

SPARC, the National Slum Dwellers Federation and *Mahila Milan*

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IIED Working Paper 5 on Poverty Reduction in Urban Areas

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The ten case studies demonstrate the important roles that local institutions have (or can have) in contributing to poverty reduction in urban areas. They show that:

- many aspects of poverty need to be addressed, including not only inadequate livelihoods, income levels and asset bases but also poor quality and often insecure housing, inadequate infrastructure and services, inadequate legal protection of poorer groups’ rights and “voicelessness and powerlessness” within political systems and bureaucratic structures;
- there are often positive multiplier linkages as actions to reduce one aspect of poverty can help reduce other aspects;
- there are many possible entry points for reducing poverty (including some for which little or no external funding is needed) and many kinds of local organizations or institutions can contribute to this;
- the form of the local institution that can reduce poverty varies with context; they can be community organizations, federations of community organizations, local NGOs, local foundations, municipal authorities or, on occasion, national government agencies or local offices of international agencies;
- one of the critical determinants of the success of poverty reduction initiatives is the quality of the relationship between “the poor” and the organizations or agencies that have resources or powers that can help address one or more of the deprivations that poorer groups suffer; and
- sustained poverty reduction requires city and municipal government agencies and political structures that are more effective, more accountable and more able to work with low-income groups and their community organizations.

International agencies need to develop or expand funding channels to support local institutions that can deliver for low-income or otherwise disadvantaged groups (including the organizations, associations and federations formed by these groups as well as local NGOs and local government agencies) while also remaining accountable to them. This should also support the capacity of these institutions to widen the scale and scope of poverty reduction programmes and recognize the fact that much poverty reduction depends on new attitudes and actions by local government institutions.

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SUMMARY

Introduction

This paper describes the work of an Indian NGO, SPARC and its Alliance with the women's cooperatives (*Mahila Milan*) formed by pavement dwellers and the National Slum Dwellers Federation. This Alliance has shown how work in many different areas such as community-based savings and credit groups, pilot projects, housing construction, the development of toilet blocks and the management of resettlement can contribute to poverty reduction, as long as these are based on what communities can do for themselves and the communities retain control. This implies the need for changes in the relationship between urban poor groups, government and international donors. The Alliance has also demonstrated the need to work at different levels, including securing policy and institutional changes through mass mobilization, based on precedents that are developed by the poor.

The Alliance's Evolution

1984-86: SPARC's early work was with women pavement dwellers in Mumbai, providing them with space to meet and to discuss their problems. They sought an organizational form that invested knowledge with collectives of savings and credit groups formed by pavement and slum dwellers (*Mahila Milan* – "Women Together"). New strategies and tools were developed to bring them out of isolation, including:

- the pavement dwellers' enumeration (*We the Invisible*) that they undertook themselves;
- developing ways of dealing with common crises, including eviction, police harassment and obtaining water and ration cards (which gave them access to subsidized food). As one women's group developed an approach that worked, so, through meetings and community exchanges, others would learn from them;
- exploring the constraints on obtaining a secure home, and from this developing a housing strategy, starting with their own savings. While SPARC's work has widened beyond the pavement dwellers, new strategies for change are tested by the pavement dwellers and the leaders of the pavement settlements remain among the main trainers of other groups.

1986-88: To enable pavement dwellers to get land for housing, wider support was needed. An Alliance was formed with the National Slum Dwellers Federation (NSDF), a loose coalition of local federations active in many cities. Up to this point, the Federation had not found working with NGOs very useful, as community members were not allowed to choose issues and influence resource use. NSDF offered advice and shared experiences with SPARC and *Mahila Milan* and, as the relationship grew, male leaders in NSDF recognized that *Mahila Milan* could provide women with space within its local federations; women now make up almost half the NSDF membership. The slowly emerging Alliance developed an educational and organizational strategy for community-learning, with pilot projects and expanding learning through exchanges between low-income settlements; this has been at the centre of its work ever since.

1988-90: A growing interest in the work of the Alliance during the UN International Year of Shelter for the Homeless in 1987 led to many international contacts. SPARC used this to increase the exposure of community leaders to other experiences through community exchanges within cities, between cities and, finally, internationally. Although most community exchanges are local, community leaders from India also developed exchanges with low-income communities in South Africa, Thailand, Cambodia and Laos.

1990 onwards: The Alliance felt it had the strength to start building homes, borrowing money and

undertaking larger programmes, with its base community organizations retaining the central role. They began negotiating with government and international agencies but for resources on their terms. By 1995, a number of core activities had developed, including savings and credit groups, a learning cycle through pilot projects, community exchanges, house-building and resettlement.

The Alliance's Core Activities

Savings and credit groups: Pooled savings have been developed by hundreds of community groups to finance a capital fund for crisis loans. As groups learn to manage this, so savings for housing can develop. Women in particular are attracted to these. Savings groups can transform savers' relationships with each other and with their families and the community. There are now hundreds of thousands of urban poor with access to emergency loans, and more than 25,000 households who save for housing.

House-building: Initially, support for housing was slow because of the difficulties faced by urban poor groups in getting land or in negotiating tenure of the land they occupied. "Shack-counting", through community-initiated and managed surveys and maps, helped communities to identify their problems and develop their priorities. This also produced a visual representation of their situation which helped the development of physical improvements and helped in the negotiations with external agencies. Community members learn how to develop their own homes – how to get land, to build, to keep costs down, to manage professionals, to develop new materials, to install infrastructure and to negotiate with government agencies. They develop designs through collective house-modelling which usually includes developing full-scale models which are discussed through community exchanges. There are now over 3,500 houses built with permanent collective tenure and 5,000 borrowers. The Alliance also has the capacity to draw on funds from external agencies to support this process.

A constantly expanding learning cycle through pilot projects which demonstrate new ways of addressing problems based on what communities can do for themselves.

- Communities identify needs and priorities and, through discussions within the Alliance, develop a strategy to address them. One or more communities agree to try out this strategy and so become a living laboratory of how change can occur; the Alliance can then learn from this. There are many failures at this initial phase.
- Once a solution has been developed, many community exchange visits stimulate the next generation of volunteers to try out the strategy and refine it to suit their local circumstances.
- The refined solution is then explored on a larger scale within the city and again is shared through exchanges. The Federation builds a core team from those who implemented the solution, who visit other cities to demonstrate how it worked and to expose more communities to innovation. They also put pressure on local officials and politicians for change to support more community action.

Community exchanges build upon the logic of "doing is knowing" – and they may include concrete actions such as house-modelling. They develop continuously because they serve many ends, including:

- Drawing large numbers of people into the process of learning and teaching, especially women who previously were excluded and, over time, exposing more communities to innovation.
- Supporting local sharing of experience, and reflection and analysis, enabling the urban poor to own the process of knowledge creation and to federate, developing collective vision and action.
- Helping create strong, personalized bonds between communities who share common problems, presenting them with a wide range of options through which they can address their problems.
- Creating grassroots organizations able to take up new possibilities if there is a change in

policy. If the Alliance succeeds in promoting changes in policy, there are many grassroots organizations who are able to use this. Growing numbers of organized communities also means more pressure for policy change.

- Breaking down national boundaries. International links help stimulate new ideas and attract interest from local governments, creating space for negotiation.

Building toilet blocks: The only provision for sanitation that pavement dwellers and most slum dwellers have is from public or communal toilets. These are often poorly maintained and, for most users, distant and difficult to access. In Mumbai, the Alliance saw that they could work within a Municipal Corporation Slum Sanitation Programme and develop community-managed toilets. Building and managing shared toilets can unite communities and build their capacities and confidence. It can also help develop a relationship with the local authorities.

Resettlement: For more than a decade, the World Bank and the government of Maharashtra have sought to improve Mumbai's suburban railways but tens of thousands of people have developed their homes on the land each side of the tracks, including huts within a metre of passing trains. The Alliance and the Railway Slum Dwellers' Federation have worked with the inhabitants to develop a resettlement programme in which people move voluntarily and get good quality housing in sites of their choice. The Alliance supported the same community processes that had worked elsewhere, in which the residents were fully involved in both design and implementation.

Changing Roles and Relationships

Most poor groups survive by being adept at being passive, making themselves invisible and not offending leaders. Local, national and international systems which "support" development rarely work to strengthen poor groups' capacity to develop their own projects. Bureaucratic rules and procedures exclude effective participation. The Alliance recognized that community involvement in conceptualizing participation is as important as taking part in projects. Effective participation means that an individual, group or community can choose to become involved, to understand options and to understand the impact these will have on their lives and environment.

The challenge for SPARC was to find ways of strengthening the capacity of poor women and men to participate at all levels. This meant enabling urban poor groups to create their own institutional arrangements and strategies for change and finding external support which allowed urban poor groups to retain control in the execution, monitoring and management. The much-expanded roles for women also evolved at a pace that was selected by women in low-income settlements.

Since resources should belong to community organizations and, ultimately, be managed by collectives based around savings schemes, SPARC moved from being an implementor to being a supporter, as local organizations and federations took over the implementation. It had to ensure that all activities became embedded within the Federation, while supporting new local federations. Then, it had to retreat from supporting new community organizations and federations as the leadership of NSDF and *Mahila Milan* took over this role.

SPARC's main tasks became fundraising, financial management, research and liaising with state and international agencies to obtain external resources, and keeping NSDF members informed about possible sources of external support. It also helped represent the importance of people's organizations in development to the external world and critically reviewed government proposals. As NSDF became more experienced at dealing with government and international agencies and as SPARC became more experienced working within community processes, they could substitute for one another in meetings.

Relations with Donors

SPARC's fundraising strategies have had to protect the community processes that are at the centre

of the Alliance's work. Donors often think that they know best and that they can impose their perspectives and move funding away from community control. The Alliance needed funds from abroad primarily to support learning and exchanges, in order to develop communities' capacity, confidence, knowledge, skills and negotiating abilities to initiate and manage their own development process. Some Northern NGOs recognized the need for this. As community-based solutions develop, more resources are needed but, at this point, these can often be negotiated from Indian government sources, although international support can be valuable for bridging funds as government resources are often delayed.

Many donors find it difficult to support community-directed processes because their procedures require outputs to be defined at the outset and achievements to be monitored during implementation. They are unwilling or unable to support processes whose objective is to transform the interaction between the state and the poor. They cannot see how support for local processes can strengthen poor communities' capacity to secure their own and external resources. But the process supported by the Alliance has brought larger, more secure and more sustainable improvements to the lives of far more urban poor groups than any donor project. Hundreds of thousands of urban poor have access to emergency loans. Over 3,500 houses have been built with permanent collective land tenure and community management, and far more poor households have secured land tenure. Savings for housing now exceed 25 million rupees a year. Thousands of households each year access loans for emergencies. More than 8 million rupees have been lent to support income generation, with much of this money revolving. All this is controlled and managed by communities, thus increasing financial management skills and capacities. Over 2 million rupees of community savings are now in high interest accounts, as the Alliance's collective weight allowed it to negotiate a group scheme. Several hundred *Mahila Milan* women have been trained in construction and have increased their earnings. There are many other benefits that are not so easily measured, including improved health, reduced expenditure on medical bills, more regular employment and greater access to basic services; also a reduction in social exclusion and an expansion of life choices affecting tens of thousands of people.

Conclusions

Creating knowledge for action: The solutions that best serve the urban poor usually emerge from their initiatives and their learning and community exchanges. Needs are identified, priorities refined, and solutions tested and modified through replication. This develops a set of practices that meet the needs of many communities. "Going to scale" in terms of moving beyond individual projects is through ever-expanding numbers of community-based projects supported by community exchanges. When the poor have collectively identified problems, designed alternatives and experimented with solutions, they begin to design solutions that are good for cities as well as for themselves.

Representation and inclusion: Community-based savings schemes based on accountability and trust help change the range of options open to those in low-income settlements; individual members become less vulnerable and collective activities become possible. The urban poor are no longer isolated; they work in groups or federations to address needs which cannot be resolved at the level of their settlement.

Federating: Through federations, all savings schemes members become part of a movement of the urban poor that can pressure government at local and higher levels to secure the changes they need to advance their livelihoods, acquire a secure home and obtain basic services. They also learn from each other about negotiating with national and international agencies. A movement rooted in a multiplicity of group savings schemes cannot be easily co-opted or destabilized by government promises or self-interested leaders.

Changing government approaches: Engagement with government is critical to scaling up poverty reduction. The Alliance's capacity to do so is due to its being composed of people's

organizations. But to negotiate effectively with government requires demonstration projects which communities have developed for themselves. These show city officials (and staff from other government agencies and donors) what urban poor groups can do. Because they emerge from poor groups' existing practices, they also make sense to other grassroots organizations. These precedents focus attention on what the poor are already doing and can do for themselves. The poor are not "beneficiaries" as they can articulate their demands and show their solutions. They can also choose to work only with government and international agencies who respect their right to participation.

Implications for donors: Donors need to learn how to support long-term organizational investments in communities that help develop their capacities and give them more options, including more possibilities to develop projects. Poverty reduction requires more than an official recognition of the poor's needs; it has to include a renegotiation of the relationship between city and residents, between state and civil society, between poor and other stakeholders. An effective dialogue requires more equality; the long history of excluding the urban poor from a dialogue makes this difficult. This is why the Alliance has always sought solutions that are developed by the poor, work for them and give them a more equal relationship with other groups.

