.

Affordable housing reflects many of today's current trends and challenges better than the notions of social, public, or subsidized housing. The concept is largely used as part of institutional and

academic public debates on the subject. It is broader in meaning and translates an essential link between housing supply and demand, by co-considering production and sale prices, purchase capacity, access to finance, and the quality of the housing unit and its embeddedness in the larger urban environment. For this reason, 'affordability' needs to become a central subject for housing research. Further research is needed on the impact of policy and regulation on affordability levels. Likewise, research policies and funding policies need to place more attention on the concept of affordable housing.

Promote a better understanding of different housing suppliers from the non-governmental sector.

Despite fifty years of housing policies from self-help paradigms to enablement strategies, the

dynamics of non-governmental housing suppliers is not sufficiently understood today. Their strategies, modus operandi and the broader effects on other stakeholders and on the urban fabric need to be better understood. Market-based policy solutions aimed at increasing housing supply have often produced low-quality results, such as in Ethiopia, India, South Africa, Brazil, Mexico, and Chile (Buckley et al. 2016). The research and evidence of functioning market enablement is very thin (Payne et al. 2009; Payne 2008). The same information gap exists for owner-led and informal stakeholders in the housing sector (Royo-Olvid & Fennell 2016). Therefore the importance of non-governmental efforts (market and civil society) needs not only to be recognized but better comprehended in order to formulate functioning 'enablement frameworks' that take account of the relative advantages of different housing supply modalities.



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