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HUMAN SERVICES FOR THE URBAN POOR

**Suggested Policies and Approaches to the Provision
of Health, Education, and Housing Services**

by

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CONTENTS

I.	THE POOR INDIVIDUAL IN THE URBAN DEVELOPMENT CONTEXT.....	1 - 8
II.	THREE URBAN RESOURCE SYSTEMS.....	9 - 23
	Housing As A Resource System.....	12
	Health Care Resources.....	15
	Resources for Learning.....	19
III.	ILLUSTRATIVE POLICY APPROACHES TO PUBLIC SERVICES FOR THE POOR	24 - 41
	Sites/Services Scheme in Delhi.....	25
	Slum Improvement in Calcutta.....	28
	Housing Investment Guaranty Loan Program in Chile.....	30
	An Integrated Health Care Delivery System.....	33
	Family Planning Services in Indonesia.....	36
	Non-Formal Education in Ethiopia.....	39
IV.	A POLICY FRAMEWORK TO ASSIST THE PRODUCTION OF HUMAN SERVICES FOR THE URBAN POOR.....	42 - 57
	The Policy Framework.....	42
	Types of Policies and Programs.....	46
	A Policy Approach to Health Services for the Urban Poor.....	50
	Policy Approaches to Education for the Urban Poor.....	53
	A Resource-Generating Policy for Providing Housing for the Urban Poor.....	55
	CONCLUSION.....	57
	NOTES.....	58 - 62

Preface

The provision of essential services to rapidly growing urban populations is a worldwide challenge. In developed and developing countries alike, there is a shortfall in resources to meet the increasing need and demand for a variety of human services. While there are more potentially accessible resources for these purposes in developed countries, comparatively speaking, the demands for human resources also are more articulated and organized. On the other hand, there are potentially fewer resources in developing countries, and while the need for essential services appears to be much greater, it is less well articulated.

The problems of providing needed human services are compounded by equity considerations. Spreading the benefits and opportunities of growth and development requires that increased attention is given also to a more equitable sharing of health, education, recreation, shelter, transportation, welfare, and other basic facilities and services. At the same time, distortions in the prevailing service delivery systems are reinforced as existing services are being strained and, in some cases, overwhelmed by the increasing demand. Oftentimes this demand is accompanied by a decreasing resource potential.

A.I.D. has ample cause for concern about this situation in developing countries. Given its major programming emphasis in the areas of health and population services, nutrition, non-formal education, and a mandate to direct these and other programs for the greater benefit of the poor majority, policies and strategies are needed which make more effective use of available resources.

In this paper the author begins with the poor individual in the urban development context as an available, essential, and often untapped resource. The aim, he states, is to assist that individual in developing -- that is, to increase an individual's ability to address and to solve his or her part of a given problem or problem-situation. In doing so, governments, A.I.D., and other "actors" must decide what is in their domain, when and how to intervene in the problem-solving process, and what should be left to the solutions of individuals and groups of individuals.

Three urban resource systems-- in health, education, and housing -- are examined, and illustrative policy approaches to public services for the poor in India, Chile, Panama, Indonesia, and Ethiopia are cited. Finally, a policy framework and some approaches, which help the poor make fuller use of their own resources and identify and apply other resources in the production of needed human services, are suggested.

CHAPTER I

THE POOR INDIVIDUAL IN THE URBAN DEVELOPMENT CONTEXT

In the first development decade, international agencies and developing nations chose as the symbol of progress the end product of economic activity measured through aggregate output figures. While there is still a desire to increase third (and fourth) world output, there is increasingly greater concern with the nature and distribution of that output with respect to the quality of life faced by national populations, the majorities of which are at or below a subsistence standard of living. In an effort to redress the imbalances caused by this overemphasis on rapid growth, some solutions call for equity through a division of national production by total population and for distribution accordingly. Such a distributive mechanism might be feasible in a country like the United States (e.g., via the negative income tax) where there is great aggregate wealth and fewer poor than rich; in most third world countries, excluding some oil exporting states, the reverse is true.

In seeking new ways to address the development problem, measures, such as the distribution of money income, ratios of money income to marginal productivity, and measures of regional disparity, are valuable analytical tools, but should not be the standards by which development is gauged. Theorists should beware of identifying some new measure of progress lest the professionals of the field direct energies merely to bringing reality into

line with this new definition of quality of life. Fascination with discrete measurable categories seems to be a burden to theorists who make these categories the basis for action in the real world. By use of these new categories, one falls into the same trap as those who advocated merely increasing gross output as the solution to third world problems.

When referring to development, this paper does not necessarily mean expansion of output or increasing per capita income. Development here refers to the improvement of the lives of people. It means people becoming more and more in control of their lives, the ability to change in ways harmonious with their social and physical environment. Placing the emphasis on the human side does not mean ignoring the hard facts of the economic analysts. Concentrating on the people side of development begins to raise the question, "For whom is economic analysis conducted?"

The object of analysis in this paper is a person as the subject of his or her own action. The aim is to assist that person in developing. This does not mean that all programs in development must be oriented toward personalized psychological services for each of millions of people. However, at some point in analysis a very sensitive consideration must be given to how policy will affect individual relations. Critical thinking, therefore, must be devoted to the place of the person in development analysis.

The purpose of this chapter is to generalize the roles individuals play in their development and how governments can respond to the efforts of individuals to better themselves. The point is to "dust off," as it were, a western ideology which holds individual action as the key to and determinant of progress. This chapter then will serve as a basis on which the issue of public services for the urban poor can be addressed.

The central theme of this analysis is that each person possesses the ability to think and act. As an active subject, the individual necessarily identifies problems in his or her milieu. The solutions to these problems provide somehow the things necessary to sustain life at a level of maintenance or growth. The important point here is that this person is not the problem of development; rather, that this person exists in the midst of problems. The objective of policy, therefore, should be to help individuals increase their ability to identify and solve problems. In his work in pedagogy, Freire (1970) states:

In problem-posing education, men develop their power to perceive critically the way they exist in the world with which and in which they find themselves; they come to see the world not as a static reality but as a reality in process, in transformation. 1/

If the theme of problem-solving is accepted, there must be some personal context in which the problems can be met. There must be some freedom to choose alternative courses, some freedom to make mistakes. This is called

autonomy -- i.e., that the goals of a person's efforts and the means used to reach those goals reside in the person. Autonomy suggests a great deal of control over action. An autonomous individual is one who defines the problem, identifies resources, decides how to use them, and then acts. An autonomous individual is one who selects the appropriate object in the environment and establishes with the object's properties in mind the relationship which will solve the problem.

In Freedom to Build, several architects reach a more specific definition of this concept within the context of squatter-built housing. They write:

Autonomy ... entails the ability to enter into reciprocal relationships, to exercise control over life needs and discretion in the trade-offs which establish priorities. Autonomy means the power to bargain, the ability to get whatever one needs, the capacity to pay, in one way or another for what one gets ... 2/

If the necessity of increasing autonomy is accepted, what can governments do to encourage such a condition? This raises a sometimes forgotten question: what is government for? In the western ideology ^{3/} from which the emphasis on individual action has grown, government was conceived to be a passive and reactive set of institutions which enforced certain accepted standards of behavior. Needless to say, today's governments are active participants in all aspects of life. Most government activity is dependent on

an ideology of intervention into the course of an individual's affairs -- intervention often inhibited only by lack of resources. This has been a reaction to deep structural contradictions in societies.

