CONSTRAINTS IN PLAN IMPLEMENTATION:
THE CASE OF KENYA's HOUSING POLICY

by

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B.A., Rutgers University
(1981)

Submitted to
the Department of Urban Studies and Planning
in Partial Fulfillment of the Requirements
for the Degree of
Master of City Planning
at the
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May 1983

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Abstract

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Submitted to the Department of Urban Studies and Planning
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A great deal of attention has been paid to housing policy in Kenya. Yet there remains a general feeling among the Kenyans that the performance of the public housing sector has been less than satisfactory. The public housing sector has produced only a fraction of the housing called for during the last two development plan periods and it appears as if the housing objectives of the Fourth National Development Plan of providing each Kenyan with a decent house to live in will not be realized in the near future. Numerous theories and methods of resolving the housing problem have been used, yet it is evident that they have not been able to achieve their objectives. This thesis is an attempt to understand the problems surrounding the approaches that have been used in solving Kenya's housing problems.

It is the contention in this study that the housing problems realized in Kenya result from their inability to implement their policies and strategies such as the "basic needs" approach (BNA). Furthermore, it is the contention of this study that the BNA is not implementable in a country such as Kenya, that does not possess the necessary requirements for a successful strategy.

Some of the recommendations provided in this study call for (1) genuine commitment on the part of the administration; (2) providing clearer definitions as to policy goals and how they are to achieve such goals; (3) setting their goals accordingly with the amount of resources available in the country; and (4) restructuring the government, so that lower-income groups can be better served.

Thesis Supervisor: Karen R. Polenske
Title: Professor of Urban Studies
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John T. Obomanu
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CHAPTER ONE
INTRODUCTION

Despite many years of sustained efforts by the international community, the problems of economic development seem to be growing in size and complexity in Kenya. Many solutions to Kenya's development problems have been proposed over the last two decades. These development problems have changed from being almost exclusively concerned with achieving rapid rates of growth in gross national product (GNP) to being more immediately concerned with the living conditions of the poorest economic strata of societies. Over a period of several years, various general development theories have been introduced—namely (ILO, 1977, p. 1): "capital accumulation," "availability of foreign exchange," "industrialization," "import substitution," "export-oriented substitution," "rural development," "population control," "human resource development," employment strategies, and redistribution with growth—just to name a few. Yet, despite these development strategies, a large proportion of mankind still exists in the most abject conditions of material deprivation.

According to the International Labor Office (ILO):

More than 700 million live in acute poverty and are destitute. At least 460 million persons were estimated to suffer from a severe degree of protein-energy malnutrition even before the food crisis [in the 70's]. Scores of millions live constantly under a threat of starvation. Countless millions suffer from debilitating diseases of various sorts and lack access to the most basic medical services. The squalor of urban slums is too well known to need further
emphasis. . . . The tragic waste of human resources in the Third World is symbolized by nearly 300 million persons unemployed or underemployed in the mid-1970's. (ILO, 1977a, p. 1)

In Third World countries, there are a large number of people who live in poverty, live without adequate housing and basic medication, and live without adequate job opportunities. These conditions remain despite impressive rates of growth in many countries. Sharp inequalities in the distribution of income and of wealth within and between countries have highlighted the depths of impoverishment. For instance, in Kenya, a report by the ILO noted that although Kenya was developing at a growth rate of about seven percent, there were still people in Kenya who were without, and the unemployment rate was at fifteen percent and rising (ILO, 1972). The issue, however, was not only that of unemployment. There existed also groups of people who were working diligently and strenuously, yet their employment was not productive in meeting their basic needs. These needs included minimum housing, clothing, education, utilities and nutritional standards. Meanwhile, new solutions are continuously introduced to the ever-changing ideas and strategies of development concepts, objectives and theories. The "basic needs approach to development" has become another development strategy proposed to ameliorate Kenya's plight. According to the ILO:
Basic needs are defined as the minimum standards of living which a society should set for the poorest groups of its people. The satisfaction of basic needs means meeting the minimum requirements of a family for personal consumption with regards to food, shelter, and clothing, and it implies access to essential services, such as sanitation, transportation, health and education; it demands that every person available for and willing to work should have an adequately remunerated job. It further implies the satisfaction of needs of a more qualitative nature. It aims at providing a healthy, humane and satisfying environment. It also assumes that even the most common people of a country will participate in decision making that will affect the lives and livelihood of the people and that will assure freedoms.