SPARC, the National Slum Dwellers Federation and *Mahila Milan*

Sheela Patel and Diana Mitlin

I. INTRODUCTION

OVER THE LAST 12 years, the role of the Society for Promotion of Area Resource Centres (SPARC) in urban development has been transformed from that of a small NGO working on the periphery of state activities to that of an agency listened to at governmental and international fora. This study looks in more depth at the relationship between SPARC, an Indian NGO registered under the Societies Registration Act, and the National Slum Dwellers Federation (NSDF), a people's organization. It explores how this partnership has resulted in local innovation and mass mobilization, securing both policy change and a better use of existing community resources. In so doing, it has made a tangible difference for hundreds of thousands of the urban poor.

Central to SPARC's work as an NGO is its Alliance with grassroots organizations. This Alliance has been effective at many levels. First, the approaches to urban development that have been developed have been shown to work in many different sectors such as housing construction and savings and credit, all of which have helped to expand access to basic amenities and services. Second, the scale and scope of the Alliance's activities have grown in terms of the numbers of people reached, the nature of the support provided and the scope of geographical coverage. Third, the exchange programme for slum and pavement dwellers between India and South Africa, and between India and several East Asian countries, has excited widespread attention regarding its innovative strategies to promote and secure empowerment.

This paper concentrates on elaborating the first two aspects. After this introductory section, Section II summarizes the history of SPARC from its early work to its present status as one of India's leading NGOs working on urban issues. Section III outlines the roles and relationships between the NGO and the people's organizations that were agreed at the beginning of this Alliance and discusses how these have developed since that date. It is this relationship that has proved key to the initiative's success, both through supporting communities' knowledge base and, hence, relevant development innovation, and through enabling mass mobilization and therefore large-scale implementation. The key approaches and perspectives that have become incorporated into the work of SPARC and its two key partners, the National Slum Dwellers Federation and the organization of women's collectives *Mahila Milan* are the focus of Section IV.

Sections IV and V analyze some of the reasons that account for the success of this Alliance. Section IV looks in more depth at how the creation of options changes the nature of participation from a passive to an active process, and how new options become part of a process of policy change through precedent-setting. Section V then examines the effectiveness with which development assistance funds have been invested in this process. The discussion shows how, through blending external resources with the communities' own resources, the urban poor can create viable financial systems to support their own development. Together, the two sections demonstrate a development process whose success in supporting the urban poor has been secured through both political change and economic self-reliance. Section VI discusses how the approaches developed by SPARC and its partners differ from those of most development agencies, with Section VII drawing some conclusions.

II. FROM THE PAVEMENTS OF BOMBAY

a. 1984-86: SPARC – "Learning On Our Own"

PAVEMENT DWELLERS ARE among the poorest of India's urban poor and undeniably among the most vulnerable. When SPARC started its activities in 1984, staff were clear that the pavement dwellers should be the central focus of their work. The first grant that SPARC received allowed them to start talking with women pavement dwellers, providing them with a better understanding of their experiences and perspectives. The group with which SPARC started their work was living in an area of Bombay called Byculla, and they were in constant danger of having their homes demolished by the Bombay Municipal Corporation. SPARC did not have any solution to the problems of these people. What they provided was a space (an area resource centre) for women to meet together and discuss their problems. Initially, very modest open-ended funds were sought to simply enable staff to explore these possibilities.

For the first three years, SPARC worked directly with women pavement dwellers in Byculla. Together, they sought an organizational form that invested knowledge into women's collectives rather than male leaders. New teaching and learning strategies were developed along with new ways of undertaking research. Most importantly, SPARC assisted in the setting up of an organization of women's collectives known as *Mahila Milan* (Women Together), decentralized groups of women pavement and slum dwellers who come together around savings and credit activities.

SPARC did everything possible to help the women explore how to break their isolation from the rest of the city. New strategies and tools were developed that are still in use today. These include an enumeration of residents, the sharing of stories, dialogue to resolve community divisions or disagreements, credit and savings and house construction. The women pavement dwellers worked out these strategies for themselves, and the logic of these processes is very much the logic of the informal city dweller. From a joint investigation on pavement dwellers in the city of Bombay (later renamed Mumbai), SPARC and pavement dwellers from Byculla developed a methodology for gathering socio-economic statistics and life histories. This led to the creation of an information base on the pavement dwellers (published as *We the Invisible*⁽¹⁾) and established within SPARC a new way of creating knowledge in partnership with people.

One of the immediate issues was the need to deal with the crises that were commonplace in women's lives. These crises included dealing with the constant threat of demolitions, coping with police harassment, and obtaining access to "rations" (subsidized food given through a special family card) and water. In every case, the community collectives of women and SPARC staff explored what women wanted and what they were entitled to, then they proceeded to find ways through which women could get these entitlements for themselves and could share what they learnt with other groups. For example, the women living on the pavement learnt who was entitled to ration cards and how they could obtain them. One group of women used this information to obtain the cards that they needed. They then showed others how they too could obtain these cards.

The exploration of women's wants and needs soon addressed the issue of why pavement dwellers had no hope of a secure home. Gradually, the housing strategies that SPARC is now known for emerged. It was through this exploration that women's collectives decided that they would start to save. All the women living on the pavements in Byculla were encouraged to save and contribute to a collective fund which was then used to finance loans to address at least some of the crises that the women faced.⁽²⁾

Although SPARC has moved on considerably in their work, the pavement dwellers have remained at the centre of all activities. The pavements form the context where all strategies for change are designed and tested. The leaders of the pavement settlements have become the main trainers for *Mahila Milan* and the National Slum Dwellers Federation. Both these organizations now work with many other groups of the urban poor but the perspectives and experiences of the pavement dwellers remain central to their activities.

During these first two years, SPARC was engaged with the pavement dwellers in working out strategies, and sometimes in active roles at the level of the community itself. In the following years, SPARC allied itself to the National Slum Dwellers Federation, an existing grassroots federation, and

¹ SPARC (1985), *We the Invisible; a Census of Pavement Dwellers*, Bombay, 41 pages.

² Patel, Sheela and Celine D'Cruz (1993), "The *Mahila Milan* crisis credit scheme; from a seed to a tree", *Environment and Urbanization* Vol 5, No 1, pages 9-17.

this brought about changes to its role. Community activities were undertaken and managed by the urban poor themselves and SPARC began to define a new role for itself around its comparative advantage.

b. 1986-88: An Emerging Partnership with the National Slum Dwellers Federation (NSDF)

After the initial work with pavement dwellers, SPARC sought to expand its outreach to the poor in the city:

"We were not going to achieve the goal of getting land for pavement dwellers very easily, and we needed wider support from the urban poor living in slums to ensure that pavement dwellers get included in the listing of the urban poor along with slum dwellers. To do that we sought a partnership with the NSDF, an organization ten years older than SPARC that was also seeking a partnership. It was mutually useful. They had an already existing network of federated slum communities. We, SPARC and women from pavements had demonstrable skills that we used to train these federations."⁽³⁾

The National Slum Dwellers Federation had been formed during the early 1970s by a group of community leaders. These leaders, primarily male, were all activists involved in fighting demolition in their own settlements. The Federation soon spread to over 30 cities all over India and became a loose coalition of local federations. Many of these leaders had experience of working with NGOs. In their experience, such relationships were very unequal. Community members were not allowed to choose the issues on which to work nor the ways in which resources were used and allocated. As a consequence, the Federation sought more autonomy. Some local organizations within the Federation had registered their own trusts and societies in order to obtain direct funding from international NGOs. However, in practice, this strategy proved to be very difficult. Talented and skilled community leaders were unable to fulfill the requirements of international agencies for reports and audits.

When SPARC started working with women pavement dwellers in Byculla, they did not know the exact form of partnership that they were seeking but wished to work with communities who, it was hoped, would form an organization of some sort. Many of SPARC's staff already knew the leaders at National Slum Dwellers Federation, especially their president, Jockin. The struggle for Janata Colony, which had drawn Jockin into community organizing activities, was well-known to many urban development professionals.⁽⁴⁾ SPARC's activities in Byculla drew in Jockin and some National Slum Dwellers Federation members and, for almost a year, they offered advice and shared their experiences with *Mahila Milan* and SPARC.

As the relationship between SPARC and NSDF grew stronger, NSDF's male leaders agreed that *Mahila Milan* should be gradually formalized to ensure that women had a separate and defined space within the local federations. Within *Mahila Milan*, women were able to develop the skills and experience to participate effectively in mainstream NSDF structures and activities. (SPARC's work and perspective on gender are further discussed below.)

Together, the Alliance re-established NSDF activities in several cities and began to develop a wide range of activities to build local federations. SPARC decided not to open branches in other cities but agreed to work through these federations. During these years, the nascent Alliance began to formulate an educational and organizational strategy which allowed knowledge on low-income settlements to be created and articulated by their residents. Strategies to assist local communities to own this knowledge were refined so that local federations were able to reproduce, adapt and develop this process themselves. Thus, from the beginning, the process of knowledge creation, sharing of

³ Sheela Patel, in discussion.

⁴ Janata Colony was initially a resettlement colony of households shifted from the Island city of what was then called Bombay (now Mumbai), in the 1950s. They were evicted and initially relocated in Chembur. Later, when the Bhabha Atomic Research Centre wanted that land for its recreational areas, residents of the settlement fought the eviction. Through a struggle which drew many community activists into the area of urban work, they obtained alternative land of their choice and secured a victory which still has many lessons relevant to today.

learning and expanding the learning circle itself became a skill located within the communities themselves. This process continues today and forms the foundation for the development processes of the Alliance.

c. 1988-90: Regional and International Networking

1987 was designed by the United Nations as the International Year of Shelter for the Homeless, and SPARC's work with pavement dwellers resulted in many international meetings and seminars during that year and on subsequent occasions. SPARC increasingly took part in regional and international activities related to habitat, human settlements and urban development with a range of development agencies, particularly NGOs and some UN organizations. SPARC used these meetings to develop its networks and used these contacts to address local needs. With the support of SELAVIP (an international NGO), leaders from both the Federation and *Mahila Milan* were helped to join SPARC and travel internationally and nationally.

A clear difference between SPARC and other groups emerged during these visits and exchanges. SPARC used these opportunities to increase community leaders' exposure to global processes. It also sought to encourage community to community exchanges in which NGOs' role was one of facilitation. These strategies brought out some differences between NGOs' objectives and operational styles. In particular, differences emerged over the relationship between community members and professionals. SPARC describes it thus:

"Our work follows the logic that communities bring in. For example, the savings and credit strategy was developed by allowing *Mahila Milan* to work out its own rules and take time to develop their training capacity. There is minimal involvement of professionals and minimal control of activity with communities. For example, community organizations choose where they would go to support other community organizations. Some groups found the strategies and activities undertaken by the Alliance strange and intimidating."⁵

Between 1988 and 1990, exchanges between communities became a mainstream activity for the Alliance. Community members, beginning with the pavement dwellers, travelled first to other settlements in their own city and later to other cities in India to visit other communities. They shared their knowledge, finding people interested in acquiring their skills and understanding. Leaders demonstrated what they had learnt about their own homes and communities, and the other settlements they had visited. As a development tool, these exchanges proved very effective. Those with experience shared what they knew and demonstrated their skills, improving these skills and growing in ability and confidence as they proved themselves as teachers. Their "students" learnt rapidly because the teaching was by people like themselves. This kind of teaching and sharing could easily be replicated.

In subsequent years, NSDF and *Mahila Milan* grew from having a membership in 14 cities all over India to 21 cities by 1998. Community members began to travel, first nationally and then internationally, training and assisting many other organizations to adapt their activities. This led to a further expansion of the networking and capacity-building processes to other countries, namely South Africa, Thailand, Cambodia and Laos.⁶ The essence of these exchanges is communication between groups of communities and their leaders. Community members exchange ideas about what they do, and the strategies that are useful, and they begin to develop insights into how external realities in their different situations impact on their opportunities and constraints.

d. 1990-94: Participation in Larger Programmes

In the fourth phase, the Alliance was ready to start building houses, borrowing money and undertaking a series of larger-scale "programmes" in collaboration with other agencies. By now, community members of the Alliance were training extensively in India and, mainly through the Asian

⁵ Sheela Patel, in discussion.

⁶ Asian Coalition for Housing Rights (2000), *Face to Face: Notes from the Network on Community Exchange*, ACHR, Bangkok, 32 pages.

Coalition for Housing Rights (ACHR), were obtaining more and more international and national recognition for their activities.

In this phase, the Alliance developed the confidence to begin making unequivocal statements about the need for the poor to have the central role in participating in developing workable and lasting solutions for urban development. The Alliance also challenged Northern NGO donors to change their paradigm for funding shelter-related activities. It established an exploratory dialogue with international (bilateral and multilateral) agencies on how a people's process might be structured into development assistance programmes from the outset. Perhaps, most importantly, it challenged government agencies, arguing that no urban programmes can work in the long run until institutions are owned and controlled by the communities, and programmes are designed and executed by those who are intended to benefit from them.