Another question arises: are the problems -- such as the housing shortage, disease, malnutrition, and overpopulation -- in which the urban poor exist so major and so complex that no amount of personal initiative can pull together the needed efforts collectively to eliminate the problems? There is no clear answer to this question. However, one overriding principle should guide an approach to the problems -- namely, to increase constantly an individual's ability to solve his or her piece of these momentous problems. Therefore, while some urban problems call for government as a part of a collective solution, the resulting relationship between government and polity still could seek to increase the latter's role. It is the nature of the problem which should determine the governmental response. Those in government must decide what is in their domain and what should be left to the multiple solutions of individuals.

To develop criteria to decide when and how governments should intervene in the low-income housing market, Turner, Fichter, et al. (1971) have presented some analytical tools to understand both the interplay of individual actions and the operations of governments. The first is a free market model which they label a network. On the government side, they define two functions,

rule making and game playing. The former is a legislative function which insures certain behavioral standards, while the latter is an executive function characterized by a hierarchic bureaucratic model of behavior with the object of creating certain public goods.^{4/} Networks are characterized by independent, co-equal elements; hierarchies rely on a ranked chain of command.

Turner and Fichter hypothesize that by supporting multi-path network solutions, i.e., with individuals tending to exist in perfectly competitive economic relationships, an increase of the quantity and quality of shelter will ensue.^{5/} The output resulting from governmental housing projects, typically hierarchic in the use of resources, never is adequate, they say, to meet effective demand, much less need. These authors explain that, rather than structuring unidimensional solutions, governments should accept the autonomous, network approach and only devise programs which will increase the availability of resources, not their use. The result is a "cost-less" policy- or rule-making approach by government, rather than an hierarchic, game-playing one.^{6/} The solution is then a process of guiding the actions of people who themselves determine the output of goods. This requires treatment of the effect of government on the inputs of problem-solving, the inputs being the resources of problem-solving.

The Turner and Fichter thesis highlights one way of thinking about individual actions and governmental policies. The solutions which they present may be relevant only to the poor in the housing market. The effective use of the network, a communication/market concept, and the hierarchy, a rational bureaucratic model, to solve problems depends on the nature of the problem.

It is through the existence of networks that individual autonomy flourishes. The network is also a politically integrative mechanism, because it tends to open channels of communication among people over space. How then can governments and their agencies strengthen and extend networks? Alternatively, when and how should governments attempt their own hierarchic solutions?

It has been mentioned that the nature of the problem determines the answer. There are three elements which are important in understanding the nature of problem-solving. Most problems demand some kind of resources, and a technology to convert resources into a finished product, be that a house or a healthy person. Most importantly, there is also a person in that process of resource conversion. These three important elements in problem-solving -- people, technology, resources -- are necessary components of development analysis and policy. It is the interaction of these three elements which not only determines output but also how it is distributed, and the social relationships which support that process of production.

The concern or central question of this chapter has been how to increase autonomous problem-solving on the part of individuals. This has served to center development analysis on people and to outline the objective. In the next chapter an attempt is made to put this question to the resource systems of the urban place and explicate further the relationships between citizens and governments in providing a necessary amount of basic amenities at the lowest cost for both poor citizens and national and municipal governments.

CHAPTER II

THREE URBAN RESOURCE SYSTEMS

This chapter sets out a methodological framework for use later with policy matters. The purpose is to discuss the relevant characteristics of three systems of resource allocation and use in the urban place by identifying generally for each system the roles of the people in the system, the application of technology or production processes, and the availability of resources as inputs.

Broadly speaking, individuals supply the purpose of a system and some of its energy. Technology is the application of knowledge to create some new form out of the resources or inputs. Resource availability refers to cost efficiency of inputs, their physical and economic scarcity, and the impact these conditions have on the output. Lastly, these three elements exist in functional and spatial linkages with respect to each other.

Development in this paper means encouraging people to attain greater control over their lives through increasing their ability to identify and solve problems. Given this core idea in the context of metropolitan and intermediate-sized cities, the focus is on how policy can be devised to meet individual needs for shelter, health care, and education. By obtaining certain levels of these amenities, individuals find the means to survive beyond subsistence. However, in the expanding urban centers

of the third world, the system of production and delivery which provides these basic amenities will be overburdened by the rapid urbanization of population. According to the World Bank, four factors account for this -- namely, rapid population growth, decline in some countries of available agricultural land area per capita for those at low levels of rural income, decline in costs of transportation and communication, and fixed territorial boundaries and barriers to international migration.^{1/} While this accounting suggests that the solution to the growth problems of cities lies in the countryside, the fact is that urban populations must sustain themselves. However, efforts to improve the quality of urban life could accelerate migration, and policy directed to improvement is justifiable only if the personal opportunities provided by the urban place are accountable to the public costs necessary to support those opportunities. In one sense, income differentials between urban and rural regions must reflect differentials in productivity and not hidden subsidies, as occur in the concentration of public investment in social and economic programs in the cities alone.

If self-sustaining processes of production and consumption somehow could supply a basic level of resources to sustain city life, urban population growth would be no more of a concern than growth of national population as whole. The assumption is that while net urban population growth and migration from the countryside may decrease, nevertheless,

urban and national elites need to face the urban poverty which already is widespread if the disasters of the predicted "avalanche"^{2/} are to be avoided.

For such an undertaking, it is necessary to have some insight into the nature of the problems confronting poor individuals in third world cities and the reasons for their inability to cope. A good starting point is a sensitive understanding of a city's existing resource structure which, while changing in a growing context, still requires definition. As much as possible, this definition should include what people are doing to meet their particular needs of shelter, health, and learning. People's actions or non-actions are the starting point in this analysis.

Three discrete resource systems are analyzed in this chapter -- namely, the production of shelter, formal and informal patterns of health care including nutrition and family planning components, and pedagogical methods. In these systems, the interaction of people, technology, and resources produces certain life-sustaining outputs -- for example, a shack, a certain diet, the ability to repair a truck. None of these outputs is necessarily discrete or "consumed," and they are not necessarily measurable in themselves; however, if the policy maker has enough first-hand knowledge of the response of people to a given policy, policy effectiveness can be assessed. While a description of the historical factors of growth can explain the problems of cities today,

solutions of an integrated nature must be concerned with the basic structure of human purpose -- i.e., the daily nature of human activity -- in an accurate, qualitative way. The qualitative definition of how resources are used must be made for policy makers by the people facing the problems. Therefore, analysts must understand how these problems are approached in the existing resource systems before a policy judgment attempts to alter the output of that system.

Housing As A Resource System

In order to consider housing as a resource system, analysts must not limit their thinking of "dwelling" as being a completed structure offered on the market by a producer for a specific price. The poor and often middle-income people in these cities are more frequently the builders of their own shelter.^{3/} The western conception of the whole dwelling as a commodity distorts attempts to better housing, because there is only incidental consideration given to the production process which exists prior to any governmental intervention. In fact, little is known about the actions of the poor household.

John F. C. Turner has watched many households create their own space in Lima, Peru. He explains that the immediate provision of housing for these squatters lies more in their possessing the means to build the houses themselves than in government intervention. Turner writes of household priorities:

The average lower income family seeking a home in an urban environment wants secure land tenure, community facilities, an adequate dwelling and utilities in that order. 4/

In response to the lack of shelter many families assume the dual role of owner/builder in which they necessarily must use what is available to them, based on their ability to pay and their use of "free" goods (discarded materials) and borrowed items, particularly tools. The term, "progressive housing", is used to signify this process. 5/

Turner has identified so-called universal elements which exist in any building process and through which a policy maker first can understand the actions of the poor before policy is considered. These include functional, financial, and physical elements: design, management, construction; costs, savings, and credit; and land, materials, tools, and utility systems. The lowest cost combination results for the household which designs, manages, and constructs (using free materials gotten from the city dump) on seized land with borrowed tools. Prevented from achieving this solution, the household will bargain or borrow for the particular building element which most nearly meets the priorities of the moment, and will space the progress of the construction in line with the ability to pay. 6/ These priorities, according to Turner, refer to the quantity of shelter, the form of tenure, location of the site (or the opportunities made accessible by the site's location), symbolic identity, and physical security. These categories are not sacrosanct by any means; they can be contracted or expanded, and the trade-off among priorities is reflected in the choice of elements.