(ILO, 1977a, p. 7)

Statement of the Problem

The problems that this thesis addresses are the constraints prevalent in implementing the "basic needs" approach with regard to Kenya's housing problem. The problem this thesis addresses may be further clarified by posing a number of questions.

1. Why is there a need for a "basic needs approach" (BNA) in Kenya? What are the objectives of the BNA? What criticisms can be posed about it?

2. How have housing development approaches historically dealt with Kenya's housing problems? What implications have previous development strategies had on more recent housing policies?

3. How effective is the BNA in complementing the existing governmental structure and institutions? How effective is
it in complementing the cultural belief system of the Kenyan people?

4. How does a centralized government administration impact on Kenya's housing problems? Are decentralization and the existence of land resources prerequisites to the success of the BNA? Are there other factors relevant in resolving Kenya's housing problems?

5. How effectively have development plans been translated into development programs by the Kenyan government?

The problem this thesis examines is important for a number of reasons. First, this analysis aims to enhance the understanding of why the "basic needs" approach, a new concept that was recently adopted by the Kenyan government in their Fourth National Development Plan 1979-1983, does not seem to be resolving Kenya's housing problems. Second, since a great deal of attention has historically been paid to housing problems in Kenya, it hopes to further the understanding of why no resolution has been found. Third, given the fact that many housing development plans have failed in Kenya, this analysis may provide insight as to whether previous development strategies have been faulty in implementation or whether economic uncertainties are responsible for the failures of previous development plans. Finally, this thesis may provide new insights into how housing plans may be more effectively implemented in Kenya.
Purpose and Objectives

The purpose of this thesis is to imply that there are institutional constraints found in the implementation of a "basic needs" approach with regard to Kenya's housing problems. The specific objectives of the study are listed below:

1. To demonstrate that the "self help" strategy of the BNA has not alleviated the problems of urban informal housing, the squatter settlements in Kenya.

2. To demonstrate that decentralization and adequate redistribution or allocation of land resources do not exist in Kenya's institutional structure as they did in other developing countries that successfully used the BNA.

3. To demonstrate that Kenya's housing problems primarily exist as a result of the government's inability to translate housing policies into implementable housing programs. For the purposes of this thesis, the term "policy" refers to goals stated in development plans, whereas the term "program" refers to the implementable objectives of policies.

4. To demonstrate that the governmental structures do not exist to enact the proposed alternatives of loan provisions or public housing provisions.

Rationale

The basis on which the case can be made that institutional constraints prevalent in the "basic needs" approach make the
implementation of the "basic needs" approach infeasible lies in the studies on development approaches.

In an analysis of the performance of the Fourth Development Plan (1979-1983) of the Kenyan government, Shaw (1983) cites that to date this implementation of the "basic needs" approach to provide adequate housing has not accommodated the rapid population growth of Kenya. Morawetz (1977) suggests that three steps are essential in formulating a need-oriented strategy: an approach applicable to Kenya's housing problems. Morawetz suggests that these components include explicitly defining the target groups, estimating their consumption needs, and defining the implementation strategies. There is no evidence to demonstrate that these steps have been implemented in Kenya.

The "high growth and trickle down" strategy and the "redistribution of income through growth" strategy were development approaches adopted with implications for alleviating Kenya's housing problems. However, these development strategies failed because of their faulty assumptions that economic growth would redistribute incomes among Kenyan people without the need for specific governmental intervention in implementing the redistribution of income.