A new partner for the Alliance emerged during this period – the street children's federation, Sadaak Chap.⁽⁷⁾ The street children's programme emerged from a need to do something about children living on the street. The Alliance recognized that most NGOs were doing very useful things and were providing the children with services that they needed but they were not working in a way that reached a wider number of children in a manner that could be easily maintained. Using the methodology developed with the pavement dwellers, the Alliance has assisted this process in two ways. Each year, there is a *mela* (party) which enables 3,000-5,000 children to meet each other and the Alliance. These *melas* provide an opportunity for the Alliance to support a federating process among the children. The second kind of support is an innovative residential care facility for 300 of the younger street boys to become a group (Sadaak Chap) which has linked closely to the Alliance. This group has allowed the children to participate fully in the process of change and transformation.

The street children (at present mainly young boys who have run away from home) are now junior partners within the Alliance. Many young people have begun to work actively with the Federation. This relationship, in which everyone collectively takes care of the younger boys who live in the night shelter, has led to children learning skills from the Federation leaders about negotiating and participating in dialogue with city officials. Many children also work in the same low-income settlements and benefit from many of the Federation's activities. Take the example of solid waste and the children who survive from scavenging in waste dumps. A pilot project in Mumbai is looking at how these children can reduce the health hazards they face, and is also working directly with families who separate waste, helping the children to process waste rather than simply separating it.

"If this process develops as we believe it will, these children will create a federating process which will link an increasing number of children to the Alliance and create for them a safe passage to adulthood." ⁽⁸⁾

e. 1995 Onwards: Going to Scale

During the last five years, the Alliance has continued to spread and share a development programme to communities of the urban poor. This programme includes a number of core activities that were first developed with the women living on the pavements of Bombay/Mumbai:

- savings and credit
- surveys
- mapping
- pilot projects
- housing training

Savings and credit. The Alliance assists communities to establish savings groups, which form the basis of community participation and ensure that women participate centrally in the process of change. Women are particularly attracted to this activity and soon find that it transforms their relationships with each other, with their family and with the community as a whole. Pooled savings

⁷ Patel, Sheela (1990), "Street children, hotels boys and children of pavement dwellers and construction workers in Bombay: how they meet their daily needs", *Environment and Urbanization* Vol 2, No 2, October, pages 9-26.

⁸ Sheela Patel, in discussion.

are used to finance a capital fund for crisis loans.

Women who are interested in taking part are drawn into the training process and shown how such crisis credit funds work in other communities. Within three months, most settlements are able to understand, agree and manage the rules and regulations to make the crisis credit fund operational. As the demand for loans for income generation activities expanded, the Alliance sought to obtain external loan funds. Through a fund created by the government of India, *Mahila Milan* members obtained access to additional capital. Lending for housing has been slow because very few communities have obtained secure land tenure. As an initial step during the early 1990s, three different housing cooperatives were able to obtain land at Dharavi, Mankhurd and Dindoshi in Bombay/Mumbai. In all three cases, loans were arranged from the Housing and Urban Development Corporation (HUDCO), a federal government agency, or the Housing Development Finance Corporation (HDFC), a private housing finance company. More recently, the state government in Maharashtra has been willing to allow slum redevelopment through a cross-subsidy financed through the partial sale of the land to commercial and residential developers and users. The Slum Redevelopment Act allows low-income high-density settlements to be redeveloped at higher than usual densities. The additional accommodation can be sold on the open market, enabling those already living on the land to benefit from improved accommodation.

Surveys. Settlement and city surveys are an important tool in educating communities to look at themselves and in creating a capacity for communities to articulate their knowledge of themselves to those with whom they interact. The Alliance helps communities to undertake surveys at various levels, including listing of all settlements, household enumeration and intra-household survey. Questionnaires and other survey methodologies are discussed with communities and modified as necessary.

Mapping. The Alliance works with communities to build their skills in mapping services, settlements, resources, problems, etc. so that they can get a visual representation of how their present physical situation relates to them. Mapping is part of the qualitative aspects of surveying and data gathering; it becomes especially useful in building community skills to deal with physical interventions, when communities have to look at maps and drawings prepared for their settlement improvement.

Pilot projects. Pilot projects are universally accepted as experimental learning tools that can be used to test possible solutions, strategies and management systems. The "pilot projects" that the Alliance sets up are activities which a particular community wants to undertake to solve one of its problems. For the wider membership, the pilot can demonstrate a new alternative with the potential to address a problem. The focus remains firmly on what communities can do themselves and not on what can be done for them. Once a task is accomplished, both the community and others such as the state or the municipality calculate what it would cost to scale up the pilot.

Housing training. As communities secure land, they are eager to build. The Federation members need to learn or improve many related skills such as house construction, materials costing and how to manage the architects and planners who seek to influence their hopes and ambitions. Then there are additional options such as the production of building materials (which can reduce construction costs) and the installation of infrastructure. All these skills have to be rapidly acquired to make the most of existing opportunities. A number of the present activities of the Alliance demonstrate what their work in the early years has been able to achieve. New relations have been developed with the state based on the models developed by the local federations. Through these relationships with the state, the Alliance seeks to put in place solutions that can be scaled up across Indian cities to provide infrastructure and improve housing. Intrinsic to these models is the ambition to create a new relationship between the citizen and the state.

There is not enough space here to include a description of the wide variety of different activities that the Alliance is now undertaking but these include waste management and housing cooperatives, and stretch from bilateral agencies' development interventions to local government initiatives. The details differ in each case but the process can be understood from the example given in Box 1. This introduces the work of the Alliance in addressing sanitation needs in Mumbai. After an initially proactive partnership, demands made by the World Bank team resulted in a strategy that the Alliance did not agree with. As a result, the Alliance walked away from the negotiations between the World Bank and the Mumbai Municipal Corporation. Whilst they continued to work in many cities, including Mumbai, on a community-centred sanitation strategy, they remained outside this particular project. More recently, the failure of other strategies has resulted once again in approaches from the

World Bank team.

Box 1. Bombay Municipal Corporation Slum Sanitation Programme

In 1994, the Bombay Municipal Corporation Slum Sanitation Programme introduced a new programme aiming to provide community toilets to 1 million people living in the “slums”. This seemingly large project was actually only a small part of a larger sewer and sewage treatment project for which the Municipal Corporation of Greater Bombay (MCGB) had been negotiating with the World Bank. Slum sanitation was included when the planners realized that half the city did not have adequate toilets. In this first phase of the project, only settlements on municipal land were included. The project sought to provide 20,000 toilet seats to a population of 1 million people. The Corporation considered a ratio of 50 persons to one toilet to be adequate.

What was unique and special about this project was the fact that the Municipal Corporation of Greater Bombay’s leadership sought to create new mechanisms to provide these toilets. The existing practice was for the city to provide the public toilets and for the Conservancy Department to maintain them. But most public toilets were not cared for. So the Corporation planned to create new institutional learning, involving communities in the process of design, construction, management and maintenance of the toilets. If well-designed, well-constructed toilets were put into low-income settlements, residents would be willing to manage and maintain them. The challenge was to create a large process that enabled this to happen. The Alliance became involved, in the hope that there could be space created for people and their strategies. They considered it to be a unique opportunity to explore the extent to which such participation is possible. In Bombay/Mumbai alone, there are another 4.5 million in need.

The Federation have an interest in toilets because they believe these can play a significant role in community development. Toilets unite communities and give them the confidence to undertake something which they need and which they can actually do. A further advantage is that the skills needed for toilet construction are not very specialized and women can participate in the process. The programme will allow the local authority, usually at odds with the residents of slum settlements, to contribute to something that is good for the city and good for the settlement. And, when communities begin to undertake sanitation improvements, they begin to look at their other amenities and often initiate the process of upgrading their homes and settlements.

In October 2000, the Bombay Municipal Corporation opened the bids for the ten wards where 20 toilet blocks each were to be constructed. SPARC and the Alliance filled out tenders for all ten projects. The business of tendering is one about which SPARC and NSDF have been extremely uneasy. In the past, they have held back from such a bidding process. Then the World Bank approached SPARC and asked them to participate in the bidding process, agreeing to change it if they would participate. SPARC agreed because of the desperate need for toilets in Bombay/Mumbai, because the money was lying unutilized and would lapse shortly and because they realized that the only way to change this whole process was to enter into it and change it from within.

SPARC placed a Rs 24,938,500 (about US\$554,189) bid per ward, ie. US\$27,709 per toilet block. They sought to take on ten blocks in this bidding round and a further four in the earlier round. They won the contracts as their bids were almost 10 million rupees less than any other group.

III. DESCRIPTION OF ROLES AND RELATIONSHIPS

THE SHORT HISTORY of SPARC and the grassroots organizations that it works with has provided a background to the activities of the Alliance over the last decade. This section examines the roles and relationships that make up the Alliance.

a. The Early Years

When SPARC began, the founding members sought to design an institution that enabled professionals to work in new ways with low-income communities. The challenge was to innovate, explore and evolve strategies which strengthened the capacity of the poor to participate at all levels of social change. Such a process inevitably involved enabling the poor to become involved in many different aspects, such as creating their own institutional arrangements, designing educational and mobilization systems, identifying strategies for changing their circumstances, and dialogue and negotiation to enable them to be involved in executing, monitoring and managing the necessary changes in other institutions. A further objective was to ensure women's central participation in all these processes.

SPARC's initial goals changed and moved forward as their partnership with NSDF developed and *Mahila Milan* began to emerge. When SPARC and NSDF began to work together, they agreed on some general principles and, over time, these have become the "building blocks" of the relationships.

- Resources (material and non-material benefits collectively sought for the communities) belong to local community organizations and should ultimately be managed by the women's collectives (which are loosely based around savings schemes).
- The Federation and *Mahila Milan* should keep expanding its membership, building credibility and skills to represent the poor in dialogue with the state and other resource-providing institutions.
- SPARC should have a retreating and abdicating role, always seeking to ensure that present activities become embedded within the Federation, and seeking new roles to support local federations. It should experiment with institutional forms for the activities, all of which will ultimately be managed by the federations.
- SPARC's role includes fundraising and financial management, research and liaising with state and international agencies. NSDF and *Mahila Milan* mobilize communities – particularly the women – to participate in their own development.
- *Mahila Milan* groups should exist in every settlement where the National Slum Dwellers Federation works. Their job is two-fold: to help women in the collective to develop the skills they need to be centrally involved in community decision-making and, with the National Slum Dwellers Federation, to assist communities to accept the role and contribution of women and not to see women as being in competition with men.

b. An Evolving Partnership

Starting from these principles, the Alliance has deepened and amended its working relationships. Initially, *Mahila Milan* members were unable to participate equally because the process was very new to the women. However, they soon became confident enough to deal directly with the National Slum Dwellers Federation, and SPARC withdrew from "front-line" activities in the communities. Gradually, women have come to make up almost half the membership of the National Slum Dwellers Federation.

Recognizing that it is the women in the settlements who keep the day-to-day activities alive, the Federation and *Mahila Milan* have created the space for local women to take on leadership roles. When there are negotiations concerning resources and entitlements within the settlement, there needs to be a mechanism to deal with differences and to ensure everyone has a share. *Mahila Milan* collectives are the local groups entrusted with this process. Over time, women from *Mahila Milan* who want to participate in the negotiations and advocacy activities are encouraged to participate in NSDF activities. Whilst the Federation and *Mahila Milan* remain separate, much of their membership is shared.

When the National Slum Dwellers Federation offered to work with SPARC, there were mutual expectations. The Federation sought the professional and support structure that SPARC offered but kept their right to decision-making. The Federation continues to see itself as a lobbying and advocacy organization with day to day activities being based around the education and organization of small community groups dealing with essential needs. It seeks to retain its autonomy and vibrancy by not being registered as a legal entity.

The Federation provided SPARC with a large social movement within which the pavement dwellers could fight for their cause and obtain the organizational support they needed. Initially, SPARC was a great “doer”. This role was both due to the learning needs of its leadership and the absence of the relationship with NSDF between 1984 and 1987. For some time, most settlement organizing was done jointly but, gradually, the local federations took over these tasks, with back-up and support from SPARC. Now, the back-up and support role is provided by the core leadership of NSDF and *Mahila Milan*, with SPARC taking on "trouble-shooting" roles as required.

SPARC's current role is, in part, that of a bridging institution that:

- obtains external resources such as loan funds for income generation and housing, grants for operational expenses, consultancies and programme budgets for existing or new activities;
- brings to the attention of the relevant authorities the difficulties the urban poor face and the people's own proposals to address these problems;
- makes the NSDF membership aware of government schemes and plans, and helps the Federation to understand and critically review them; and
- attends national and international seminars, conferences and workshops to advocate for the central importance of people's organizations in development.

NSDF leadership feels that a people's organization will always need support from an NGO because of the latter's ability to deal with government and funding agencies and their skills in writing project proposals, preparing documentation and representing to the external world the dialectics and outcomes of community processes. SPARC shares the NSDF's view of its role and acknowledges its debt to, and dependence upon, the work of the NSDF.

One of the questions that has remained is the role and importance of research. NSDF leadership feels strongly that research is useful only if it serves community interests and if people themselves can use information and data to enhance their own power. In other words, there is no place for academic studies which might benefit the researcher's career but not the people themselves. One clear activity assigned to SPARC is statistical compilation and more general research documentation and data management to be used in addressing Federation concerns.