Here is the point of policy intervention. Policy can increase the quality and quantity of and access to these elements. However, effective policy intervention would require policy makers to concentrate on and understand these prior elements. This would entail, among other things, an analysis of (a) the legal structure which hinders secure occupancy (although not necessarily freehold ownership); (b) the tax structure which affects the price of land and its availability (for example, through speculation); (c) the production and distribution aspects of materials and tools; (d) the level of skills in design, management, and construction in relation to the educational system; (e) the building trades and their usefulness in subcontracting; and importantly (f) the availability of credit vis-a-vis commercial institutions, government programs, and particularly short-term loans by local entrepreneurs.

The question is not whether poor people can be expected to operate successfully in such an intricate process. The fact is that people throughout history have relied on their own hands and pocketbooks to create their own shelter.^{7/} This is a pivotal point in analysis and policy development in the shelter sector. Solutions by government should not intend to impose a wholly-conceived production mechanism, except when identifiable groups have absolutely no means of housing themselves; for example, as a result of natural disasters or old age. In this way public investment can be reserved for more needed programs. Another positive result is that the lifting of constraints on personal initiative will allow investment by eager families to flow into the housing market.

Health Care Resources

If housing resources are allocated best through markets, it is because demand and supply can be organized around visible needs, such as security of person and possessions and protection from weather and hostile elements. But other, less visible factors impinge on personal well-being. These factors include disease and poor nutrition. The kinds of resources needed to address these problems suggest a more direct government role.

The nature of current health problems in the urban areas can be characterized by the interaction of several socio-economic and health factors.^{8/} In this regard an analysis by the World Bank is instructive. It reveals that poverty (defined as low socio-economic status) and expanding population (increasing numbers of offspring to insure a male child and surviving progeny) correlate highly with inadequate nutrition and crowded, filthy, and unventilated accommodations. These interactions produce a familiar cycle of high density living, poverty, spread of disease, and high mortality and morbidity rates, particularly in the case of children.^{9/} The cycle of poor health requires local definition, however. In some cases the problem is malnutrition which lowers resistance to disease and in turn impedes a body's normal ability to convert nutrients into useful energy. In other cases rising populations overload sanitary sewerage systems which in turn infect the water supply

and produce a whole gamut of diseases. Health studies also broadly substantiate that infected water supply reduces an individual's ability to absorb nutrients from food. ^{10/} The conclusion of the World Bank study is that the health of a nation is more based on the healthfulness of the daily environment than on the technical skills and delivery of medical care.

The World Bank has built also a rationale for intervention by governments into the health process by correlating improved health indicators with increased worker productivity. The Bank concludes that investment in health (a) is an integral part of a nation's economic development, (b) should be spread among all people, and (c) should concentrate on preventive systems rather than curative services.

Given the "invisibility" of the health problem and the inadequate nature of urban resource systems to confront it, governments need to reorganize the environment so that a self-sustaining system can be built. Such a system will include monitoring the interaction of networks and hierarchies to eliminate the problems most efficiently. The system will need to allocate the quality and quantity of elements (such as food, water, space, human waste disposal, medicine, and contraceptives) through delivery mechanisms most efficient in terms of costs. Different elements require different mechanisms of delivery. Certain elements of the system are public goods, such as waste water removal or water supply; they demand a hierarchic structure of controlled resource use, although in some cities entrepreneurs provide an adequate market response. Other

goods are definitely private, market commodities, such as food, although governments can affect quantity by pricing policies and quality by food fortification. In the case of the private good, governments must understand the market mechanisms before successful alteration is made. In fact, this is necessary for favorable interaction between any market network and a government hierarchy.

The ultimate goal of governments is to enlighten people as to what they can do to enhance their own health. One way is to place useful knowledge in their hands and thereby reduce personal cost and misery as well as social cost. This can occur through mass information campaigns or through dialogue between a health worker and a citizen.

For a more lasting influence on individual habits, such as food preparation, diet, child care, or contraception, the organization of health care must build in a highly personal exchange between the professional and the client. An atmosphere is needed which places responsibility on individuals — i.e., those who benefit most from reevaluating old habits in light of new information. This is difficult to do by public pronouncements. It requires ultimately the exchange of the new information within the informal social relationships among the poor, in order to reinforce the habits which support good health. More attention should be given to enhancing this exchange and to insuring that it occurs in an adequate way.

Finally, governments will need to reconsider the organization of medical care in light of the decreasing median age in rapidly growing populations as the old are less able to pass on even traditional practices to young mothers and fathers.

Expanding the level of care will require direct government expenditures. The urban poor may be in an advantageous proximal position with respect to improved resources in health, nutrition, and family planning as a result of the density of population and lower transportation costs in the cities. While they may tend to have proximate access, they may lack financial and other access to institutional care.

Whatever systems of care are designed, any monitoring and improvement of the system implies an assessment of the distribution of the quantity and quality of care. Distribution can be understood in many respects: income, age, sex, and spatial aspects (i.e., urban-rural, urban poor - urban rich, regional, etc.). The point is that different characteristics of a population dictate the organizational response. The health field in the west usually is tightly hierarchic with respect to authority and responsibility; heavy control is by the upper level professionals. Social barriers and sheer numerical insufficiency seem to leave the western model inadequate for third world health systems. The choice of bureaucratic model should place resources close to the predominantly poor populace. One method would be to use capable lower level professionals who could be chosen from poor groups.

Resources for Learning

This analysis of the resource system supporting education distinguishes between learning and schooling. The ability to solve problems is a function of learning in which the school does not always play a major role; at times, it may play an inhibiting one.

The ability to learn strikes at the core of problem-solving. The overall purpose of a learning resource system is to help people gain the ability to learn the things they need to survive. A person must be adaptable in problem identification and solution, because in a developing context problems of the present and future will differ. Before policy directs public investment into learning resources, officials must broaden their scope of what constitutes educational situations. Among the questions to be considered are: who is learning, what is learned, why is it necessary, how should the learning experience be structured, and what is the appropriate sequencing of the encounters?

For the urban poor access to formal schooling is extremely limited and probably should not be encouraged by extending the present, formal systems. According to the World Bank:

Education systems have been irrelevant to the needs of developing countries during the last two decades because education policies were often keeping company with overall development strategies which were themselves irrelevant to the societies and conditions of developing countries. 11/

In approaching the existing system of education, a more complete picture of structured learning situations which are outside of the normal school can be described. Policy options are more flexible if the definition of educational institutions is broadened from the traditional graded school to industrial training programs, voluntary organization projects in child care, and adult education. The objective of such an analysis is to understand why the skills needed to manage and advance the production process (including the administration of the city and of the nation) are not acquired by the masses of the poor.

The question of who needs to learn is most important and the traditional bias of full-time schooling for the young clouds vision of programs for adults. Owens and Shaw write:

... it is adults, not children, who control a country's production facilities. They own the farms, the artisan, craft, retail, personal services and repair shops. They also work in the big factories. If training is to influence production and investment decisions quickly, then training programs must be aimed at those who are making decisions today. 12/

Urban education programs should be aware that their clientele is the whole city population. In this respect, increasing emphasis on adult programs is needed.