Most criticisms of development strategies are that they lack the clarity necessary for implementation. Streeten (1979), who is a proponent of the "basic needs" approach, however, criticizes it as a concept because it has difficulties
being definitive about incorporating some objectives necessary for successful development. Rather, it limits itself to basic needs strategies often ignoring the political realities encountered from institutional difficulties that result from economic uncertainty, politician's interventions, and changing needs.

Failure in the implementation of development strategies also result from the adoption of successful development strategies from governments with dissimilar circumstances. The World Bank's (1980) study of the "basic needs" approach noted that three common characteristics pre-existed in countries which successfully implemented this plan. These countries all had equitable distribution of assets, decentralized decision-making, and women as participants in their political system.

Based on these observations, it seems logical to conclude that the implementation of the "basic needs" approach is restricted by inadequately defined strategies, inappropriate and unclear goals, and inadequate research into the suitability of this strategy for the identified group.

Plan of the Thesis

In summary, this thesis will attempt to identify the institutional constraints prevalent in Kenya's implementation of a "basic needs" approach. Chapter 1 introduces the purpose for the analysis of the institutional constraints prevalent in Kenya's implementation of a "basic needs" approach. Chapter 1 also introduces the case that the "basic needs" approach is not
an effective strategy in resolving Kenya's housing problems. Chapter 2 gives a general overview of the objectives of the "basic needs" approach as a strategy for economic development in Kenya. It also focuses on the implications of the "basic needs" approach in resolving Kenya's housing problems. A critique of the implementation of this strategy is also presented in this chapter. Chapter 3 provides a framework for analysis by providing an historical perspective of Kenya's housing sector with an indication of Kenya's current performance in meeting its housing needs. Chapter 4 focuses on the identifiable constraints of formalization, centralization and land resource for implementing an effective "basic needs" approach. The case studies will deal specifically with Kenya's land policy government's administration and the institutional constraints prevalent in the development of urban informal housing areas. By examination of these cases, especially the issue of implementation, it will be possible to determine whether Kenya actually needed a new strategy in order to resolve her housing problems, or whether she needed a more effective and/or efficient implementation program. Finally, Chapter 5 summarizes, and explains the inferences that can be drawn from this analysis. Some brief recommendations are also suggested.
CHAPTER TWO

THEORETICAL BASIS ON WHICH THE BASIC NEEDS APPROACH IS FOUNDED

The provision of housing in Kenya is considered to be the second most important priority by the Kenyan government (Kenya, 1979). Kenyan authorities admit to their inability to provide houses and services for the masses of low income groups despite huge expenditures to rectify the housing problem. The Fourth Development Plan (1979-1983) of the Kenyan government estimates that 290,000 housing units are needed per year in urban areas. However, Kenya has failed to meet the necessary goal of constructing 290,000 housing units per annum. Having only 1,623 units actually completed during the period of 1979-1980 (see Table 2.1) indicates that fewer than the projected 5,708 units deemed necessary during this period by the Fourth Development Plan had been constructed (Kenya, 1979, p. 172). As a result, an additional 140,000 new housing units would be needed over a five year time frame to compensate for previous housing under-production. The outlook for increasing housing construction to meet the current demand seems bleak. The existing number of service plots alone (794 existed by 1980) would have to triple in order to achieve the planned physical output of housing projected to be 11,532 by the end of the implementation period of the Plan.