Within the Alliance, relations are always in flux, as capacity develops and new needs emerge. One consequence of sustained and repeated dialogue at government and international levels is that NSDF leadership has expanded its professional vocabulary and confidence in professional situations. At the same time, SPARC personnel have become more used to dealing with communities and their processes. These increased capabilities in the NSDF and SPARC often result in one becoming a substitute for the other in meetings called by different agencies. But, in general, the NSDF concentrates upon its main strength, namely that of building organizations of the urban poor.

There is no written memorandum of understanding between SPARC and the NSDF but there is an understanding that the NSDF cannot be expected to participate in any activity or programme that it believes is not good for its constituency. SPARC does not try to promote or follow any particular line of action merely because funds are available or because of government invitation. There is dialogue and debate – although not always unanimity – before significant decisions are taken by members of the Alliance. Differences in points of view are accommodated by recognizing that one party's passionate belief in something creates the basis for a conditional acceptance of further exploration of that perspective or plan. The proposal that develops out of this is later reviewed, accepted or rejected on the basis of what has emerged during the subsequent process. The president of the NSDF is always invited to SPARC Board meetings, and this provides an opportunity for discussion on policy and direction. SPARC joins in Federation meetings by invitation.

SPARC has few staff. Having chosen to align itself with the NSDF and *Mahila Milan*, SPARC's role as back-up and facilitator is difficult. Staff members need to work in partnership, constantly engaging community leaders in determining the processes that are to be followed and resisting opportunities to control the process. As a result, more and more activities need to be undertaken by the Federation, and SPARC is involved in those aspects of the process which are complementary to the Federation and *Mahila Milan*. This leads to several outcomes:

- SPARC staff do not compete for space, positions and ownership with Federation leaders and there is a tacit understanding that all activities must be passed over to the federations if they are to continue;
- the character of the process has to be decentralized and must not be determined by professional support but, rather, by urban poor groups and this leads to greater participation;

- as this partnership grows and matures, those joining SPARC are aware of the constraints associated with the job and of the requirement to support collective processes.

Initially, SPARC considered setting up SPARC centres in cities where the Federation worked. However, this option was rejected after a debate on how that would change the character of SPARC, how it would affect the relationship with the federations, and the general inability of the process to multiply in this manner. The next option was to look for like-minded organizations in other cities with whom the Federation could work. Such organizations were found but most of the experiments failed, when the NGOs failed to develop close relationships with the federations. For example, local federations expected the NGOs to allow communities to make mistakes but most NGOs cannot respond to this. SPARC was not able to prepare the NGOs for this and their own relationship with the NGOs worsened when the relationships between the NGOs and federations became difficult.

More recently, new NGOs are now choosing to work like SPARC. The People's Dialogue on Land and Shelter in South Africa,⁹ and Shelter Associates in Pune are two examples. In both instances, these are new NGOs that have come and have seen what SPARC does and who have then used this knowledge as a basis on which to initiate their own learning and development processes. Whilst they are not identical to SPARC, they share fundamental beliefs about the primacy of local people's organizations. The Alliance assists these processes through support to professional staff and community members and this has helped to strengthen links between the organizations.

c. Accountability

Within the Alliance, accountability lies in several areas. Communities take on whatever they believe needs to be done and the Alliance seeks to raise whatever resources they need which they cannot obtain themselves. So far, this has worked; people ask only for what they need and the Alliance gets it for them. Whenever money has been misused by savings scheme treasurers, and this has happened on a few occasions, this has been identified very quickly and, in most cases, there has been restitution. In all cases, internal accountability has been better understood and strengthened. This culture of frugality, taking the least that is needed to do what needs to be done, is very important to this process.

Another type of accountability is that of the leadership bringing information and possible projects to communities and seeking their participation in new areas. For example, in the city of Lucknow, the Alliance began to work with the communities residing on the *nalas*, or drainage paths. The Alliance agreed to accept a consultancy from a bilateral development assistance agency (the Department for International Development – DFID) to design and execute a community participation process which would involve the residents. The Alliance made clear to all of those involved (the community, the city and DFID) that its involvement, although created by this participation in the process, would continue long after the project. It would seek additional finance, wherever necessary, to assist communities to address their priorities, whether or not they fell within the scope of the project. The NSDF is accountable to the communities with which it works. First, in any city, once local federations have been formed, they are drawn together in a city federation. Whenever a project (for example, housing construction) is taken up, efforts are made to involve city-level federation office bearers within the area federation to keep a check on financial matters.

Information is shared amongst all members of the community so that people themselves can act as checks on any misuse of funds. The emphasis on having women in more than 50 per cent of office-bearing posts also helps to check the possibility of corruption. The savings and credit operations – which involve the turnover of large sums every day – are carried out in public with the women collectors, who come every day to different area resource centres to deposit savings. SPARC staff visit the different centres and help maintain accounts.

More generally, SPARC is accountable for its activities through audits, reports and evaluations by funding agencies (including governments). Any funding channelled to the NSDF though SPARC is subject to independent audit, as required by law.

⁹ The work of this NGO with the South African Homeless People's Federation is the focus of Working Paper 2 in this series; more details are given at the back.

IV. CORE VALUES

HOW ARE THESE organizational relationships transformed into effective activities? This section looks at the approaches that are central to the Alliance and the work that it does.

a. The Learning Cycle

Much of the Alliance's work has evolved from their initial learning strategy, developed by SPARC. This learning strategy is so central to the Alliance and its other strategies and activities that it is worth explaining in detail. The learning cycle includes several stages:

- Communities identify their priority concerns. A debate about the issue then takes place within the Alliance, generally leading to the formulation of a strategy for seeking a solution.
- One or more communities comes forward to start designing solutions to the problems. The Alliance assists these groups financially and organizationally because they offer a living "laboratory" of how change will occur and they will help the Federation towards a sustainable solution through the learning process. Many failures occur during this initial phase and the costs to the community are acknowledged through the Federation's commitment to assist them.
- Once a crude solution has been developed in a settlement, many groups engage in exchange visits to and from that settlement to see what has been achieved and this leads to the next generation of volunteers wishing to try out similar actions. Refinements to the solution emerge, as a series of important additional factors that need to be considered become obvious as many communities go through the process. Progress is always made although frequent delays take place when external factors prevent communities from achieving change.
- Once a refined solution has been established, it is explored with city officials. Through inter-city exchanges, this possibility is shared with other federations and other city officials. Within a year, the federations in several cities are exploring this possibility. The Federation then creates a core team, made up of some of the members from the first settlement which experimented with the solution.
- These volunteers then visit other cities to demonstrate the solution that has been developed. This process may have a long gestation period because large enough numbers of people need to participate in order to create an internal dynamic which creates the confidence necessary for the local people's movement to believe that it can transform the situation of the poor. More and more communities are exposed to the innovation and they put pressure on their local officials and politicians for change. Depending on the external situation, there may be many possibilities for scaling up through participation in major state projects. The Alliance's investment in creating human resources, and their experience of working with and designing alternatives that work for women and for the poorest have put the Alliance in a position of strength.

Over the last ten years, this strategy has been used on many occasions. Box 2 gives an example of what the cycle looks like in practice, through the Alliance's work on savings and credit.

Box 2. Savings and Credit

Stages I, II and III. Women pavement dwellers started working with savings and credit in 1986. Gradually, they developed ways of recording savings payments and loan repayments. Most members are illiterate. However, this is more than compensated for by oral and memory processes and the use of symbols. *Mahila Milan* provides each woman with a plastic bag. This bag contains coloured squares of paper, for instance pink represents Rs. 1, yellow Rs. 2 and green Rs. 5. So, when a woman saves Rs.10, her bag will contain two bits of green paper. All the bags from each cluster are stored in a larger black bag. Representatives from each area collect money every day from various people and bring it to the Byculla office where others, also nominated by the group, keep the money and put the bits of paper in the bags.

With the SPARC representatives' help, a register is maintained. Gradually, a literate person from *Mahila Milan* has begun to maintain this system.

Some of *Mahila Milan's* leaders, who belong to the original, oldest collective, explain the origin of the scheme thus: "Everyone who meets the Byculla *Mahila Milan* has to hear about the *Mahila Milan* bank. We call it our bank but it is actually a crisis credit scheme which has 600 households as its members. It was started in 1987. The residents of six pavement dweller clusters had just completed a process of exploration – designing shelter alternatives for themselves – and they discovered that their aim was not just a physical structure in which to live in but a new way of life. The crisis loans and savings scheme began when everyone felt that, if we all saved a little together – say one to two Rupees (equivalent to US\$ 0.30-0.60) then, when any of us had a problem, we could use the money and repay the fund later."

Stage IV. By 1988, *Mahila Milan* was training groups around the country to save and, in 1989, the network was strong enough to support the transfer of loan funds between different savings groups. The credit and savings network has spread vigorously. At present, the Alliance has over 25,000 households who save and about 5,000 borrowers.

Stage V. In 1993, *Mahila Milan* began to borrow from external sources and on-lend to its members. In the process, it developed a unique style of management and decentralized functioning. This model of savings has been shared in India and abroad, and will eventually lead to the creation of a financial institution to manage savings and loan funds for the Federation.

The gradual increase in the savings and credit practices of *Mahila Milan* prepared the ground for the Alliance to explore credit lines for the communities. These processes focus as much on providing women with credit for their needs as they are do on developing decentralized mechanisms for large federations to manage finance. Until now, savings and credit have been used mainly to build and strengthen women's collectives, to strengthen micro-community organizations and build women's managerial capacity to manage and control resources. The Rashtriya Mahila Kosh (RMK), a government of India undertaking, provided the Alliance with its first credit line of Rs. 3,200,000 (and a second is now being negotiated). This fund is channelled through SPARC to various women's collectives in Bombay/Mumbai, Bangalore, Madras (which has been renamed Chennai) and Kanpur. Additional small-scale credit, in areas chosen by the communities but which the RMK does not provide for, is funded by community savings funds and a modest revolving fund from the Ford Foundation.

Another community need is housing finance. For many years, the Alliance has been struggling to obtain housing loans for their membership. In 1991, they were able to access state housing funds, secured by a guarantee from SELAVIP, an international NGO. Since that date, they have been successful in obtaining loan finance for several more housing projects. Several Federation cooperatives have now built their own houses, taking state loans and repaying them over 20 years.

Organizing and realizing such innovations is a difficult process. The Federation leaders meet at least twice a year so that they have the opportunity to reflect on what they are doing. Similarly, SPARC, the Federation and *Mahila Milan* also have retreats so that they can explore current activities and strategies. There are many other meetings which encourage reflection on what is known and consideration of what needs to be done. One of the first things that is shared and learnt is how to continue to learn.

The Alliance's training process involves several critical principles:

- there are never resident trainers, always visiting ones;
- major training events are done by community leaders;
- training encourages women to participate in the processes;
- training teaches by doing rather than by telling;
- the trainers learn through training, acknowledge this and never consider themselves experts;
- the process helps people to develop a working relationship with professionals and other stakeholders, and helps to ensure they are not treated as "beneficiaries".

This process helps more and more communities align with the Federation, learn new skills and begin to take stock of their interaction with the external world. The needs and aspirations of savings scheme members, joined into a collective force, can be articulated in a real, vibrant and strong demand to the city or the state that something be done.

b. Community Exchanges

Exchanges between communities have been continually developed because they serve many ends. The exchanges:

- are a means of drawing large numbers of people into a process of change;
- support local reflection and analysis, enabling the urban poor themselves to own the process of knowledge creation and change;
- enable the poor to reach out and federate, thereby developing a collective vision;
- help create personalized and strong bonds between communities who share common problems, both presenting them with a wide range of options to choose from and negotiate for, and assuring them that they are not alone in their struggles.

Today, the exchange process is a vehicle which allows communication about all the strategies that people develop, refine and replicate. The exchange process has broken national barriers and the evidence from the exchange with South Africa clearly suggests that this process is validated across national boundaries, continuing to demonstrate its potential to develop people's confidence and capacities.

The exchange process builds upon the logic of "doing in knowing". Exchanges lead to a good sharing of experience and therefore a new set of people can learn new skills. In the exchange process, communities and their leadership all over the country have the potential to learn and share teaching. In other organizations, such knowledge is often restricted to educated professionals because it is wrongly assumed that the qualities of good teaching are linked to formal education.

The Alliance's need to grow and multiply, combined with SPARC's own reluctance to expand, has led to this strategy, which is now the Alliance's greatest achievement. The exchanges maintain a rapid learning and teaching curve, within which the Alliance's core team supports new learning and helps more people to teach to and learn from each other.

The Alliance's training process is integral to the community exchanges that it promotes and undertakes. Box 3 illustrates how NGO staff cannot replicate the role of community to community learning.

Box 3. Learning by Doing – House Modelling

Mahila Milan members in Byculla first began to design their own model houses in 1987. There were many innovations within their design including the introduction of a 14-foot (4.3 metre) ceiling with a mezzanine level to create more living space. After much lobbying, the state agreed to permit this feature within their building regulations.

The communities that first designed their own 14-foot high ceiling house with a mezzanine are now assisting communities to do the same, not only in India but in other countries as well. They show communities how they need to consider many factors, not only what they want but what they can afford. Pulling this information together, they work collectively to enable Federation members to plan and model their own homes. They do not put forward their own house model or specific features of their design but rather, they propagate the process by which community members can develop their own design.