The question of what should be learned should be asked from the perspective of what an individual is likely to face in the job market. Education presumably is a preparation for one to become productive individually and socially. Public investment in education can go a long way in providing skills in the kinds of labor-abundant markets found in third world cities; at the same time it can prevent the misalignment of job expectation, educational preparation, job market reality, and the often resulting disillusionment.

Policy should begin to question investment in the process of production itself vis-a-vis input ratios of labor to capital and capital to natural resources, and the realities of capital scarcity and the need for greater labor absorption. The implication is that resource ratios need to be considered so that the appropriate technology can be chosen to use resources efficiently -- i.e., in ratios reflecting their relative scarcity. The implication for education is that the place of labor in a given technology determines the skills which are needed to operate that kind of technology and hence the focus of personal preparation in the educational system. Given that humans build expectations into their activities, the educational system must impart accurately skills which are relevant to the nature of the technology needed to utilize efficiently inputs in ratio to their relative abundance or scarcity. Situations continue in which thousands of graduates are entering the job market with modern skills when the absorptive capacity of the production processes for those skills is low.

Unfortunately this reform approach remains the ideal because formal schooling, considered by many to be irrelevant to appropriate development, has its own advocates and graduates. They often have become a major political obstacle to a rethinking of technology choice and subsequent educational reform. The situation is by no means hopeless, however, as many unsanctioned educational institutions are growing in marginal groups as mavericks often run by charismatic individuals. These new institutions should be observed at least, and be allowed to run their course as they reflect individual and collective responses to lagging and disillusioning policy. They may hold the key for a widespread revamping of the municipal institutional approach needed for whole cities. This does not mean that government should necessarily take over these new institutions, but rather learn from them and replicate them through reforms in the formal structure.

If people need to learn to solve problems, they will need to practice problem solving as a part of their education. The learning experience must be structured in a way which places the learner directly in touch with a real problem or an appropriate facsimile; the learned skills are the object of the experience. Different skills need different amounts of teacher involvement, hardware and software equipment. Educators, therefore, need a sensitivity to the job market, so that the appropriate abilities are transferred to the learners. Such knowledge would benefit not only the relevance of the skills learned by the students, but would be a source of information on future jobs as teachers link students with employers or investors.

While many questions remain unanswered, it is important that definitions of learning, categories of educational institutions, and attitudes towards public investment in non-formal endeavors are expanded. Broadening the scope of analysis to adapt learning better to the job market can expand the ability of policy to further both the personal and social benefits of development activities. Moreover, in reducing the role of formal systems of education, public capital and operating costs may be reduced; costs of non-formal activities can be supplemented by public grants but not necessarily carried fully by public expenditures.

CHAPTER III

ILLUSTRATIVE POLICY APPROACHES TO PUBLIC SERVICES FOR THE POOR

A number of ideas have been advanced in the previous chapters concerning individual responsibility, the role of governments, the application of technology, the allocation of resources, and functional and spatial linkages in the provision of essential services. These ideas are examined further in this chapter in light of some policy approaches to housing, health, and education in urban areas in developing countries. The important element for consideration in the examples cited is the methodology; full case descriptions are not intended.

Examples from five countries in different geographical areas have been selected -- namely,

- a. slum removal and slum improvement schemes in India;
- b. the AID-sponsored Housing Investment Guaranty program (HIG) in Chile;
- c. an integrated health care delivery system, including medical care, nutrition services, family planning, and sanitation, in the Republic of Panama;
- d. family planning services in Indonesia; and
- e. a non-formal education movement in Ethiopia.

Many descriptions of the chronic and serious housing problems in India exist. The facts of poverty usually dictate a very low level of space and amenity for the urban poor. In dealing with this situation, the Indians have tried virtually every kind of technical solution with no major breakthrough. Two approaches are discussed here: slum removal and resettlement through a site/services scheme in Delhi, and slum improvement in Calcutta. They show different approaches to the same problem -- namely, what governments can do to encourage better housing solutions for the urban poor.

Sites/Services Scheme in Delhi. In Delhi squatters frequently inhabited land set aside for government use. This land was deemed necessary for the development of the capital through the 1950s and 1960s. The squatter settlements, called jhuggi jhonpuri, were made of semi-permanent mud huts placed on vacant space near workplaces. In 1967 there were about 100,000 families or 500,000 people in these settlements.^{1/}

The Government of India stated as its objectives: one, to ensure the planned development of New Delhi, for which purpose it was necessary to discourage the squatters from coming to the city and to move them from undesirable ground when they squattered; and, two, to make conditions of the squatters more liveable. ^{2/}

The Government of India, therefore, developed a program of removal of all squatters and of provision of new land for 33,000 "eligible" families (i.e., those arriving prior to 1960), still leaving 66,000 apparently

"ineligible" families who also were subject to relocation. This "ineligible" figure was increased by approximately 50,000 new migrant families.^{3/}

Between 1967 and 1972 about 30,000 "eligible" families were rehabilitated on the periphery of Delhi with leased plots containing water, electricity, latrines, and some social services. The process of removal was carried out with little or no warning; government workers would arrive early on a weekend day and load belongings on trucks. The families were moved en masse to clusters of plots, and were given no financial assistance for readjustment. The original land of the squatters was cleared immediately to prevent new squatters from occupying the seized dwellings.

Squatters "ineligible" for the full sites/services projects were placed farther outside of the city, and were provided small plots with amenities of water, electricity, but no social services.^{4/}

In examining the government's actions one would have to begin with the assumed inflexibility of plans for the new capital. (The authors of the cited report do not take on this task.) One major inadequacy of the policy makers was the apparent lack of information on how many squatters there were; in 1958, one policy committee decided the figure was 25,000 when later estimates showed actually 50,000 families were squatting. There also was no apparent anticipation of the growth of squatter population.^{5/}

Once decisions were made for removal and resettlement, the government seemed to neglect several categories of costs: first, increased personal costs, including loss of investment in the original squatter huts, increased home-to-work transportation costs, the cost of credit to build on the new site, the disincentive of any remaining squatters to keep their neighborhood from deteriorating because of the uncertainty over the government's decisions to move in, and the higher rents paid for the new site; and, second, government costs, including the high base costs of 1200 rupees per "eligible" family and 600 rupees for each "ineligible" one, costs of improving roads to the new settlements and extending social services (vis-a-vis a mobile medical van) to the "eligible" squatters.^{6/}

One of the most serious implications of the government actions in this case is that all decisions on where and when and how squatters were relocated did not rest in the hands of the families. One consequence of this approach seemed to be the lack of a positive attitude on the part of the squatters to maintain the public baths and toilets. The whole neighborhood environment, except the dwellings themselves, was planned, built, and paid for at government direction and there was a great reliance on officials for even the most simple improvements. In 1973, for example, the decision to upgrade amenities was not decided with the now legal residents but was totally in the hands of the government policy makers.