The projected increase in housing demands due to Kenya's rapid population growth suggests that an additional 150,000 units will need to be constructed. These figures become more
Table 2.1
Projected Need and Cost of Housing Units by Type in Kenya (1980)

<table>
<thead>
<tr>
<th>Type</th>
<th>Units</th>
<th>Cost K</th>
<th>% in Money Value</th>
<th>% in Physical Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sites and Services</td>
<td>794</td>
<td>870,120</td>
<td>28</td>
<td>48.9</td>
</tr>
<tr>
<td>Tenant Purchase</td>
<td>808</td>
<td>2,095,100</td>
<td>66</td>
<td>49.8</td>
</tr>
<tr>
<td>Mortgage</td>
<td>15</td>
<td>153,187</td>
<td>5</td>
<td>0.9</td>
</tr>
<tr>
<td>Rental</td>
<td>6</td>
<td>26,500</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,623</td>
<td>3,144,907</td>
<td>100</td>
<td>100.0</td>
</tr>
</tbody>
</table>

alarming when one takes into consideration that in 1982, which in economic terms can be said to be the year when Kenya's annual population exceeded the economic growth rate (Shaw, 1983, p. 23), Kenya's population will be increasing at an approximate meteoric rate of 4.1% per annum. Thus, the increase in population will only add to the existing housing shortage.

In Kenya's rural areas, the total housing construction requirement is estimated at 1,075,000 units over the course of the five-year period of the Fourth National Development Plan (1979-1983). The majority of the units needed in rural areas, approximately 625,000 units, are needed to replace existing housing units that are beyond repair.

Housing Development Approaches in Kenya since Independence

Kenya's strategies have not been very successful in dealing with her housing problems. Since her Independence in 1963, two strategies have been adopted in an attempt to resolve Kenya's housing problems. The "high growth and trickle down" strategy and the "redistribution with growth" strategy have both been housing development strategies aimed at raising the housing standards for Kenya's masses of poor people.

Kenya's initial strategy was the "high growth and trickle down" strategy of the 1950's and 1960's. This strategy was based on the assumption that either the elimination of poverty should be left to the government through the redistribution of the elements of growth or that it should be achieved through an increase in the Gross National Product. This plan, it was
believed, would raise the standard of living of the poor. In the "high growth and trickle down" strategy there were no active housing provisions for the Kenyan people. The government believed problems of shelter would be eliminated in the course of rapid growth (Kenya, 1973, p. 170). Satisfaction with the achievements in eliminating poverty and shelter needs during the "trickle down" period suggests that the government's assumptions were incorrect. An implicit assumption was that economic development would be achieved through industrialization and that achieving aggregate or national economic growth would, in time, benefit the individual citizen. No explicit policies for redistribution were felt desirable or necessary (see Williamson, 1965). However, the problem with this policy during this period was its reported difficulty in making any headway in solving development problems in the face of multiple objectives (such as the reduction in income, inequalities, economic growth, and the achievement of self-sufficiency) and interlocking vicious circles (Morawetz, 1977, p. 8). The rich seemingly got richer, and inequities in income become paramount (Kenya, 1973).

In summary, the "trickle down" strategy focused on national income growth, by promoting industrial activities and ensuring higher domestic savings and foreign investments, as a means of improving Kenya's housing standards. This meant the promotion of a new national industrial economy, with priorities given to urban and industrial development.
Kenya adopted a new strategy in its second development plan period (1970-74) in another attempt to deal with the problems of inequality still manifest in the economy. The "redistribution with growth" strategy was a modification of the "high growth and trickle down" strategy influenced by the realization that Kenya's progress thus far had meant only "very rapid development in no more than one or two relatively small sections of the economy" (ILO, 1972). As a result, there were serious "inequalities in income between a small number of highly placed individuals on the one hand (in essence, large farmers, people in business, politicians, the civil service and certain professions) and the great mass of the people on the other" (ILO, 1972).

The "redistribution of income through growth" strategy utilized the tactics of deliberate intervention to redistribute resources to the poorest sections of society, thus raising their relative position. The objective was to reduce inequities in incomes vis-a-vis the diffusion of development benefits to the urban and rural poor. If a high growth rate was accompanied by a falling share of income for the poorest categories of people, then redistribution of income could be achieved by reducing the economic growth rate while maintaining the absolute level of income of the poor.