When house modelling training was undertaken by SPARC staff and later by other NGO staff, it was not effective. The communities participating in the process perceived the training process as a "gateway" and thought that once they had successfully passed through this gateway, the NGO would provide them with a house. The NGO staff were unable to articulate the broader process for which women were undergoing this training. The training became a static affair that did not make clear the need for a political process of negotiation to obtain land and finance before housing could be built. Unable to address these larger

issues, NGO training programmes simply made themselves and the communities dependent on project-delivered outputs. This has resulted in communities becoming reliant on professionally delivered housing rather than communities equipping themselves with strategies to advance their needs and interests.

From the first community exchanges between the pavement dwellers on the streets of Mumbai, there has now developed an international Alliance (the Shack/Slum Dwellers International) that links the urban poor organizations in different countries and draws together almost 1 million people in 11 countries.⁽¹⁰⁾ A number of existing people's organizations have become affiliated to a development process that helps them meet the needs of their members. In other countries, visits and exchanges have supported the creation of a movement where none existed previously.

SPARC's contribution lies in the international links and networks that it has created for the Alliance. These include links with general networks such as the Asian Coalition for Housing Rights (ACHR) and those with specific countries such as South Africa. These are vital for learning, for credibility and for local alliance-building. In the absence of local "godfathers" (powerful people offering patronage) and political support, this credibility has helped create a space for local negotiations and the Alliance. These international links have also helped with access to knowledge, new ideas and learning to deal with the fashions of international donor agencies which always influence funding and often adversely affect work on the ground. By constantly reaching out to like-minded networks and groups, the Federation's ability to learn and keep on top of events is expanding.

Over the last five years, the number of international linkages in which the Federation participates has increased but the Federation decides on the pace at which it wants to move. In the past, the Federation has been approached to take positions on issues which have no direct benefit to them and people have returned from meetings or conferences feeling used and exploited. Another problem is that, often, the *milieu* is hostile and community leaders feel uncomfortable about their participation, and this is often the basis for deciding whether or not local federations will attend.

c. Gender

The roles of women, both within the Federation and within communities and families that are involved with the Federation, have been evolving at a pace and in a way that has been selected by the women in the low-income settlements. The results that are emerging are very positive, demonstrating that the Alliance is better able to address gender issues in this way rather than by demanding direct behaviour modifications by communities.

The early contact between *Mahila Milan* and the Federation led to *Mahila Milan* (which at the time was made up solely of the women of Byculla living on pavements) attending local federation meetings. They were the only women present but they remained confident because they had explored so many possibilities, trained so many people and were so very excited with their own learning. They inspired the men to invite them to come and work with women in their community. What *Mahila Milan* demonstrated was that women, unlike men, focus on issues which require collective long-term investment. The National Slum Dwellers Federation leaders realized that they had "used" women's presence for demonstrations and other activities but had not enabled women to become leaders. Women in *Mahila Milan* were not competing with men. The women believed that there was more than enough for both men and women to do. Choices about roles and activities should allow both groups the space that they required and meet the needs of both.

Over time, a new pattern has emerged. When federation groups within a settlement wish to undertake new activities, or the Alliance wishes to assist communities to strengthen themselves, there is a general meeting where these issues are discussed. If, for instance, the community feels that the settlement's concern is their relationship with the local police station, then the inputs would be those which help all the people understand the roles and functions of the police and the manner in which

¹⁰ Patel, Sheela, Joel Bolnick and Diana Mitlin (2001), "Squatting on the global highway" in Michael Edwards and John Gaventa (editors), *Global Citizen Action*, Earthscan-UK/Westview-US.

the community can use their collective strength to manage this relationship. In nine cases out of ten, it is women who are central to the resolution of a problem, for example, using the police to resolve a difficulty. The strategies suggested do not dissuade men from participating but pro-actively support the participation of women. This allows women to work together to overcome their individual lack of confidence.

The starting point of the strategy means that women are the major innovators in the federations. Most solutions therefore require women trainers to assist communities, and women are involved in supporting the options as they develop. This opens up possibilities for participation and creates further opportunities for women. At another level, the communities within the federations are working to reformulate the roles of men and women in communities and with each other. This remains linked to the wider process and is never discussed or scrutinized on a separate basis.

The example of housing training demonstrates both how women are involved and why the federations undertake this training better than SPARC. Women can "dream" about houses better than men, in part because they use the structure that they live in more than the men; men therefore easily concede that women can design the new structure better. Once that is achieved, men often concede that women who are trained to manage construction are the most effective supervisors of the process.

Most of the things that women seek to address affect all of the community and therefore men also support their concerns and strategies, adding to the process by which women are starting to do things. Later, the confidence gained through these activities helps women to renegotiate their relationship with the community, with their family and with their husbands. From the beginning, the focus is on demonstrating how change can take place, how women participate in this process of change and how women can train others. At every moment, women are central to this process.

d. Politics

The Federation finds that as long as they can stay out of party political processes, they are able to grow and increase their membership. Often within the NGO movements, there is debate about whether or not the people's organizations should join mainstream politics with a view to obtaining more resources for their constituencies. The Alliance leadership is convinced, based on their own experiences and the evidence of the last 40 years, that political parties rarely develop effective agendas for the poor although their manifestos always "hoist the flag of the poor." Most elected representatives find themselves dragged into corruption and unable to address the needs of their constituency. The NSDF encourages all its members who feel they want to join parties to do so and use what they have learnt to influence party manifestos. So far, this has been possible because the political parties are not actively seeking Federation support and none of the present leaders are committed to a specific party political direction. The partnership will be seriously affected should this happen.

V. PARTICIPATION AND THE PROCESS OF POLICY CHANGE

a. Participation

FROM THE BEGINNING, the Alliance has been conscious of the need to work at a scale beyond conventional projects and therefore to work with government. The tradition of policy advocacy among many Southern NGOs has been to consult communities and write up an alternative policy which they campaign to have accepted by the city or state. Often, the policies are good and much needed but most communities lack the training, exposure or capacity to take advantage of such processes and hence many pro-poor reforms remain unused. The experience of urban professionals is that there are many ideal policies and programmes but few make any positive impact on the poor and even fewer reach scale.

SPARC and its partners decided to follow another route **B** that of precedent-setting. This begins by recognizing that the strategies that the poor use already are probably the most effective starting point although they may need to be improved. Hence, the Alliance supports the refinement of these strategies and then their demonstration to city officials. Because they emerge from the existing

practices of the poor, they make sense to other grassroots organizations, become widely supported and can easily be scaled up.

SPARC describes it thus:

“By ‘precedent’, we mean a pilot activity (or project) which offers a simple and effective solution to a problem that has to be faced by both the city and the people. Let us start with what low-income communities do illegally. These practices, with adaptation, form the basis for testing an intervention which improves on the status quo. As these ‘precedents’ are put into practice, they show senior policy makers and administrators that it is possible to do something else. Then these precedents are accompanied by mass demonstrations of support and this further demonstrates the scale at which change can occur. Large-scale changes are only possible if the solutions are rooted in the logic of the people.”⁽¹¹⁾

All three partners in this national Alliance believe that there can be no social change that will benefit low-income communities if the poor do not participate in designing, managing and realizing that process of change. Community involvement in conceptualizing participation is as important as the participation itself.

There is a fashion in development for "community participation" but all too often the scope for participation is a token. In SPARC's experience, before most projects have even gone beyond the negotiating stage, the participation component is reduced and/or narrowly conceptualized. As a consequence, communities tend to be involved only peripherally or in a limited range of activities. This generally occurs because the systems which control development projects are not yet ready to work to strengthen communities. The importance given to bureaucratic rules and formal procedures result in some critical elements that are required for effective participation being excluded.

SPARC's experience shows that active and multi-level participation by grassroots organizations can help to transform the relationships between the actors involved in any given project. Most social movements are designed to deliver high levels of participation; most development interventions are not. The substantive participation of communities in addressing issues of urban poverty is key to the work that SPARC does in its Alliance with *Mahila Milan* and the National Slum Dwellers Federation. It is critical because it is participation that leads to development options; the identification of a range of options and their further refinement leads to a development process that is both inclusive of different needs and robust in so far as it can address further constraints and difficulties. These two factors underpin the Alliance's intervention strategy.

There are many different kinds of participation and it has long been recognized that there are qualitative differences between these. Box 4 summarizes the types with which Federation members are familiar.

Box 4. A Community Perspective on Participation

Because you happened to be there: Just happening to be in a certain geographical location is probably the most passive version of participation, so passive that it might not look much like participation at all. But to people and communities suspicious of formal development programmes and afraid of getting burned, simply being there can be a start, can begin to lay the foundation for more involvement. When a development intervention begins in your neighbourhood, even if it has nothing to do with what you want, the circumstances of location have created conditions for you to participate (ie. if you happen to live in one of the settlements on the banks of the Pata Nala, in Lucknow, your settlement finds itself part of a pilot project.)

Because you didn't say "No": The overall acceptance of a development intervention in your neighbourhood can create conditions which imply that you have been considered as having "participated." If the *nala* (drain) in your neighbourhood is being cleaned, for example, and you do not protest, that is a form of acceptance and acceptance is another form of participation, however slight. You

¹¹ Sheela Patel, in discussion.

may accept only because you do not see the project as hurting you in any way or compromising your interests but, here again, acceptance may lead to enthusiasm and enthusiasm to greater involvement.

Because someone else persuaded you to jump in: Someone in your neighbourhood stirs things up and starts initiatives which you can imagine yourself benefiting from. You may not have much commitment to the initiative yourself but, because you see it as being potentially useful, you agree to go along. Or, you may participate because you follow someone else's leadership and because they've told you what to do. You may wait to see what happens, you may not resist this influence and, later, when things continue to improve, you may become more involved. Most communities naturally break down into only a few bold leaders, who may show this kind of initiative, and a lot of followers and "hangers-around". The initiative of a few can kindle the participation of many more.

Because you feel it's worth it: And finally, you participate because you have an urge to make a choice, to stick your neck out so that you or your community can move ahead. You are in the middle of things, a catalyst, and the leadership mantle falls on your shoulders. You may be an individual or a group. Once your behaviour becomes a routine, and once benefits you are working for are seen by all as being useful, more people will copy that behaviour and more will participate. You become a leader who has potential to participate more and more actively in making choices for yourself and for the community.

From these experiences, the Alliance believes that effective participation requires that an individual, group or community can make a choice to become involved in a given process or activity, can understand the options that the particular process opens up, and can understand the impact that the process will have upon their lives, their households, their community and their environment.

b. The Creation of Options

In Indian cities, poor people who live in informal settlements or pavements survive by doing things in ways that nobody would ever choose, if they had any choice. However, for the most part there is either no choice or the range of choice is very restricted. A recent visitor to some of the women and men from *Mahila Milan* and the National Slum Dwellers Federation in Bombay/Mumbai asked them how they described poverty. One woman said: "**Poverty is never having any choices.**"

Poor people's lives operate within very narrow confines, where choices are few and where looking for other options means taking risks which may destroy or damage precarious survival strategies, should they fail. The routines that poor families follow reflect a tenuous balance between managing their own survival and managing the (almost feudal) relationships of dependency and patronage that enable that survival.

Low-income families, often migrants, create their survival systems from extremely limited choices. People are constantly seeking potential opportunities, taking advantage of anything that comes along, careful not to offend leaders and summoning tremendous resources and innovation to stay alive. If being a passive participant helps one to survive, then they become adept at swallowing their own ideas before these ideas reach the tongue; they learn to say only as much as their benefactors want to hear; they become experts at making themselves invisible. People in vulnerable positions, new to the city, learn what is needed to survive. When they come to the city, they look around and see what others in the same situation have done, drawing on a formidable quantity of applied understanding of how to survive. People draw on this collective wisdom as required, taking what is useful, discarding what doesn't work for them and making their own adjustments. They latch onto other groups of people who help them along in different ways. They find work, often very low-level unskilled work. When the wages they earn are too low and the work too uncertain to make it practical to travel long distances to work, they get help finding places to live that are close to their jobs. This involves finding a place in a low-income settlement or pavement dwelling and negotiating with the informal "guardians" of the place or with the formal owners of the land. None of these strategies are perfect. Most of them involve exploitation, oppression, unimaginable hardship. But, for most, this is all that is possible.

c. Increasing Options Available to Poor Communities

SPARC and the National Slum Dwellers Federation believe that effective community development supports communities to undertake projects, and creates an environment which makes room for experimentation and which allows for mistakes. The Alliance does not try to create new standards but, rather, to alter and influence circumstances to allow communities to develop options of their own. All of the Alliance's work is focused on increasing the options available to poor people and poor communities.

From these experiments, a new set of policy recommendations develops which communities then articulate and demonstrate to city officials. The communities work directly to implement the options that appear to be best for them, that is, the process of precedent-setting. Through drawing city officials and politicians into a dialogue with them concerning the alternatives that they are offering, they can begin to develop new relationships. As a result of these relationships, some officials and politicians are encouraged to try something new.

The difference between the Alliance strategy for policy change and the more traditional NGO route of lobbying and advocacy now emerges. Through community exchanges, numerous communities are exposed to the innovation. These exchanges, which take place through the Federation, have created a number of grassroots organizations that are ready to take up the new possibilities, should there be a change in government policy. In these circumstances, a change in policy is followed by immediate pressure for the changes to be implemented. If there is no change in policy after the precedent, when communities return to their locality, those who want this innovation start to push locally for the policy change and, sooner or later, someone breaks through. This process is illustrated through the example of the learning cycle given above and can also be seen within the processes described in Box 5.