Slum Improvement in Calcutta. A quite different attitude on the part of planners prevailed in the bustling city of Calcutta. There, bustee settlements contain about one-fifth of the 8.5 million residents. Bustees are hut-like dwellings built by families who lease the land from entrepreneurs. Bustees, therefore, do not represent illegal squatting. Nevertheless, the environmental conditions of these settlements have been appalling. ^{7/}

The municipal government has been working on the bustee problem since 1951. In 1958 it attempted to clear the slums and rehouse the occupants; however, enormous costs forced the government to shelve the project. In 1966 the Basic Development Plan for the Metropolitan District

... clearly spelt out the need for a total provision of sanitary housing for all Bustee dwellers as a long term goal. It recommended a programme of Bustee improvement to bring basic amenities of sanitation and environment decency as an interim measure, involving provision of sanitation, water supply, drainage, ... paving of passageways, and installation of street lighting, all of which could be achieved at a low per capita cost. ^{8/}

Funds from the national government bolstered this modest but wide-spread approach which contained extensive planning for services within designated catchment areas linked to larger city-wide services systems. This program was carried out at a per capita cost of 146 rupees (about one hundred rupees less than the Delhi removal scheme), and affected approximately one million of the estimated two million bustee residents. ^{9/}

While selected tracts of land are considered now for slum removal, due to the need for industrial and commercial activities, the overall attitudes of the government is still to improve the existing settlements and thereby support further the individual actions of home improvement.

The Delhi and Calcutta examples are not properly comparable. In Delhi the plans for the new capital were in conflict with illegal settlers, while in Calcutta residents of leased, legal sites were in the midst of much greater environmental problems. Nevertheless, the extra, hidden costs of the Delhi scheme were avoided by the Calcutta approach. Even more positively the attitudes of officials and bustee residents in Calcutta seemed to be one of cooperation and shared responsibility under the dismal circumstances. The approach which was used in Calcutta brought into play the energy and support of the people. By contrast the government exercised sole control over the squatters' fate in Delhi.

The Calcutta approach appeared to employ wisely available human and fiscal resources in eliminating general environmental problems. Given municipal budget constraints, the policy makers chose to utilize citizen energies and thereby linked individual efforts directly with improvements in the person's immediate surroundings. Government planning could program less drastic measures (e.g., sewerage systems) to bolster really and symbolically the activities of the bustees. Given cost constraints, bustee problems were divided into those which mobilized neighborhood initiative and those which demanded direct government capital programs. The resulting

solution did not jeopardize existing neighborhood structures -- social, economic, political; actually it helped direct the improvements of these structures by expanding their functional capability.

Housing Investment Guaranty Loan Program in Chile. The Office of Housing of the Agency for International Development proposed recently a program for financing home building for the families earning as little as one-fifth of the national median income in Chile.^{10/} This three-year HIG loan program will be of interest because it purports to provide households of "minimum shelter solutions" (meaning squatters) with the financial means to purchase rather than build their housing. In order to do this, the Government of Chile plans to bolster the housing cooperative movement which presently has many uncompleted projects and savings and loan institutions which currently are facing reduction in savings.^{11/} The Chilean Government hopes also in this ^{way} to increase employment by priming the fully equipped Chilean housing finance structure to provide new strength to Chile's building industry.

The implication is that progressive housing solutions in the urban areas will get little or no official support. While this program is one of HIG's first to provide low-income families (i.e., those belonging to cooperatives) with loans for home expansion and improvement, the loan will partly support a self-help concept which is only available to rural families.

In order to participate, the urban, low-income family must purchase outright a completed dwelling. With the requirement of buying a new home, the lack of familiarity with long-term loans, and the rising unemployment inflation, the urban low-income family will need some amount of personal financial predictability before it can be encouraged to join the program. The Chilean Ministry of Housing, therefore, proposes to reduce the burden through a progressive payment plan, a system of monthly payments as a percentage of the monthly income of the client, subsidies for mortgages, and payroll deductions at the source of employment.^{12/}

This HIG loan cannot be evaluated fully for a year, at least -- i.e., when much of the funding has been sifted through the Chilean system. It is possible that the project could serve as a prototype for other nations in using HIG monies. It may prove to be a way central governments can create housing delivery institutions for the poor. For these reasons, some comments are in order.

There seems to be great risk required of the urban poor in accepting the official solution. There is a question whether the poor can assume the burdens of long-term mortgaging if their economic position is marginal. Consequently, the lack of willingness to provide short-term credit for home improvement by the urban poor themselves is seen as a serious shortcoming. For future HIG loan programs, careful consideration

should be given to financing progressive solutions which tend to be linked to the specific space requirements of the families, and which allow families to continue their present efforts. Furthermore, no analysis has yet to suggest that jobs (although probably fewer) would be created in smaller enterprises, such as subcontractors, as a result of the use of short-term loans.

It is possible that the Chilean proposal is a test to see whether the urban poor can be lured away from their progressive developments. The reasons for holding back loans for squatting may just be its limited impact as an employment boost which is a major rationale behind this loan.

An application of the method suggested in this paper to the Chilean housing situation would begin by assessing the actions of the poor in creating their own shelter. It is important to know their land tenure status, the quality and quantity of their built shelter, the kinds of materials and tools they are using, the future availability of these materials and tools, the possibility and advisability of a short-term, improvement loan for, say, a subcontractor to add a critical element which the household cannot provide. This would provide a basis for taking seriously the ongoing efforts of the poor to reach a satisfactory level of control over their space needs. It would provide also a different rationale from that of the proposed loan, which seems to be

to force the poor to make use of hitherto middle- and upper-class institutions. The alternative would require the selective lifting of legal restraints, provision of some kind of short-term credit, and instruction in adult programs on various construction techniques. The object would be to support a squatter to be his or her own general contractor, an active agent rather than a more passive market participant or consumer.

An Integrated Health Care Delivery System. A multisectoral, integrated program to improve basic health, nutrition, and sanitation is underway in the Republic of Panama with U.S. assistance. Begun early in this decade, this assistance supplements a process of decentralization of Panamanian health services through " ... a regional framework of Community Health Centers and Community Health Committees ..." ^{13/} The object of this effort, started by the Panamanians in 1962, is to place greater control of primary health care into local hands. It was assumed that proximity and accessibility to services go hand in hand.

Creation of the local centers and committees has been slow because of a lack of ministerial support, the difficulty in carefully deciding the division of responsibility vertically and horizontally in the hierarchy, and the problem of building a system of training, particularly for the resident health "promoter."

Specific programmatic elements include responsibility in malaria control, latrine building, potable water systems, and maternal and child care, including school feeding programs.^{14/} A program to increase food production which centers on community-run gardens requires inputs of time and resources by beneficiaries who take home in vegetables what they contribute in labor.^{15/}

The government's efforts are focused on organizational and programmatic design; the key to implementation has been to involve local people in critical policy making via the Community Health Committee. Higher (national and regional) levels, dominated by health professionals, place analysis of health problems into strategies which direct the content of the programs. These programs are carried out by the local health officials and local volunteers. Technical staff of the Community Health Center is paid by the Community Health Committee whose members are local leaders but are selected by the upper echelons of the system. The role of the committees is to highlight the importance of health activities and encourage community projects which promote awareness of health and nutrition issues and build sanitary sewerage and water systems.^{16/}

These efforts attempt to decentralize health activities which formerly were mainly curative-related medical services based in urban areas. The process is very similar to an approach used in the People's Republic of China. In China the level of resource allocation in the hierarchy of health care is matched to a geographic spread of services based on the demographics of the whole population.^{17/} Each progressively larger urban center receives progressively more investments in specialized medicine. Personnel is shifted from urban to rural areas or vertically in the hierarchy, thereby spreading an understanding of the problems faced at the different levels.^{13/} Like the Panamanian system, there is concentration on primary care, education, and improving the environmental factors which affect health.

The object in health care is to vest the proper person with the appropriate knowledge and ability to prevent or cure a health problem. The suggestion here is that the role of each participant requires clarification. The participants range from the individual villager or urban poor to the minister of health. Power in the system needs differentiation according to the nature of the health problem, the technology required, and the resources available to fuel that technology. The direction of the system can be to place much of that power in the hands of the one most affected by unhealthy environments -- i.e., the individual.