Two additional hypotheses can be rendered about the failure of the "redistribution of income through growth" (ILO, 1977, Morawetz, 1977). The internal redistribution of assets and incomes is a crucial strategy for reducing income
inequality. David Morawetz asserts that in a society (such as that of Kenya) where economic growth has already commenced amidst unequal income distribution, it is quite unlikely that redistribution of income will occur (1977, p. 41). [This argument may not be true in the case of Japan and the United States.] Morawetz suggests that redistribution of income is unlikely because the people who own capital assets are usually unwilling to relinquish their advantageous position in order to achieve equality in income.

In summary of the critical components of the "redistribution with growth" strategy, this strategy primarily attempted to redistribute development benefits to those needing the most assistance—the urban and rural poor (Murison and Lea, 1979, p. 37). The emphasis of the strategy was on employment generation, thereby eliminating rural poverty (Murison and Lea, 1979, p. 37).

With regard to the failure of Kenya's first two development strategies, the "high growth and trickle down" plan and the "redistribution through growth" plan, a question remains as to whether they failed because (1) the government did not desire to implement redistribution of wealth among the Kenyan people, or whether (2) the strategies ignored how economic uncertainties would affect implementation plans. Streeten and Stewart (1976) suggest that the "high growth and trickle down" strategy did fail but it was not because the Kenyan government did not have the will to implement these policies. Rather, Streeten and Stewart (1976) hypothesize that they failed for the following reasons (Streeten and Stewart, 1976, p. 388).
First, Streeten and Stewart (1976) indicate that it is possible that the government lacks the knowledge and/or the administrative power to redistribute income effectively. "Public expenditure programs for rural areas are hard to administer. Similarly, tax systems are notoriously inefficient."

Streeten and Stewart's (1976) second argument suggests that income inequities are an integral part of any development strategy aimed at achieving economic growth through capitalism. Third, they propose that when policy-makers benefit directly or indirectly through the success of economic strategies. The actions of government officials, they therefore hypothesize, are autonomously imposed because of the possibility of obtaining personal advantages from certain strategies.

Streeten and Stewart's (1976) arguments implying that the government's naivete is a benign force in the implementation of development strategies may appear valid on the surface, but when examined, there are some inconsistencies in this assumption. For instance, the argument that the Kenyan government lacks the knowledge, or the administrative power necessary to accomplish the strategy such as the redistribution of income is contradicted by the government's ability to administer complex problems with regard to import restrictions on investment licensing (see Ghai, et al., 1979). Rather, the failure to implement a redistribution of wealth strategy seems most related to the government's primary concern for the elites in Kenyan society. These same elites control
government policies and are responsible for policy implementation. Morawetz (1977) questions the feasibility of a "redistribution through growth" strategy. His reason is that economic growth is incongruent with the goals of income redistribution, and the structure of growth often determines the pattern of distribution until much higher levels of per capita income are approached. What Morawetz recommends is that if a "redistribution through growth" strategy were attempted, it would become necessary to address, as an interim policy, housing and utilities provisions, land reform, and mass education, rather than leaving these items until later when growth has occurred (Morawetz, 1977, p. 41).

Although it can be said at this point that the policy-makers of Kenya may have reasons for failing to recognize warnings of growth failures from historical evidence, the government has the responsibility for failures in carrying through policies and strategies successfully.

Streeten and Stewart's (1976) argument that income inequity is inherent in some development strategies thus suggests that the government has no responsibility in devising development strategies and policies to decrease inequities in income, housing, education, nutrition, and clothing. If no strategies exist to redistribute income through growth, the government should focus her public assistance efforts on programs that will at least ease the hardship of the poor, or leave the plight of the poor in Kenya to market forces. Without programs to redistribute income through growth, Kenya
will remain dependent on capitalist countries for technological development because Kenya will not have the skilled labor of her poor people to produce products nor will the Kenyan government, burdened by its masses of poor people, have the capital to invest in technological development. The multi-national corporations, with skilled labor and financial resources, will continue to provide products of luxurious quality which only the rich can afford, will continue to flood Kenya's job market, swelling the ranks of Kenya's poor and unskilled, and will continue to make large profits often not reinvested in the Kenyan economy.