Box 5. Old Problems, New Options

Mumbai has a population of over 11 million people. The suburban railway system is crucial to the city's daily functioning because of the latter's geographical configuration: most offices are in south Mumbai and most of the population lives towards the north of the city. Each day, it is estimated that 7.4 million passenger-trips are made on the suburban railway, with an average distance of 25 kilometres per trip. The vast majority of the city's commuters use the railways and most of the rest use buses. The poorest sections of the city's population walk to work as they cannot afford public transport of any sort.

There are three suburban railway lines in Mumbai (Central, Western and Harbour) that link the central business districts of Bombay Island with the so-called "suburban" areas in the north of the city. The areas alongside the tracks offer land for the poor seeking a home in the city. The Central line from Victoria Terminus to Thane has about 8,000 families living on the reserve alongside the track; the Western line from Churchgate to Dahisar accommodates about 3,000 families and the Harbour line from Victoria Terminus to Mankhurd around 13,000.

Families have been living along the tracks for more than two decades. In some cases, their huts are barely a metre away from the tracks and the passing trains. One consequence of their location is the number of accidents that take place. The constant anxiety felt by parents and partners concerning the safety of their families has a severe and demonstrable impact on their lives. The presence of a large number of houses along the tracks also reduces the speed of the trains. The Commissioner for Railway Safety has stipulated that trains must not travel at more than 15 kilometres per hour when travelling through these densely inhabited sections of track. Normally, they are capable of running at more than 40 kilometres per hour. The train drivers are under severe psychological pressure every day. Injury or death may result from accidents as well as greater delays, and the drivers take home these images and find it difficult to deal with them even when they are not at fault.

For the families living along the tracks, injury or death are the worst things that can happen to them. But daily life is also made difficult in the absence of basic amenities such as water, sanitation and electricity.

The women spend long hours fetching water and the entire family faces the repeated indignity of having to relieve themselves in public, in full view of commuters in passing trains. The civic authorities do not provide basic amenities such as public toilets and bath houses because the land is owned by the Indian Railways, a central government department. The central government, as a matter of policy, decided that it would not issue "No-Objection Certificates" (NOCs) for such works within 30 feet (9.1 metres) of the railway tracks. It is afraid that giving permission would be a tacit acceptance of the legitimacy of the occupation of its land by encroachers.

In the late 1980s and early 1990s, the construction of a rail link between Mumbai and New Mumbai was held up because a low-income settlement was located in the way of the tracks at Mankhurd. New Mumbai, conceived as an alternative magnet to Mumbai, could not develop without the rail link being completed. The Maharashtra Housing and Area Development Authority, a public agency, proposed resettling some of the residents in walk-up apartments but not everybody could afford them.

The Railway Slum Dwellers Federation and the National Slum Dwellers Federation had been working in this area and proposed that a piece of land be given to the families so that they could build their own houses by taking loans from a housing finance company. This alternative was accepted and a group of railway dwellers formed the Jan Kalyan Housing Cooperative Society and constructed a residential neighbourhood with over 100 houses. As one of the Federation's first housing initiatives, it provided an opportunity to develop an exemplar of people-controlled, women-centred, self-help housing. The experiment, however, did not lead to any policy change, despite demonstrating a viable option. But it provided a tangible example of what is possible.

For nearly a decade, the World Bank and the government of Maharashtra have been negotiating the Mumbai Urban Transport Project II (MUTP-II). The World Bank, after international attention focused upon the plight of people affected by their projects in different countries, made resettlement and rehabilitation a necessary component of MUTP-II. For a variety of reasons, there was a delay by the World Bank in clearing MUTP-II. Due to earlier delays and public impatience, Indian Railways decided to lay the fifth and sixth corridors between Kurla and Thane on the Central Railway using its own budgetary resources. For these lines to be laid, 1,980 families living along the railway tracks would have to be resettled. Since this project was originally included in MUTP-II, it was decided to follow the resettlement and rehabilitation policy so that retroactive financing would be possible as and when MUTP-II was cleared.

A plot of government land at Kanjur Marg in the suburb of Ghatkopar, still close to the railway land to be cleared, was identified for the temporary relocation of the 900 families. As a result of the earlier experience, the task force sub-committee on land included the President of the NSDF. It was a condition of resettlement and rehabilitation policy that communities should be associated with the process of selecting the site for their relocation. As NSDF/SPARC had been instrumental in conducting the baseline survey of communities and households affected by MUTP-II, they were in an ideal position to mobilize the community, particularly the women, and secure their approval for the relocation site. In view of this and of its long-standing involvement with issues affecting the urban poor, the state authorities appointed SPARC as facilitator for the resettlement and rehabilitation operations.

The land is to be formally transferred to cooperative housing societies of slum dwellers as and when they are registered. The Mumbai Municipal Corporation is to provide infrastructure for site development, paid for by Indian Railways. The money (Rs.13.8million) will be funnelled through the Slum Rehabilitation Authority. SPARC, along with the NSDF, the Railway Slum Dwellers Federation and *Mahila Milan* undertook to shift all 900 families in the first phase, before the end of May 1999. Land for the remaining 1,000 families is in the process of being identified and when it is, all the families on land needed by the railway extension project will be shifted.

Following on from the baseline survey, the 900 first-stage slum dwellers grouped themselves into 27 housing cooperative societies. Eighty per cent of the leadership of the cooperative societies are women who have been saving towards their future permanent and secure housing for several years. By the time they moved, each family had already saved Rs.3,500-5,000 towards a down-payment for a housing loan of Rs.20,000 from the Housing and Urban Development Corporation (HUDCO), routed through SPARC,

to cover the cost of the temporary accommodation.

For the authorities, the most significant aspect of Kanjur Marg is the fact that people are moving **voluntarily**. On other occasions, more often than not, demolition squads from the Municipal Corporation, supported by a police presence, would be instructed to clear land and shift the people with little or no reference to them. At Kanjur Marg, the 27 organized housing cooperative societies have been closely involved with the project since 1995-96. In addition to approving the relocation site, they have been involved in decisions regarding the size of the houses to be constructed, given the amount of loan money and the space available.

Permanent housing consisting of 1,500 apartments of 23 square metres each is being planned and will be built in four-storey buildings on the Kanjur Marg site. The cooperative society members will occupy 900 of these. The sale of the other 600 apartments on the open market will, it is anticipated, recover the costs of construction, making the apartments free for the cooperative society members. When the more permanent buildings get under way, people's participation in the overall planning for the infrastructure and the lay-out, the provision of community facilities, the road networks, open spaces and building design will ensure that the project reflects their needs and aspirations.

This project demonstrates how housing solutions developed by the communities themselves were adapted when the authorities recognized that they needed to improve transport in the city of Mumbai. Together, the communities and the public officials developed solutions which addressed their mutual needs. Old solutions did not work so new development options were created. The same community processes that had supported innovation were then used to mobilize residents to take part in decision-making and implementation. Residents were familiar with the option that they were being offered. It had been developed by them to meet their needs. Hence, they participated actively and willingly. The state authorities, once they realized that this would also work for them, sought ways to change and modify existing policies and practices.

VI. INVESTING IN DEVELOPMENT

THE APPROACHES DEVELOPED and used by the Alliance differ considerably from those of many other development agencies. From the beginning, the funds raised by SPARC from abroad have been allocated primarily to community networking and exchange. Throughout the first years, the funds were used to support one community as they visited another, sharing problems and ideas on how they might improve their lives. Once development plans and options emerged, some financial support was sought for implementation but such finance was always used in the context of scaling up these initiatives through conventional state channels. Hence, development assistance funds have been used to develop the communities' capacity for confidence, knowledge and skill acquisition, mobilization and negotiation (to name just a few of the many required attributes), to initiate and manage a development process that addresses their needs.

The approach that has developed puts stress on communities' own resources. This is done with the understanding that local management of savings and loans funds both enables communities to better use the funds that they have and develops the skills that they need to manage larger-scale development resources. But community funds are important for their self-reliance and for the long-term viability of the social movement. Government resources are likely to continue to be available but securing government funds that are free of constraints and conditions is never likely to be easy. Hence, the urban poor need to be able to use their own resources to ensure that their interface with government can be managed to their own advantage.

Development assistance has been important in providing the larger-scale funds that support the creation of new development options. There is always a need to negotiate with donors, otherwise, the staff of international aid agencies assume that "they" know best and they are often in a position to impose their perspectives. However well-meaning their efforts, the process moves away from communities unless they are central to decision-making.

SPARC's funding strategies therefore seek to protect the community processes that they support. For any new innovation, the fundraising process starts with small flexible funds, generally from donors who are not demanding products and projects but who are content to enable the evolving process to grow, make mistakes and learn at its own pace. Northern NGO funds from a partner who agrees with the process are the most useful at this stage. Gradually, as a "solution" to a problem develops, the Alliance is ready for expansion and more resources are required. Whilst the outputs may not be immediate, the process is, by this point, clear. When the process reaches this stage, Indian government sources sometimes agree to offer support. But in these instances, financial strategies need to be developed carefully, the funds may not arrive on time and if the money can only be used for reimbursement of costs already incurred, there will be a need for bridging finance.

Through their support for SPARC, the National Slum Dwellers Federation and *Mahila Milan*, the development assistance agencies (Northern NGOs, international agencies or even national government funds) are investing in some of the urban citizens with the lowest incomes. Initially, the Alliance faced criticism because the "outputs" were not evident; some questioned whether there would be tangible benefits from this approach. It is now possible to see the effectiveness of this approach.

The example of the Railway Slum Dwellers Federation and the development of an alternative to the shacks alongside the railway track is an example of the difference that these processes can make to individual groups of the urban poor. At the national level, the strength of the communities and their capacity to secure their own and external resources to create their own loan funds, invest in physical assets and support the acquisition of marketable skills is demonstrating the effectiveness of this approach.

Since the inception of SPARC, and particularly since the beginning of the agency's partnership with the National Slum Dwellers' Federation, the urban poor have been able to develop strategies that bring them a number of tangible benefits. It is difficult to be precise about the absolute numbers of those affected by the process. Those who have taken emergency loans number hundreds of thousands, whilst those who have obtained housing form a much smaller number.

Those benefits that can relatively easily be quantified are given below:

- Annual savings for housing now exceeds Rs.25 million. Households are encouraged to divide their saving into housing savings and locally held more liquid funds. This enables the capital for housing to be protected.
- Annual savings for emergencies now exceeds Rs.10 million. These funds enable thousands of households to access loans at an interest rate of one per cent a month, considerably lower than commercial money lender rates, who charge at least 10 per cent and often more. The organization of savings management is undertaken at the level of the local savings schemes, thus increasing financial management skills and capacities.
- More than Rs.8 million has been lent in recent years as income generation loans (and much of this money has been revolved more than once). Much of this fund has been capitalized by Indian government funds. Borrowers pay two per cent a month, again well below commercial money lending charges. Income generation loans are available immediately as small loans, all managed and controlled by the community.
- More than Rs.2 million of community savings has been deposited in high interest accounts with HUDCO and a unit trust company earning between five and nine per cent a year more than ordinary bank accounts. These accounts can only be accessed by the poor because they have been able to use their collective weight to negotiate group schemes.
- More than 3,500 houses have been built by low-income communities with permanent collective land tenure and community management. These houses are already worth at least two to three times the initial financial investment. Collective tenure, combined with access to emergency finance, reduces the need and capacity of the poor to liquidate their assets at times of crisis. Many of these houses have been financed through state-managed low-interest loans that the house owners repay over a long period.
- Land tenure has been secured for many households. The scale of the Federation movement (built on the organic spread of small savings schemes) has enabled SPARC and the Federation to be included in city negotiations in Mumbai. Recent legislation has combined the right to stay in low-income, high-density settlements such as Dharavi with the right to develop housing at higher densities than elsewhere in the city. This enables a cross-subsidy, to ensure that improved housing for the poor is affordable.

- There are several hundred *Mahila Milan* women being trained in construction and earning between Rs.25-100 a day more than their previous wage. The use of the labour of the poor in housing construction has been important in ensuring that housing developments are inclusive (those with jobs pay other members to complete their share of the compulsory labour contribution) and has enabled some women to greatly improve their incomes.

Many of the benefits to members of the Federation (and other low-income households) cannot easily be given a quantifiable value. Such benefits include improved health, once housing is safe, secure and of an adequate standard, and less is spent on medical bills. Non-quantifiable benefits include the resources obtained as a result of the increased ability of community organizations to negotiate with both NGOs and local authorities - which then results in improved access to basic amenities such as water, sanitation, electricity and solid waste management. Another aspect not included in this analysis is the increase in self-respect through involvement in Federation activities and the reduction in vulnerability as a result of higher levels of cooperation between local residents. All these benefits are, in principle, measurable but they would require a detailed survey beyond the capacity of this present study.

There are also those benefits that will always be difficult to measure. The objective of a community development process such as that described here is the empowerment of the individuals (and thereby of the communities) who decide to participate. Such an empowerment process enables life choices to be expanded and new options to be taken up. Better income levels, achieved by more confident individuals, will increase the quality of child care that mothers can provide to their children and will reduce the levels of mental stress that are often associated with poverty and vulnerability. As described above, the dynamics within community organizations change as women are empowered to articulate and pursue their needs. Confident and articulate community leaders are able to build constructive relationships with city officials and politicians. The material results of these changed relationships may take years to show but the investments in social networks are being developed and consolidated continuously.

