



Chapter 36: Achieving Sustainable Cities by Focusing on the Urban Underserved

An Action Agenda for the Global South

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We propose flipping the standard emphasis on economic growth as a means to reduce urban poverty by examining whether meeting the needs of the urban underserved can improve the economy and the environment of the city as a whole (Figure 36.4). This is our theory of change for how cities can become more sustainable.

Almost two decades into the “urban century,” with about 3.3 billion people residing in cities and a further increase of 2.5 billion urban residents expected by 2050, cities are acquiring prominence in national and global agendas (Kourtit et al. 2015). Over 90 percent of the increase in urban population is expected in Asia and Africa (United Nations, Department of Economic and Social Affairs 2014), where urbanization can be a driver for poverty reduction and economic development (Figure 36.1). However, the unprecedented pace and scale of growth is placing heavy demands on urban services such as housing, transport, energy, water supply, and sanitation, and affecting people’s quality of life while increasing their vulnerability to climate impacts. A major opportunity thus lies in informing, empowering, and equipping city leaders to focus on inclusive urban development, while advancing crucial environmental, economic, and social objectives towards a more sustainable city.

Achieving sustainable cities is particularly challenging in regions of the Global South, where the urban population is growing the fastest *and* where the majority of the world’s urban population will reside in the coming decades (see Figure 36.1). For the first time in history, rapid urbanization is happening in countries where incomes have remained stagnant or economies are growing slowly, highlighting a weak relationship between urbanization and economic prosperity (United Nations, Department of Economic and Social Affairs 2014). In many of these countries, poverty is shifting from rural to urban areas, resulting

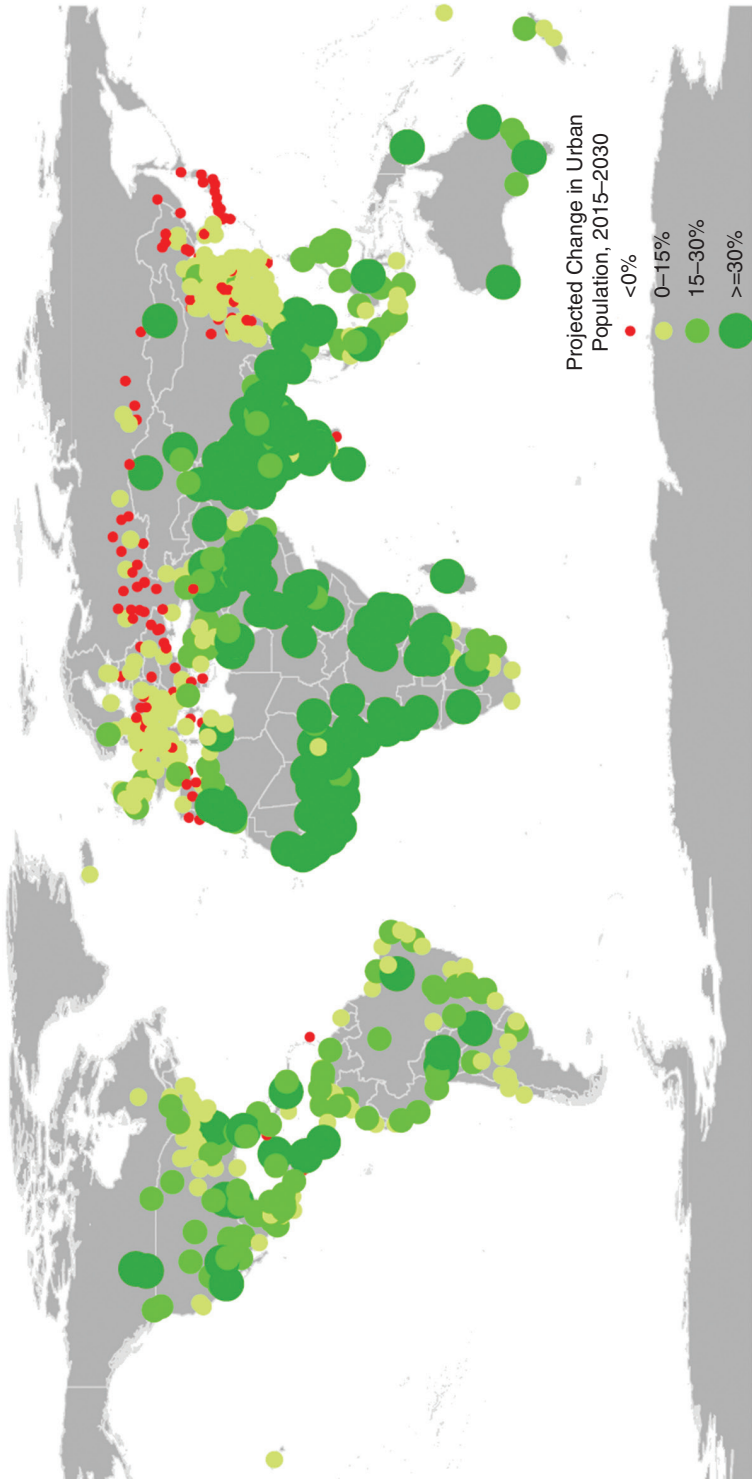


Figure 36.1 Highest Urban Growth Expected in Asia and Africa. Source: Beard et al. 2016.