As for the third argument, that policy-makers benefit from success or failure, the author feels that it is highly unlikely that policy-makers would want to relinquish their power unless they found that they had no other choices. Such limitations in choices would probably result from either a threat to their positions or the possibility of rebellion by the masses (in essence, a coup).

Kenya's Fourth National Development Plan: The "Basic Needs" Approach

Kenya's most recent development strategy is the "basic needs" Approach (BNA). Given the fact that past development strategies introduced by the Kenyan government have failed to work in solving Kenya's problems of economic development and housing provisions, the question can be posed as to whether the BNA is capable of achieving the primary objectives of alleviating poverty and eliminating income inequities in Kenyan
society. Furthermore, what is the rationale for the Kenyan government selecting the BNA? The answers to these questions lie in the plan and programs of the "basic need" approach and its specific strategies with regards to Kenya's housing problems. Considering the failures of the "high growth and trickle down" strategy and the "redistribution through growth" strategy, the question can be raised as to what ways the "basic needs" approach remedies the failures of previous development strategies.

The World Bank has been a major proponent of the "basic needs" approach, suggesting that it will alleviate poverty and eliminate income inequities. They have published a number of reports promoting this relatively new idea of development for developing countries to adopt as their strategy (see World Bank, 1980a; Streeten, 1981). The World Bank rationale for proposing the "basic needs" approach as a superior strategy is that as an approach, it has the ability to (1) encourage resources and materials, and (2) satisfy certain basic needs and improve the quality of labor. The "basic needs" approach is also attractive because it is congruent with the major revisions that have occurred over the past ten years in World Bank's lending patterns and policies (see Table 2.2).

Ten years ago, more than 58% of the World Bank's lending activities were devoted to infrastructure projects. This proportion dropped to about 37% by fiscal year 1980 (World Bank, 1980, p. 34). An increasing proportion of its lending activities is now committed to sectors directly contributing to
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<tr>
<td>Infrastructure(1)</td>
<td>3,784</td>
<td>58.3</td>
<td>4,090</td>
<td>37.2</td>
<td>0.8</td>
</tr>
<tr>
<td>Sectors directly linked to increasing the productivity of the poor</td>
<td></td>
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<td></td>
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<td>Production sectors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;New Style Projects&quot;</td>
<td>166</td>
<td>2.6</td>
<td>2,053</td>
<td>18.7</td>
<td>28.6</td>
</tr>
<tr>
<td>&quot;Basic Needs Programs&quot;</td>
<td>340</td>
<td>5.2</td>
<td>1,299</td>
<td>11.8</td>
<td>14.4</td>
</tr>
<tr>
<td>Other Production Sectors</td>
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<td>33.9</td>
<td>3,558</td>
<td>32.3</td>
<td>4.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,487</td>
<td>100.0</td>
<td>11,000</td>
<td>100.0</td>
<td>5.4</td>
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</tbody>
</table>


Note: There is some overlap between various categories. Also, all lending has varying degrees of impact on poverty, directly or indirectly. This table is only illustrative to bring out the major shift in sectoral emphasis over time.

1. Includes communications, energy, power, transportation and tourism.
2. Includes rural development and small scale industry projects where over 51% of the total benefit is directed to poverty target groups.
3. Includes education, population, health, Sites and Services, and water supply.
4. Includes agriculture (excluding rural dev.), industry, technical assistance, and non-project lending.
the objective of poverty alleviation. In 1982, for instance, the International Development Agency approved a $61 million loan for Kenya's agricultural and housing sectors for the implementation of strategies aimed at meeting the needs of Kenya's poor. It is possible, therefore, that the Kenyan government, pressured by a shift in the International Development Agency's lending trends, may have adopted the "basic needs" approach to improve its opportunities for loans. There have certainly been cases to verify the assumption that Kenya primarily adopted the "basic needs" approach because it is a preferred policy by lending agencies. In Kenya's housing sector for example, the World Bank (1975) was only amenable to participating in the implementation of Kenya's housing objectives when the Kenyan government adopted the recommendation made by the World Bank for a Sites and Services project.