The development strategy used by SPARC and groups like them is very different from common conceptualizations of how to “do” development. For many years, there were few tangible outputs. This was not a project-based approach with a list of water taps, sanitation lines, houses built and community organizations formed. The objective, from the beginning, was to transform institutions, both those at the community level and those in local government, and to transform the interaction between the state and the urban poor. Inevitably, this required substantial investment in community learning and federating. In the last 14 years, Rs.119 million (US\$ 2.8 million) has been invested in the Alliance and its activities. An additional Rs.35 million (US\$ 833,000) is currently available as additional loan funds for income generation and housing. These are not funds owned by the Federation or *Mahila Milan* but funds available to them for which they pay interest.

Table 1. Scale of Community Savings (Rupees)

	1991/2	1992/3	1993/4	1994/5	1995/6	1996/7	1997/8	1998/9
Local savings	125,000	125,000	134,375	322,500	765,625	1,750,000	4,375,000	10,500,000
Housing savings	684,833	345,333	6,983,109	9,411,640	9,274,786	18,344,057	24,451,150	3,853,053
Other savings*						300,000	3,765,400	

Other loan capital*			400,000	965,700	1,784,300	1,891,700	1,700,000	1,408,300
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* HUDCO deposits and unit trust savings.

** The Federation's savings record has enabled it to access loan capital from special government schemes to capitalize revolving loan funds for income generation lending.

Estimating the financial return of the assets that have been invested is clearly difficult. For the loan finance, the most modest assumption is that borrowers, primarily women, would have borrowed equivalent amounts in the informal financial markets and therefore the benefit lies in the lower interest rate. In the case of emergency loans, it is possible that some of these loans would not have been given. In the case of income generation, some of the returns would have exceeded this figure several-fold.

In regard to housing loans, the most substantive asset acquired is the value of the house or apartment. Housing development has been slow and, although several individual projects were started in the mid-1990s, it was only towards the end of the decade that the Alliance was able to begin to work at scale. In particular, this change reflected the new legislation in Mumbai and the ability of the urban poor to cross-subsidize their housing improvements through building at higher densities with part of the construction project aimed at lower-middle and middle-income housing. As noted above, a characteristic of these building projects has been the integration of employment creation and job-training within the construction process to enable the inclusion of the lowest-income families and the enhancement of their capacity to function within existing labour markets. Not included above, but of importance in adding value to the quality of life and neighbourhood services, has been the development of a number of toilet blocks. As "assets", these are partially owned by the municipal authorities who provide the land and the building materials. The community's role lies in the construction and management and maintenance. Their value as assets lies in more than the physical structure: they are also investments in organizational capacity and relationship-building that offer further benefits to the community.

In view of the quantifiable benefits that have accrued to Federation members, the investment made by development assistance can be seen to have been worthwhile. Even under the most pessimistic assumptions of value, the benefits exceed the initial investment by approximately 20 per cent (see Annex 1.) Under more realistic assumptions, the investment has increased in value by some 60 per cent. But most critically, these figures do not take into account the continuing capacity of communities to plan, strategize and negotiate to increase their development options.

VII. CONCLUSIONS

OF ALL THE work that the organizations have undertaken in the last ten years, the most essential and the one which sustains the strength of the Alliance and ensures its rebirth and growth is the educational, organizational and mobilization work. Whilst the three organizations have developed this process together, more and more of the actual process develops and sustains itself through the leadership of the NSDF and *Mahila Milan*. SPARC's role is vital in that it constantly reformulates and organizes the agenda for action, opening up new areas of ideas, technology and dialogue for the communities to link to and reach out to. However, its success is dependent on what the National Federation of Slum Dwellers and *Mahila Milan* are able to sustain.

a. The Creation of Knowledge

The development of new options and development alternatives emerges from a process of community-learning and knowledge creation. Unlike most conceptualization of development plans and programmes, this knowledge is based within the realities of the lives of the poor themselves. It emerges from the stories and experiences exchanged between communities as they visit each other and share each others' lives.

Needs are identified and priorities refined. Solutions are tried and tested and then modified through replication. Gradually, a set of practices emerges that meets the needs of many communities. These practices are ritualized through constant sharing so that they become accepted ways of doing things. Communities have some new challenges to explore but not everything is new, in some areas they follow the accepted practices of other communities. Problems are addressed through mutual support networks, communities gain in confidence and, in so doing, they gain in capacity. New innovations are put forward, other needs are addressed.

The better use of existing resources is key to many of these innovations. This in turn supports the long-term viability of many of the activities, and particularly the re-creation of local organizations.

b. Representation and Accountability

Existing community organizations do little to support the needs of those living in the settlement, particularly the poorest members. Savings schemes based on accountability and trust do much to change the nature of the options that are open to those living in low-income settlements. Individual members are less vulnerable, as they can find the support they need in difficult situations and can borrow in cases of financial emergency. Collective activities become possible and neighbours work together to address mutual needs.

Drawing the savings schemes together into federations has a multitude of benefits. The urban poor are no longer isolated but can work together in groups to address their needs, which cannot always be resolved at the level of the settlement. Communities can support each other in a range of areas, from addressing financial malpractice to avoiding eviction. And learning and knowledge can be accumulated and used for the benefit of all.

c. A Movement of the Urban Poor

Mobilized through the Federation, the women in the savings schemes become part of a movement of the urban poor. Together, they put pressure on government to secure changes that they need in order to advance their livelihoods and secure their place in the city. Through international networks, they learn more about the policies and programmes of international agencies and how these too can be influenced to further their cause. Through these networks, they can better use their resources to address their needs and those of other groups of the urban poor. This movement is rooted in the savings schemes and their practical activities to address members' needs. As such, it cannot be easily co-opted or destabilized by government promises or led astray by a powerful self-interested leadership.

d. Understanding Effectiveness

Whilst the processes supported by the Alliance of SPARC, the National Slum Dwellers Federation and *Mahila Milan* have faced many difficult issues, the core activities of learning and knowledge, organization and mobilization have proved their worth. The national movement has secured additional international and national loan funds, changed government programmes to favour the poor and begun to address basic needs for thousands of their members.

e. Changes in Government Approach

The Federation leaders' increasing capacity to interact with senior government bureaucracy is related to the changes that have taken place both in government and in the voluntary sector. In

housing in particular, there is now, in principle at least, official acceptance of the role of “enabler” and acceptance that increased responsibilities should devolve upon NGOs and CBOs. This acceptance has paved the way towards an increased legitimacy for NGOs and CBOs and a readiness by bureaucracy to deal with them. On the other hand, voluntary organizations have begun to shed their confrontational attitudes towards the state. This change can be explained partly by the growing recognition that in a democratic society such as India, it is possible to affect both policy and implementation, and such an impact would be more meaningful than isolated action by an NGO.

The engagement with government has been critical to the scaling up of the work of the Alliance. Many NGOs have sought change through influencing senior officials at the local, state and central levels; many still do. The permanent civil service in India is extremely powerful and it makes sense to target it. However, in general, the work of these NGOs has suffered from a critical weakness. Proposals for policy reform are put forward without an exploration with local residents at the community level. SPARC, due to its Alliance with the National Slum Dwellers Federation, has sought another route to influencing policy. This involves undertaking demonstrable alternatives which communities want (such as toilets constructed and managed by communities), and then engaging local and national officials in a dialogue with communities about these pilot projects.

Inevitably, the rules and regulations which restricted the participation of communities in these processes are breached by new practice. This in itself is more significant than a new policy because most administrations operate on precedent. Community access to this process expands, and direct possibilities for engaging the state expand in favour of communities who, at the time, are ready to play their role. Further, because communities have already developed the solution, their empowerment expands through subsequent negotiations and the scaling up of the initiative.

This process focuses attention on what the poor can do for themselves and what they are already doing for themselves. As a result, state agencies do not view them as beneficiaries, with a begging bowl waiting for alms. Instead, the poor increasingly operate as a constituency, lobbying to negotiate with the state and the agencies that have resources for a solution to resolving the city’s problems and one which can improve the quality of their lives as well. This is distinctly unusual and different. It is even more powerful when it appears at the same time that governments and international development agencies seek people’s participation in making development interventions more effective.

This report is intended to initiate a process of reflection. **It seeks to show how educational and capacity-building activities form the basic foundation of a constituency within civil society – a constituency of communities in informal settlements whose participation in these educational activities builds their capacity to participate in developmental activities.** Such participation can take many forms, such as negotiating for more resources for themselves and their communities or maybe strengthening their participation in city improvement programmes. Early evidence suggests that, as and when community perspectives have expanded, when residents have understood problems, designed alternatives and experimented with solutions, they actually begin to design solutions to problems which are good for both their own survival and growth and for the city and the region.

Such a strategy has many implications for community organizations and NGOs on the one hand and for the governments and international agencies on the other. For all concerned, there is a clear message. Organizational investments in communities have to be long term, they have to be sustainable and develop abilities in the communities to ensure that they become and remain central to mainstream city development. All organizational and capacity-building which is project-based, where communities are involved only to “agree” to development interventions designed elsewhere, can only fail. Such programmes can never result in a lasting institutional arrangement that works for the poor. Such interventions, in fact, can increase the alienation between the poor and the rest of the population, and further increase the problems they face.

It is clear to both the NSDF and SPARC that their Alliance can be a potent instrument both for affecting government policy and for improving people’s lives at the grassroots. Had SPARC played its research and advocacy role without the base of a people’s organization, its impact would have been limited, for its perspective would not have been invigorated by the freshness of insights that the NSDF offers on poor people’s problems and solutions. Had the NSDF operated on its own, it would undoubtedly have affected the lives of large sections of the urban poor but its impact upon policy would probably have been limited. In the absence of legal reform, receiving funds would also have been problematic.

The demands which arise from this process are very different from those which have come before. The Federation believes that the solution will not emerge merely from an acknowledgment from the state that the poor have needs. It believes that the present status quo must change, with a renegotiation of the relationship between the city and its residents, between the state and civil society, between the poor and other stakeholders. In order for there to be a dialogue, there must be equality between the participants in any negotiation. Communities cannot compete with the city or the private sector on financial or technological terms. Moreover, their history of isolation makes even basic dialogue difficult. As a result, the strategy adopted by the Alliance is one which strengthens their own capacities by actually designing a solution which works for the poor and which also gives something of value to the city. With such solutions, they begin to negotiate a more equal relationship with other urban groups and begin to create a more favourable urban future for the lowest-income city dwellers.

ANNEX: INVESTING IN DEVELOPMENT

This annex presents an analysis of the returns generated by the funding that was invested in the work of the Alliance of SPARC, *Mahila Milan* and the National Slum Dwellers Federation between 1986 and 1999.

The approaches developed and used by the Alliance differ considerably from those of many other development agencies. At first, in the early 1980s, the funds raised by SPARC were allocated primarily to community networking and exchange. The funds were used to support one community as they visited another, sharing problems and ideas for how they might improve their lives. Once development plans and options emerged, some financial support was sought to explore and implement "projects" such as land acquisition, housing construction and revolving loan funds. This finance was always used in the context of scaling up these initiatives through conventional state channels. Development assistance funds have been used to develop the communities= capacity and confidence in skill acquisition, mobilization and negotiation (to name just a few of the many required attributes) in order for them to be able to initiate and manage a development process that addresses their needs.

The approach that has developed places stress on communities= own resources. Local management of savings and loans funds enables communities to better use the funds that they have and develops the skills that they need to manage larger-scale development resources. Communities= own funds are important for their self-reliance and for the long-term viability of the social movement. Whilst SPARC believes that government resources are likely to continue being available, it has no expectations that it will ever be easy to secure government funds with the flexibility that is needed to ensure that they benefit the poor. Hence, the urban poor need to be able to use their own resources to ensure that their interface with government can be managed successfully.

Development assistance has been important since SPARC's inception. It has provided funds to support the catalytic activities that have enabled the creation of new development options. These new development options have mobilized large numbers of the urban poor who have demanded a response from government. With a practical example of what is required in front of them, accessing government funds has (in some cases) been possible.

Whilst many of the donors that have supported SPARC have been supportive of their goals, there is always a need for negotiation. Often, international aid agencies assume that "they" know best and they are often in a position to impose their perspectives. However well-meaning these professionals and whatever their level of knowledge, if SPARC does not vigorously defend the Alliance's position, the process moves away from communities.

Thus, SPARC's funding strategies seek to protect the community processes that they support. For any new innovation, the fund-raising process starts with small flexible funds, generally from donors that are not demanding products and projects but who are content to enable the evolving process to grow, make mistakes and learn at its own pace. Northern NGO funds from a partner that agrees with the process are the most useful at this stage. Gradually, as a "solution" to a problem develops, the Alliance is ready for expansion and more resources are required. Whilst the outputs may not be immediate, by this point, the process is clear. When the process reaches this stage, Indian government sources sometimes agree to offer support. But in these instances, the funds never come on time. A further problem is that expenditure often needs to take place before the state makes the funds available. Northern NGOs' support can assist by providing bridging finance.