The Panamanians are busy building strong local energies into a systematic extension of health knowledge. The mechanism of the Community Health Committees and the Community Health Centers is important in establishing continuous institutions needed to link citizens to the sophisticated levels of medical technology. Indeed, the very nature of these institutions demands decentralization. Moreover, the focus is not only medical. The Panamanian system is the interplay of the national health hierarchy and the local institutions responsible for choosing which predesigned sectoral program will deal with the locally designed problem. This interplay allows for much local initiative to permeate the local jurisdiction. The Panamanian system would seem to be a complete framework for rapid delivery of other health programs, depending on the amount of trust among the different levels and particularly at the important level of the community itself.

Family Planning Services in Indonesia. Beginning as a private voluntary program to assist families in planning for their children, family planning has blossomed into a fully backed government effort in Indonesia which seeks to slow the growth of a rapidly growing population (121 million in 1972). In 1970 the President assumed direct control of all efforts by creating the National Family Planning Coordinating Board to oversee activities in the Ministries of Welfare, Health, and

Information.^{19/} The Board created a coherent delivery mechanism out of often contradictory programs to alter the birth rate. The approach of the private group was adopted, and a training program was developed for field workers who were actively to recruit interest by disseminating information on and devices of birth control.^{20/}

This active strategy had to rely on the existing health structure, and more importantly had to concentrate on existing authority figures in the villages and neighborhoods to provide local acceptance of the field workers' activities. A field worker needed first to earn the respect of the village chief, the religious leader, and the very important mid-wife, the Dukun, of the area.^{21/} The Dukun is usually an older mother or grandmother, who often has been the local spark to move the population control strategy into practice -- frequently over the reluctance of the chief and religious leader, most of whom are men.^{22/} The Dukun holds the trust of the young mothers, who are willing to prevent increasing their family size with help and support from the Dukun. Thus, the hierarchy of regional office, local health center, and field worker relies heavily on the Dukun to gain acceptance by the young mothers.

This program is building actively yet humbly on a tradition by supporting interested, local leadership to deliver the message of the benefits of limiting family size, rather than by forcing individuals into outside behavioral standards. Once this is understood, then the field worker, functioning in the umbrella-structure of the health and

welfare ministries, can provide specific technical information and devices.

Prior to official family planning programs, there was already a tradition of practical birth control in Indonesia. However, with the enormity of the problem the Indonesians need systematically to slow their rate of growth. Their approach has been to provide the necessary services to mothers via a decentralized health care hierarchy which makes use of the traditional system. At the present state of medical research, birth control is ultimately the responsibility of the mother. Thus, the program needed not only to provide the means of birth control but also needed to stimulate the will to limit births. Applying the approach in this paper to the Indonesian case shows an adequate hierarchic-bureaucratic response to the very personal matter of birth control. This report of the Indonesian case neglected the urban poor because of the author's stated bias against cities. However, many of the considerations relevant to rural poor are appropriate to the urban poor. For example, it is essential to know whether the same kinds of local relationships (Dukun to mother) are viable in urban neighborhoods. Other considerations are what special incentives exist for the urban poor to have more or fewer children. Can these incentives be regulated or eliminated?

The ways in which society does or can subsidize families deliberately or inadvertently to increase or decrease the number of new lives also deserve careful attention.

Non-Formal Education in Ethiopia. Writing in a journal of appropriate technology, an Ethiopian explained:

'Moya' is an Amharic word meaning a place where people come together to share knowledge and to work together. Our Moya is a new kind of school system, suited, we believe, to the real Ethiopia today. 23/

The purpose of this new kind of national system of education is to overcome defects in the existing system by (a) providing an education based on the skills needed for national development, (b) providing mass education in necessary formal subjects, and (c) decreasing the educational gap between rich and poor. After four years of basic science, mathematics, Amharic, English, geography, history, and health, a student will engage in two to three years of work-related education often in the agricultural areas of the nation. In some cases students will cultivate a particular piece of land under the guidance of an expert or teacher. 24/ Other skills which will be taught are weaving, building, industrial subjects -- in short, the basic skills needed to create resources for use in the production process.

The effort now underway in Ethiopia will attempt to link the various technical academies and free schools with a program of formal instruction to create in Ethiopia opportunities for acquiring the skills needed in an appropriate national development program. The goal is to relate organized training and those activities which support development in some kind of nationally integrated system.

Ethiopian leadership has decided to reorient programs in education after a rethinking of educational goals and overall development objectives. The direction of development has been refocused more realistically on Ethiopia's resource potential in agricultural and appropriate industrial activities. In line with this shift, the educational system is being reoriented also to match learned skills with those which the market will require. The thrust of the new structure is to place the student, after a few years of literacy training, in touch with his probable occupation through a series of projects and jobs.

Such an approach seems to anticipate the thesis of this paper by turning to alternative non-formal organizations which will provide a forum in which learned skills are linked to realistic job opportunities.

Regarding public investment, the Government seems to be looking for innovative institutions which can be welded to a central bureaucracy.

The question arises as to whether this kind of institutionalization eventually will lead to a rigid though admittedly more equitable educational system. Active government control can function to stifle the innovation and flexibility evident among hitherto unofficial, maverick institutions.

The foregoing examples indicate the various individual and institutional responsibilities involved in providing services in housing, health, and education. They illustrate how services can be developed for particular local needs and based on abilities to pay, whether through personal cost, redistribution of society's production surplus, or foreign assistance. ^{25/}

CHAPTER IV

A POLICY FRAMEWORK TO ASSIST THE PRODUCTION OF HUMAN SERVICES FOR THE URBAN POOR

In the previous chapters the author, as a subject, has treated the urban poor and the process of production and consumption of public and private goods by and for the urban poor as his object of analysis. In this concluding chapter there is a change in the dialectical style. The shift entails an expansion of the object of analysis to include the dialectical relationship between officials of the host government and AID officials. It really is this bipolar process between the two sets of officials which objectifies the poor and the economic process of poverty and determines the flow of resources from outside of the cycles of poverty to the person in the midst of those cycles.

The policy framework presented in this chapter structures the bipolar relationship with categories which, if expanded, can provide points of access for AID policies and programs to influence the production of human services for the urban poor. A few examples will be offered which illustrate the use of these categories on various subcomponents of housing, health, and education.

The Policy Framework. The policy framework contains three major groups: host country officials, the urban poor, and AID officials. For AID, changing circumstances and dissatisfaction with certain failures of strategy for third world development have prompted a rethinking of some

of the assumptions of development. Evidence of this rethinking can be seen in the Congressional mandate on the "poor majority," a redefinition of strategies in health and education, and a new interest in the urban poor.

The first chapter was an attempt to extend these agency initiatives which have been embodied in the term "participation." The notion was to conceive of the poor not as passive but as active subjects in a discussion of problem-solving, a redefinition of development, and through increasing autonomy. These formulations are placed in the policy framework as the ideological assumptions of AID regarding the responsibility and ability of the urban poor to help improve their own quality of life.

Chapter I went further to present the role of governments (national and extranational) as one of supporting the initiative of the urban poor. Therefore, AID should be looking to support direct government production and delivery programs for the poor only when no production structure exists to solve a particular problem. The assumption is that if some kind of structure (e.g., the housing market) exists, then government should be an indirect monitoring agent rather than an actual producer. Further thought on AID's assumptions, of course, is essential, and future analysis should be based on the reality of the poor -- i.e., the present tensions they face in the production system of public and private goods, including interaction with government institutions.