The World Bank mission had recommended the Sites and Services projects to encourage low-income groups to participate in the construction of their own houses with the Kenyan government's providing the building materials. The objective of Dandora projects, a location on the eastern side of Nairobi, Kenya, was to decrease the demand for housing by supplying new homes. Planning was made for 6,000 plots to be given to low-income Kenyans. In addition, the low-income Kenyans targeted to develop the plots were given loans for the purchase of building materials. The construction of community facilities such as schools, health centers, markets, and
innovative approaches were to be provided by the government. The government would also provide the city planning strategies necessary for the installation of utilities. These plans would have lost effectiveness as primary goals in the implementation of city planning (Beardmore, 1978). Effective housing strategies led to the official endorsement of the sites and services concept in the 1974-1978 and 1979-1983 National Development Plans for Kenya and the agreement of the World Bank to finance the Dandora Sites and Services Housing Project (Kenya, 1973, p. 70; Kenya, 1979, p. 172).

The persuasiveness of the World Bank and the adoption of the "basic needs" approach in Kenya depicts the vulnerability of the Kenyan government to external forces (in essence, the dependency of the government on other countries to provide development aid).

Some critics may argue that Kenya did not have to accept aid that included housing strategy stipulations. They suggest that the Sites and Services project recommended by the World Bank was not appropriate for Kenya (HRDU, 1979). Nevertheless, when we consider that the World Bank has been involved in the Kenyan housing sector since 1971, and that most of the funds, technology, and capital, devoted to housing developments in Kenya, come from donor agencies and/or other governments, it is not surprising that a donor agency, like the World Bank, would have the control and influence to determine what strategies Kenya would adopt to resolve her housing problems. The BNA is even more attractive because its name has political appeal.
Its name can enable the Kenyan government to suggest to her people that the government is attempting to at least attend to "basic needs." With the illusions provoked by the name "basic need" the government might avoid major responsibilities, such as the construction of homes for the poor. The BNA, after all, is another form of redistribution through growth which might counter the personal aims of government officials. The government could maintain the existing direction of the housing policy simply by describing it with a more palatable name.

The "basic needs" approach is a strategy designed to accomplish the following goals (World Bank, 1980a, pp. 9-12):

First, what is made clear by the "basic needs" approach as cited in publications of World Bank studies, is that the provisions of basic needs—better education, nutrition, and health are beneficial in reducing fertility, raising labor productivity, enhancing people's adaptability and capacity for change, and creating a political environment for stable development.

Second, the pressing basic needs of low-income people can be met successfully without sacrificing economic growth.

Third, the BNA provides housing solutions which can be implemented within a framework by improved management of resources.

The World Bank also recommends the re-allocation of existing resources to facilitate and achieve the objectives of meeting basic needs. The World Bank is also a proponent of the acquisition of external assistance from developed countries to embark on such redevelopment.
The fundamental feature of a basic needs strategy is its central emphasis on meeting the basic needs of the poor masses within the shortest possible period.

Streeten, another development economist and proponent of the basic needs approach, further elaborated on the objectives of basic needs. According to him, the basic needs approach to development has three objectives (Streeten, 1979, p. 4):

(1) The provision of real incomes that are adequate to buy necessities such as food, clothing, household goods, transportation, fuel, and shelter. This implies productive and remunerative livelihoods (employment and self-employment) that give people a primary claim to what they produce, and recognition of their contribution.

(2) Access to public services such as education, health care, water, and sanitation. This implies a physical and social infrastructure adequate to provide basic goods and services on a sustained basis and to allow for the growth fulfillment of basic needs.