Development assistance agencies (Northern NGOs, official international agencies or even national government funds) provide both grants for administration and operations and capital for revolving loan funds. These are investment funds, providing grant and loan capital to enable activities that achieve development needs. Between 1986 and 1999, 119 million rupees (US\$ 2.8 million) was

invested in the Alliance and its activities. An additional Rs 35 million (US\$ 833,000) is currently available to the Federation as loan funds for income generation and housing. These are not funds owned by the Federation or *Mahila Milan* but funds available to them for which they pay interest.

The example of the Railway Slum Dwellers Federation and their development of an alternative to the shacks alongside the railway track is an example of how these processes can be effective (more details of this were given in the main body of this paper). The strength of the communities and their capacity to secure their own and external resources to create their own loan funds, invest in physical assets and support the acquisition of marketable skills is demonstrating the effectiveness of this approach at the national level.

The funds received from international donors are used to general multiple benefits. Here, the value of some of these benefits is estimated. It is not possible to quantify all the benefits. Some are quantifiable in theory but costly to assess, such as the savings from having an improved and legal water supply. Others cannot be fully valued, such as the benefits from having a group of more empowered women and an increase in learning and knowledge. Many of the benefits to members of the Federation (and other low-income households) are not included in this analysis because they cannot be easily valued. Such benefits include the health and income benefits received by households that have secured improved housing, and the increased ability of community organizations to negotiate with both NGOs and local authorities to secure access to basic amenities such as water, sanitation, electricity and solid waste collection. Further benefits not included in the quantitative analysis below are the increase in self-respect through involvement in Federation activities and the reduction in vulnerability as a result of higher levels of cooperation between local residents.

A number of benefits can be quantified. The major benefits that have resulted from the work of SPARC and the Federation are:

- community loan funds for emergencies and income generation lending that now equal Rs10.5 million. These loan funds have been wholly capitalized through savings;
- community savings for housing and related investments in land and infrastructure (Rs3.8 million). These savings are generating interest for members;
- 3,500 houses built to the end of March 1999 (with more now being planned on further land releases);
- Federation members trained in marketable building skills both enabling their participation in housing projects and giving them improved future income-earning opportunities.

The income and asset base of the Federation members has been significantly improved, especially in the case of the 3,500 families that have secured housing (either through loan finance or through a cross-subsidy on the site development). Conservative assumptions would suggest that the value of the houses is approximately two to three times the value of the construction materials.

Members who have borrowed money from the emergency and income generation loan facility managed by savings schemes have received further benefits. These families no longer have to pay the high interest rates of the informal money lenders who previously provided the only source of credit available to low-income households. Whilst the calculations assume that informal finance outside of the *Mahila Milan* savings groups is available at an interest rate of 10 per cent a month, women often have to pay far more to obtain the funds that they need.

Training in building skills has both enabled the poorer members of each community to participate in housing improvements and has ensured them a future income. The increase in their wages is between 25 and 100 rupees each day (US\$0.6-2.0).

The assumptions are detailed below. In summary:

- The value of the funds that are lent to SPARC to be on-lent is estimated to be 6 per cent a year, the difference between what the money would have been worth on the market to the development agency compared to what they receive from SPARC and the Federation. This is

- a very low value.
- The value of Federation local revolving funds (for crises credit) is estimated to be 9 per cent a year, the difference between the cost of funds on the informal markets and the cost of borrowing from SPARC. A range of assumptions is then made for how much of these funds is borrowed at any one time, ranging 60 per cent ("high") to only 10 per cent ("low").
- The value of Federation income generation loans is estimated to be 8 per cent a year, the difference between the cost of funds on the informal markets and the cost of borrowing from SPARC.
- The value of finance in special savings schemes is valued at the additional interest benefit: 12 per cent (HUDCO) and then 16 per cent (Unit Trusts) over 7 per cent.
- The value created through construction ranges from 100 to 300 per cent of the initial value of the house depending on whether the "low", "medium" or "high" value assumption is used.
- The value created through training labour is estimated to be the additional value to the daily wage ranging from Rs 100 (high), to Rs 50 (medium) and Rs 25 (low). It is assumed that the labourers work 200 days a year in each case.
- Finally, the loan funds (for emergency loans and income generation) that are in place have a value that is related to their future use. In addition, the trained labourers also have a future value based on their expected earnings differential. Future values have been estimated assuming time periods of four years (low), six years (medium) and ten years (high).

Total benefits range between 70 and 200 million rupees depending on the optimism of the assumptions that are made. The net benefits range from 24 million to 116 million rupees depending on the assumptions that have been made. (This assessment takes into account both the changes in the value of money due to inflation and the costs of investment through discounting). Most of this benefit resides either in the housing assets now owned by the federations and used by the urban poor or in the loan capital.

The breadth of the assumptions is responsible for the range. What is evident is that even with the most pessimistic assumptions, there is a significant development benefit as a result of the activities.

In assessing the adequacy of these investment returns, it is perhaps helpful to consider what benefits the funds might have realized if they had been invested elsewhere. Whilst comparisons with other strategies to address poverty through housing improvements are clearly difficult, an estimate of the value that would have been generated had the received funds simply been spent on contractor housing can be made. A housing unit of the type typically constructed by the Federation can be built for around Rs 30,000. Using the US\$3.6 million of donor funds to directly construct housing would have resulted in the construction of almost 4,000 housing units - but without, for example, the benefits of support to income generation, the reduction of vulnerability through providing for emergencies, and the empowerment of thousands of women who have established and managed local loan funds to address their needs. The quality of formally constructed housing by commercial companies is likely to be lower than the rigorously monitored housing constructed by the urban poor as organized within the Federations and hence the final financial benefit of between US\$ 0.5 –2.4 million is unlikely to have been realized.

Overall, this assessment and the comparison with the formal housing that could have been an alternative investment suggest that the approach is a good use of funds.

PUBLICATIONS - THE CASE STUDIES AND OTHER BOOKS AND PAPERS ON URBAN ISSUES

a. The Working Papers series on poverty reduction

Alimuddin, Salim, Arif Hasan and Asiya Sadiq (2001), *Community Driven Water and Sanitation: The Work of the Anjuman Samaji Behbood and the Larger Faisalabad Context*, IIED Working Paper 7 on Poverty Reduction in Urban Areas, IIED, London.

Baumann, Ted, Joel Bolnick and Diana Mitlin (2001), *The Age of Cities and Organizations of the Urban Poor: The Work of the South African Homeless People's Federation and the People's Dialogue on Land and Shelter*, IIED Working Paper 2 on Poverty Reduction in Urban Areas, IIED, London.

Dávila, Julio D. (2001), *Urban Poverty Reduction Experiences in Cali, Colombia: Lessons from the Work of Local Non-profit Organizations*, IIED Working Paper 4 on Poverty Reduction in Urban Areas, IIED, London (available September 2001).

Díaz, Andrés Cabanas, Emma Grant, Paula Irene del Cid Vargas and Verónica Sajbin Velásquez (2001), *El Mezquital - A Community's Struggle for Development*, IIED Working Paper 1 on Poverty Reduction in Urban Areas, IIED, London.

Patel, Sheela and Diana Mitlin (2001), *The Work of SPARC and its Partners Mahila Milan and the National Slum Dwellers Federation in India*, IIED Working Paper 5 on Urban Poverty Reduction, IIED, London.

Schusterman, Ricardo, Florencia Almansi, Ana Hardoy, Cecilia Monti and Gastón Urquiza (2001), *Poverty Reduction in Action: Participatory Planning in San Fernando, Buenos Aires*, IIED Working Paper 6 on Poverty Reduction in Urban Areas, IIED, London.

Stein, Alfredo (2001), *Participation and Sustainability in Social Projects: the Experience of the Local Development Programme (PRODEL) in Nicaragua*, IIED Working Paper 3 on Poverty Reduction in Urban Areas, IIED, London.

Towards the end of 2001, three other case studies will be published:

- *The Children's Council and Other Innovations in Barra Mansa, Brazil*
- *The work of Development Workshop in Luanda, Angola*
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Electronic versions may be obtained at no charge from IIED's web-page: www.iied.org. If you have any difficulties obtaining these, e-mail us on humans@iied.org with details as to which working paper you want.

b. Other publications from this research programme

Satterthwaite, David (2001), *Reducing Urban Poverty; Some Lessons from Experience*, University of Birmingham, Birmingham.

This will be available from August 2001 for £10 from the Publications Office, School of Public Policy, University of Birmingham, Birmingham B15 2TT, UK, e-mail: C.A.Fowler@bham.ac.uk
The paper may also be viewed on <http://www.bham.ac.uk/idd/activities/urban/urbgov.htm>

Shorter versions of the working papers on PRODEL and on El Mezquital have been published in IIED's journal *Environment and Urbanization*:

Stein, Alfredo (2001), "Participation and sustainability in social projects: the experience of the Local Development Programme (PRODEL) in Nicaragua", *Environment and Urbanization* Vol 13 No 1, pages 11-35.

Díaz, Andrés Cabanas, Emma Grant, Paula Irene del Cid Vargas and Verónica Sajbin Velásquez (2001), "The role of external agencies in the development of El Mezquital in Guatemala City", *Environment and Urbanization* Vol. 13, No. 1, pages 91-100.

Díaz, Andrés Cabanas, Emma Grant, Paula Irene del Cid Vargas and Verónica Sajbin Velásquez (2000), "El Mezquital - a community's struggle for development in Guatemala City", *Environment and Urbanization* Vol. 12, No. 1, pages 87-106.

HOW TO OBTAIN THESE: These papers may be obtained electronically from the web at www.catchword.com; <http://www.catchword.com/titles/09562478.htm> takes you straight to *Environment and Urbanization On-line*. Access to the paper in the April 2000 issue is free; access to the two papers in the April 2001 issue costs \$6 each.

c. Other publications on urban poverty

Rethinking Aid to Urban Poverty Reduction: Lessons for Donors: The April 2001 issue of *Environment and Urbanization* includes evaluations of urban projects or programmes funded by US AID, the World Bank, DFID, Sida, NORAD and UNICEF, along with papers considering the constraints on donor effectiveness. There are also papers on participatory budgeting in Brazil, a fund for community initiatives in Uganda, poverty mapping in Argentina, mapping infrastructure deficiencies in Salvador, community-based watershed management and links between poverty and transport.

Poverty Reduction and Urban Governance: The April 2000 issue of *Environment and Urbanization* includes 12 papers examining the links between poverty and governance in particular cities. Among the interesting points of commonality or contrast are: the great range of political structures, with some having governments that are clearly more accountable and responsive to urban poor group than others; the very limited powers, resources and capacities to raise revenues available to urban governments; the complex political economy within all the cities which influences who gets land for housing, infrastructure and services; and the capacity of anti-poor local government policies and practices to harm the livelihoods of many low-income groups within their jurisdiction.

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The papers from both issues may be obtained electronically from the web at

www.catchword.com; <http://www.catchword.com/titles/09562478.htm> takes you straight to *Environment and Urbanization On-line*. Access to the papers in the April 2000 issue is free. Access to individual papers in the April 2001 issue costs \$6 each (or \$30 for the whole issue). See also the later section on *Environment and Urbanization* for details of subscription prices.

Urban Governance, Partnerships and Poverty: A research programme undertaken by the University of Birmingham, IIED, The London School of Economics and Cardiff University in collaboration with teams in ten cities in the South has produced a great range of theme papers, case studies, cross-city analyses and other studies - see <http://www.bham.ac.uk/idd/activities/urban/urbgov.htm> for more details.

d. Urban publications with Earthscan

McGranahan, Gordon, Pedro Jacobi, Jacob Songsore, Charles Surjadi and Marianne Kjellén (2001), *The Citizens at Risk: From Urban Sanitation to Sustainable Cities*, Earthscan Publications, London, 200 pages.

Hardoy, Jorge E., Diana Mitlin and David Satterthwaite (2001), *Environmental Problems in an Urbanizing World: Finding Solutions for Cities in Africa, Asia and Latin America*, Earthscan Publications, London, 470 pages.

Bartlett, Sheridan, Roger Hart, David Satterthwaite, Ximena de la Barra and Alfredo Missair (1999), *Cities for Children: Children's Rights, Poverty and Urban Management*, Earthscan, London, 305 pages.

Satterthwaite, David (editor) (1999), *The Earthscan Reader in Sustainable Cities*, Earthscan Publications, London, 472 pages.

Satterthwaite, David, Roger Hart, Caren Levy, Diana Mitlin, David Ross, Jac Smit and Carolyn Stephens (1996), *The Environment for Children*, Earthscan Publications and UNICEF, London and New York, 284 pages.

Hardoy, Jorge E. and David Satterthwaite (1989), *Squatter Citizen: Life in the Urban Third World*, Earthscan Publications, London, UK, 388 pages.

HOW TO OBTAIN THESE: These are available from Earthscan Publications, 120 Pentonville Road, London N1 9JN, UK; e-mail: earthinfo@earthscan.co.uk; web: www.earthscan.co.uk; also available in bookstores. In USA, they are available from Stylus Publishing LLC, PO Box 605, Herdon, VA 20172, USA, e-mail: StylusMail@PressWarehouse.com. In Canada, they are available from Renouf Publishing Company, 1 - 5369 Canotek Road, Ottawa, Ontario K1J 9J3, Canada, e-mail: orderdept@renoufbooks.com. The Earthscan web-site also has details of Earthscan representatives and agents in all other countries.

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