in the “urbanization of poverty”. While three-quarters of the world’s poor reside in rural areas, the poor are urbanizing faster than the population as a whole, with poverty concentrating in cities (Ravallion et al. 2007; UN-Habitat 2003). In most countries, this phenomenon contributes to the decline of poverty at the national level, which may be viewed by many as a positive trend. However, from the perspective of cities, the urbanization of poverty presents one of the most significant challenges to economic prosperity, environmental sustainability, and meeting the needs of growing populations. Many of the poorest cities in the world have the lowest budgets per capita to deal with the challenges of providing basic urban services and a decent quality of life. While not a perfect measure of a city’s capacity, budget per capita is a useful indicator of the resources available to a city. Budgets per capita of some of the fastest growing cities in the Global South are a fraction of that in cities of the Global North (Figure 36.2).

To solve challenges related to growing urban poverty, we must understand and operationalize the concept of urban poverty so that it can be linked to actions taken by urban practitioners and decision-makers. Conceptualizations of urban poverty range from those based on income or consumption deprivation, such as the standardized poverty lines that measure how many people live on less than two dollars a day, to broader, more multidimensional

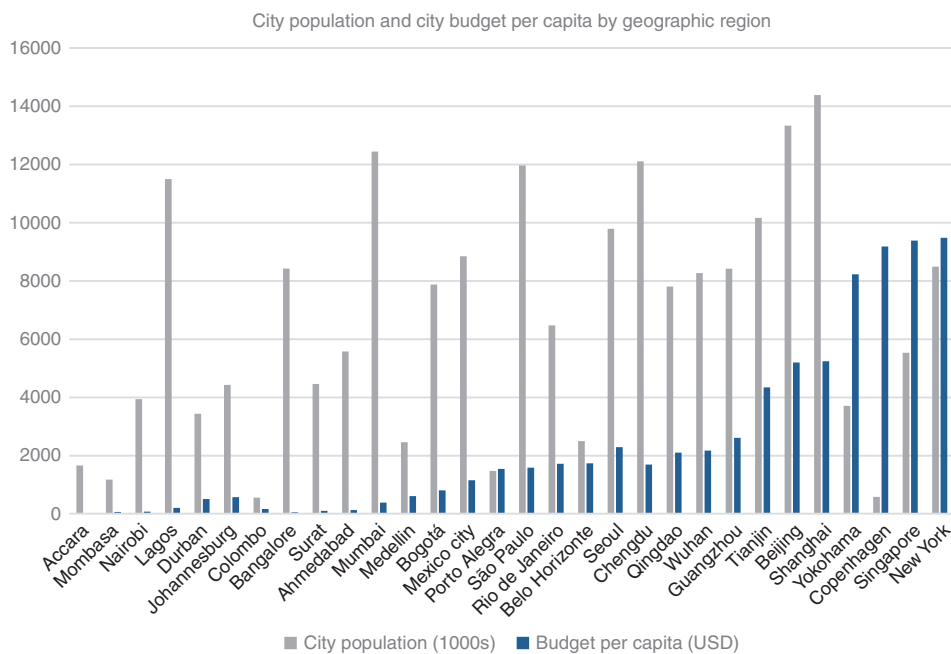


Figure 36.2 Comparison of city population and budget per capita in cities in Global South and North. Source: Beard et al. 2016.

indices of human well-being, and to those based on vulnerability, social exclusion, and the lack of political power. All of these have their utilities, as well as documented strengths and weaknesses.

As urban planners are concerned with the quality of life of all residents in a city and aware of the limited impact that national and subnational poverty reduction programs have had on stemming the rise of urban poverty, we propose a new way to operationalize urban poverty in the Global South in terms of the *urban underserved*. We define the *urban underserved* as low- and lower-middle income urban residents who lack access to one or more basic services such as housing, water, energy, and transportation. They lack access to these services across various dimensions of access – the quality and quantity of the service, proximity to the service (for example, distance to public transport stops and jobs), affordability of the service, and time during which access exists (for example, duration of power or water supply and wait time for public transport). In most cities of the Global South, the composition of the urban underserved correlates strongly with income level, although the concept is broader than simply an income-based poverty line (Figure 36.3).