In addition to understanding these formulations or ideological assumptions, there must be some categories for action. Action to help the poor change results from the application of assumptions (whether explicit or implicit) on specific problem sets. In the case of AID, five programmatic categories of assistance are suggested as follows: technical, financial, disaster, demonstration, and theoretical. A further delineation of these categories requires a description of the assumptions and actions of host country officials and an intimate understanding of the social process of poverty in a given urban place.

AID does not frequently have the opportunity to intervene directly in the economic process of poverty. Most assistance is sifted through the national and local power structure. In order to reach the poor and increase their autonomy, therefore, AID must analyze the ideological underpinnings of host country official actions along with the policy tools which indigenous officials use to alter the condition of the poor. Analysis of their assumptions can take many paths; it can begin with an investigation of indigenous historical-legal tradition, cultural perspectives, impact of external ideologies, and the educational exposure of the officials. The reason for analyzing their assumptions is to understand how indigenous ideology can further or retard policies which increase autonomy in the poor.

Regarding the actual decision-making process in the developing world, much research has uncovered already the plethora of potential tools for policy in the functional areas of law, taxation, income transfers (rulemaking), and of capital programming, health, and education (institution building/game playing). These are the mechanisms by which host country officials can influence indirectly or directly the structural transformation (an ongoing condition) of the economic process of poverty.

The aim of analyzing host government assumptions by AID should not be to impose a preconceived ideology; rather, to open dialogue to build a generative thought process based on the knowledge which all parties bring to the development relationship, including the knowledge of the poor. Resulting categories of thought, however, are useless if developed out of touch with the phenomenon they seek to objectify; ideologies must be based on reality.

The substantive reality of urban poverty, the object of the tension between U.S. and foreign officials, is the key element. It was elaborated on in Chapter II, which sought to identify the production process of certain public and/or private goods for housing, health, and education. The three elements of any system of production -- people, technology, and resources -- are wedded in a particular structure to become a working unit of production. This unit of production can be a poor household (e.g., in the case of housing), a firm (e.g., private goods in fee-for-service medical care), or a public agency (e.g., primary education, a public good). The important distinction is that for different services the poor may be producers and consumers, consumers but not producers, or only producers.

For each kind of service this producer-versus-consumer dichotomy is reflected in the structure of interaction among people in the production process. When households exist as independent, purposeful units in markets of relatively pure competition, the structure of the process resembles a network with independent nodes and links. When households are the clientele of a particular government service (say, medical care), the structure of production will resemble a hierarchy or organizational tree. Chapter II sought to delineate the important sub-elements of the different structures of housing, health, and education. These sub-elements are considered here as the relevant elements of policy in the proposed framework.

Types of Policies and Programs. Five programmatic categories of assistance were suggested above for AID to further its goals -- namely, technical, financial, disaster, demonstration, and theoretical.

The technical category refers to a transfer of specific knowledge which attempts to increase the productivity of the urban poor whether in terms of environmental health, educational skills, or another subject matter area. Technical assistance does not challenge the core assumptions of host country policies or programs, but takes them as given, and helps to implement them. Technical assistance becomes a valuable vehicle for enhancing the poor people's capability to solve their own problems only after some compatibility is reached regarding the goals of host country and AID officials.

Financial programs carry great symbolism, and vary considerably in nature and scope. "Financial" refers either to direct transfer payments or to loan activity. The idea is not to concentrate financial assistance on providing goods and services (i.e., outputs) but to use monies to help build the capability, whether in the poor themselves or in government agencies, to produce those goods and services. This could mean entrance by AID into the realm of credit for the sake of capital accumulation on the part of the poor. However, such policies are potentially dangerous, because the disbursement of loan monies requires certain kinds of institutional structures which sometimes are oppressive to the poor. It would be desirable to avoid long-term obligation loan activities and to tailor credit institutions to make them accessible to the poor people's experiences and expectations. While AID needs to cater to the assumptions of the elites regarding their own priorities in the distribution effects, financial assistance can affect the production structure intimately, and could be a lever to change the assumptions of the elites.

Disaster assistance fulfills a comprehensive set of needs, if for a limited time. Controlling factors include the nature of the disaster, physical barriers to the site, resources available in terms of actual goods and services and funds. The ability of disaster assistance to foster a better future capability to reduce conditions of poverty depends on the support given after the initial disaster is alleviated. In Managua, Nicaragua, after the earthquake in 1972, AID was able to provide a continuing

presence which afforded opportunities for working directly with the poor. Disasters usually disrupt local institutions and their control functions. Disaster assistance, coupled with necessary financial and technical capabilities, could help bypass the sometimes restrictive attitudes held by the host country officials regarding direct contact between the poor and AID officials.

Another form of assistance is the demonstration project. As with disaster assistance, a whole new process often is "demonstrated" within the existing institutional structure usually with the official purpose of changing the latter. This kind of assistance can begin from an ideological baseline and develop an analysis of goal-consistent policies and programs -- i.e., goals consistent with increasing autonomy. The host country officials need to be consulted. (Sometimes this occurs only after the design of the project has been completed.) If the demonstration project is accepted, it may provide as much access to the poor as in the case of disaster assistance. In Nicaragua, for example, AID's Office of Urban Development approached the government with a demonstration project to decentralize planning functions and build programming capability at the local level. Demonstration projects, probably one of the most direct AID approaches to reaching the urban poor, can assist a particular neighborhood or city, and can provide examples for other cities and nations.

If AID can develop for the cities a structural analysis which places the production process underlying urban poverty in a policy perspective, then theoretical assistance can be provided at a limited financial cost. This kind of assistance can be provided in a conceptual form or through the data categories the Agency provides in its analysis of inter-related problems in a society. This form of assistance is a two-way process which attempts to bridge a critical gap of knowledge. Theoretical assistance is the result of this dialogue and cannot function without dialogue and a basic level of trust.

As a corollary of the foregoing consideration of types of AID policies and programs, it would seem appropriate to discuss the policy tools of host country officials. However, for the purpose of this paper, a general knowledge of the decision-making process and of some of its legal and institutional mechanisms of control over behavior and resources is presumed. What follows, therefore, is the application of the framework, with emphasis on what AID can do to help produce better conditions for the poor in the areas of health, education and housing.

A Policy Approach to Health Services for the Urban Poor. AID can assist the extension of health services to the urban poor by helping host governments implement an institutional model which links poor people to the health profession and appropriate government health agencies. The purpose is not only to restructure the organization of medical care, but also to refocus the attention of health knowledge away from specialized curative research and treatment to programs which attempt to identify environmental factors injurious to health, such as contaminated water supply and unbalanced diets. The task is to develop an institutional capability to identify and eliminate these factors. AID has already begun this work.

AID can recommend organizational designs which build a functional and spatial hierarchy by paralleling the distribution of population over space with the organizational health care hierarchy. The effort should seek to put the health worker personally in touch with the community to be served. The object is to align the professional interest of the health worker and the interests of the poor.

The attitude prevalent in a system can be that individuals determine their own health in a major way. The more personalized approach which is made possible by a decentralized hierarchy needs to provide opportunities for information-sharing and mutual learning between health workers and their poor clients. The impact can be substantial as information begins to flow through the informal social networks of the poor and back to the health professionals and national ministries.

As in the Panamanian case presented in Chapter III, official representation of the poor on committees can be more than symbolic. In addition to what the poor can contribute to the work of the committees, there is much in the way of skills and know-how for the poor to gain. Whether functional or advisory, local committees are avenues for the poor to voice their needs and to learn to exercise their power in the health hierarchy for certain programs which they can implement with their own resources and for supplemental assistance from health organizations.