Based on interviews in seven countries – India, Brazil, Mexico, China, Ghana, Kenya, and Nigeria – we find several common problems faced by urban residents in their level of access to reliable and affordable urban services. The urban services we include are secure and affordable housing; reliable and affordable potable water; clean, reliable, and affordable energy; and safe, convenient, and affordable transportation. These are all urgent needs that must be met in the short term; if not adequately addressed, the urban underserved are compelled

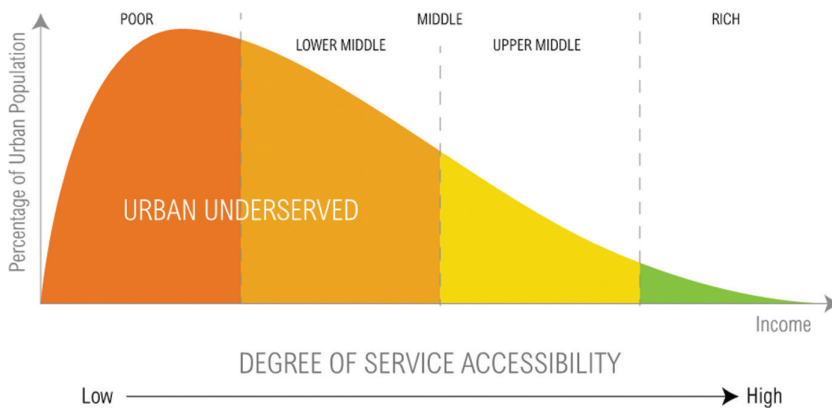


Figure 36.3 Income distribution in cities and the *urban underserved*. Source: Beard et al. 2016.

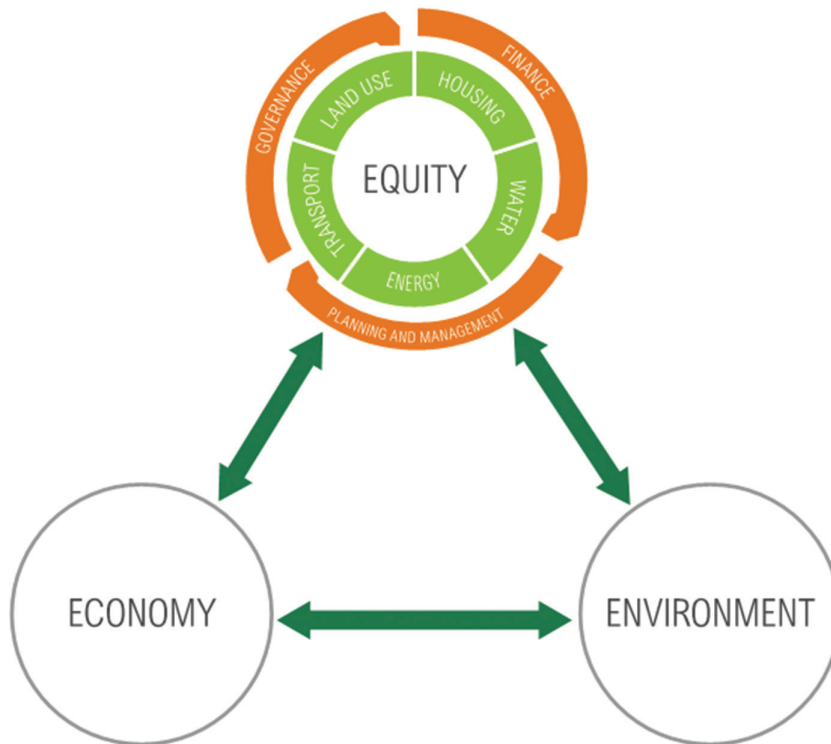


Figure 36.4 Equity as an entry point to a more sustainable city – a theory of change.
Source: Beard et al. 2016.

to self-provide them in informal, illegal, expensive, or unsafe ways. These are all also areas that involve the built environment and infrastructure choices, where making poor, myopic decisions can result in long-term consequences that are extremely difficult and costly to reverse. There is thus a serious lock-in effect.

Urban services that fall at the intersection of fulfilling urgent needs of a growing urban population and avoiding unsustainable lock-in are the highest priorities for cities to get right. If these issues are not resolved for the urban underserved, the costs to the city as a whole are enormous. Progress in these high-priority areas requires coalitions of urban change agents working towards a shared vision, working within important enabling conditions of governance, urban financing, and the capacity to plan, manage, and sustain change over time. When cities make progress in one of these high-priority areas that touch many people's lives, the momentum of these positive changes can affect transformations in other areas of urban development, with the potential to trigger broader, cross-sectoral, citywide transformation, as has been seen in cities such as Medellín and Surat.

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