Recommendations regarding the structure of the hierarchy should avoid overcentralizing control. The goal could be to circulate resources, including knowledge, as quickly as possible through the system. Decisions on primary care, sanitary schemes, and various dietary programs should be the responsibility of the organizational level in closest touch (geographically and personally) with the neighborhood of the poor. Programs should be able to originate either from the bottom or the top of the hierarchy. The top has access to more sophisticated research methods and technology, and when new findings demand application at the local level the local workers and clients need to act as implementers of the programs and policies from above. As knowledge in a given health area becomes widespread -- for example, testing for coliform levels -- then initiatives for policy design and implementation must be allowed to originate at the lower levels.

This turns on the issue of control of resources, including funds, and the kind of programmatic capability the lower levels of the hierarchy really have if they cannot control the resource inputs. The lower levels of the hierarchy need access to some financial inputs. Assuming the lower levels of the health care hierarchy have access to the institutional groupings of the poor, whether in the form of a neighborhood group of elders or a health committee, then jointly the health workers and the local leaders may need at times to convince the poor to use their own labor, savings, and other resources. AID assistance can be theoretical (conceptual and research) assistance for determining the factors causing ill-health or the organizational design of a health delivery system, whether it is a full national system or a demonstration effort. An example of technical assistance would be training health professionals to reorient care from medical-curative to public health-preventive activities. Financial assistance is important initially in setting up a health system, but not in continuing its operation. In that case, credit needs to be available not only for the central functions but also at the local level when communities unite to finance their own capital programs and demonstrate their ability to pay.

Policy Approaches to Education for the Urban Poor. As in health, so in education do governments attempt to link certain parties involved in instruction around some substantive process. In health the process is the functioning of human biology and its surrounding environment. For education that process is the whole structure of the production system itself. The report by the International Labor Office on the mismatching of educational skills, personal expectations, and job opportunities in Sri Lanka (1971) provides a good analysis of this problem.

Overcoming elite bias which favors formal training for the young may be the key to implementing the various approaches to non-formal educational modes. If this is the case, AID may want to support the kinds of training institutes which typify non-formal education through voluntary organizations and private foundations rather than confronting official attitudes directly.

However, if official attitudes are receptive, AID could begin by analysis of the educational situations which exist to support the systems of production to which the poor have access. These situations may be out of reach of traditional AID mechanisms of support. There are, however, cases of various institutes and industrial programs which could be expanded through various kinds of technical and financial aids, as cited by AID's Office of Education and Human Resources.

The policy planners in the education system must be in intimate touch with the system of production, in order to provide a practical base of information for the students. They must know where the jobs are and, more importantly, what kind of employment is realistically possible given the dearth of jobs in the formal (modern) sector. This kind of analysis could be promoted by AID. Other than supporting some base level of literacy (four-year primary schooling?), AID should not try to extend the existing formal structure of education to the poor. AID can assist alternative institutions which are trying to compete with the traditional schools by producing pupils with skills appropriate to the productive activities having international or domestic competitive advantage.

In selecting specific projects, a concentration of learning resources on the adults is advocated for quicker and more mature access to the system of production. If the "informal" economic sector is viewed as the object of education and begins to become more productive, absorbing more labor, then growth will result. Theoretical assistance by AID should be used to approach elites with organizational design in a manner similar to the approaches in the health field -- that is, by recommending how to structure the national educational system by keeping students in direct touch with the economic system. One way is to provide only part-time education while the student (young or old) is employed elsewhere.

This can encourage direct use of learned skills. Another way is to create learning situations which are focused on real problems -- e.g. , learning how to build houses by building one's own house. The phrase, learning by doing, can be systematically applied within an institutional context.

A Resource-Generating Policy for Providing Housing for the Urban Poor: Earlier in this paper recommendations were detailed on how policy-makers can increase the availability of housing resources while not dictating the market response to the use of these resources.

To further this kind of resource-generating policy, AID should be well versed on examples in which this approach has been officially adopted -- for instance, the present government in Peru and the squatters of Lima. The literature contains analyses of individual housing solutions and the implications for policy. What is needed in AID is an expertise in housing policy beyond the existing capability in supporting national financial structures as conduits for U.S. private investment. The poor rely on their own market structures; these are or can be viable institutional mechanisms to provide the needed shelter. Expertise in housing policy for the urban poor could be transferred to the cities of the third world via the traditional routes of foreign assistance and could be combined with other aid in packages of assistance. Such a package could provide technical personnel to demonstrate economical

building techniques (i.e., using indigenous resources, appropriate technology, and self-help techniques), loan funds to supplement municipal capital programs in physical infrastructure, and the transfer of knowledge to local and national housing officials from experienced experts who have necessary design and/or planning skills and who have the sensitivity to help support present market structures. Some specific concepts which AID might investigate are: (a) municipal land banking, (b) sites and services schemes, (c) land use planning and programming, (d) rent subsidies for handicapped groups, including old people, and (e) non-formal education in construction techniques.

CONCLUSION

There are numerous avenues which AID can take to ease the burdens of urbanization in the housing, health, and education sectors. Many approaches do not require heavy financial assistance (which has been the general route of the IBRD). Rather, using its experience and based on a reassessment of the goals of development, AID can help world cities mobilize resources — human and non-human — presently available to them.

This requires not only understanding the underlying purposes of the actions of the urban poor, as outlined above, but also understanding and treating the phenomenon of poverty not as an isolated occurrence, but in its regional and ultimately national context. Only by expanding their geographical orientation can policy makers for cities begin to grasp the resource base which they can tap. Ultimately, of course, the goal of the policy maker should be to help the poor themselves identify and use the resources which exist beyond their present personal horizons.

If this kind of broadly defined perspective were linked with an ideology of individual responsibility, then AID could develop the basis for truly integrated assistance to the urban poor.

NOTES

Notes to Chapter I

1. Paulo Freire, translated by Myra Bergman Ramos, Pedagogy of the Oppressed (New York: The Seabury Press, 1968), pp. 70-71.
2. Robert Fichter, John F.C. Turner, and Peter Genell, "The Meaning of Autonomy," in Freedom to Build, edited by Robert Fichter and John F.C. Turner (New York: Macmillan Company, 1971), p. 247.
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25. Other examples which might be analyzed using the approach in this paper are: (a) progressive housing in Lima, Peru. See John F.C. Turner, "The Reeducation of a Professional" (pp. 122 ff.) and "Housing As A Verb," (pp. 148 ff.), in Turner and Fichter, op. cit.; (b) squatting in Djakarta, Indonesia. See Mendelsohn and Saint, op. cit., pp. 41-44; (c) general analysis of sites and services programs. See United States, Department of Housing and Urban Development, Office of International Affairs, "Planning Sites and Services Programs," Ideas and Methods Exchange no. 68 prepared for the U.S. Agency for International Development (Washington, D.C.; The author, 1971); (d) medical care organization in the People's Republic of China. See A.J. Smith, op.cit., (e) non-formal education and Ethiopian Women's Welfare Association (EWWA). See Richard O. Niehoff and Bernard D. Wilder, "Non-formal Education in Ethiopia," Program of Studies in Non-formal Education Team Reports, ed. Marvin Grandstaff (East Lansing, Mich.: Michigan State University, Institute of International Studies in Education, 1974), pp. 284-287; and (f) radical adult education in Recife, Brazil. See Paulo Freire, Education for Critical Consciousness (New York: Seabury Press, 1973), p. 41 ff.