(3) Participation in the formulation and implementation of projects, programs, and policies by the people affected, and local mobilization of under-utilized resources. These objectives are controversial. Countries that adopted basic needs as a strategy seemed to have three common characteristics (World Bank, 1980a, pp. 10-12):

(1) They all had fairly equitable distribution of physical assets, particularly land;
(2) They all had decentralized decision-making, providing support and giving the local level more autonomy; and

(3) In countries that had relatively partial success with "basic-needs" strategy (for example, Sri Lanka), all more fully recognized the role of women in the political systems.

The above findings seem to imply that these countries with equitable distribution of land, decentralized decision-making and the recognition of women in political systems, were able to achieve a measure of success by adopting the "basic-needs" approach. Thus, if basic needs were successfully adopted in such countries, the question then arises as to whether the "basic-needs" approach can successfully be applied to other countries deficient of such characteristics, or as can be restated, can the "basic-needs" approach strategy be adopted in countries such as Kenya, where equitable distribution of land and decentralization of decision-making could be said to be less evident? These kinds of problems are rarely addressed in the literature.

Housing Strategies Adapted from the "Basic Needs" Approach

The Kenyan government, in their Fourth National Redevelopment Plan, adapted several general objectives from the "basic needs" approach to alleviate Kenya's housing problems. The objectives aimed at (Kenya, 1979, pp. 172-173):

1. Increasing the stock of housing in the urban areas to meet the growing demand by urban residents.
2. Attending to the existent housing shortage.
3. Ensuring the deliverance of housing produced to targeted groups.
4. Maintaining a healthy and safe urban environment, free from the dangers of fire and epidemics.
5. Improving the conditions of rural housing.

With regards to specifically addressing Kenya's urban housing problems, the Kenyan government intended to:
1. Allocate most of its resources to the provision of housing for its low-income families. Site and Services housing supposedly functions as a realistic and useful tool for use in satisfying the housing needs for the majority of low-income groups. In order to minimize travel costs from places of employment, Site and Service schemes were to be located near industrial areas.
2. Improve standards of dwelling units in slum areas. However, additional squatter settlements were to be discouraged.
3. Introduce rent control to prevent abuses by landlords, while ensuring a profitable return for the landlord on the capital invested in housing.
4. Subject to the availability of funds, provide tenant-purchase housing for those that could afford it.

Rural housing objectives derived from the "basic needs" approach differ from some urban housing objectives. Development of rural housing is to be undertaken by the rural people themselves (Kenya, 1979, p. 173). The role of the
government in rural housing is to be one of encouraging the improvement of rural housing conditions through the "self help" approach.

Case For, and Criticisms of, the BNA

Proponents (Ghai, 1979, Streeten, 1979) for the "basic needs" approach summarize the rationale for a "basic needs" approach as follows:

1. The basic needs approach saves resources, mobilizes resources, and increases the productivity obtained from resource use. The "basic needs" approach therefore can achieve a given objective sooner than can a housing development plan solely based on an income-oriented approach.

2. The resource gap in the provision of basic needs would be closed or narrowed in terms of meeting the needs of Kenya's low-income groups and achieving the government's objectives.

3. The "basic needs" approach is valid in its own right because it raises productivity and lowers reproductivity.

Critics of the "basic needs" approach find fault with the definition of basic needs itself. The "basic needs" approach to housing development seemingly is a culmination of selective features from twenty-five years of previous housing development plans. Even proponents, such as Streeten (1979), for the strategy refer to the initial definition of the "basic needs" approach as being
intellectually clumsy because of the difficulties of demarcation and of incorporating objectives other than basic needs; it therefore suffers from political unreality. More generally, this definition tends to blur the features that distinguish the "basic needs" approach from other strategies and makes it more difficult to define areas of disagreement and thereby reach agreement.

(Streeten, 1979b, p. 43)

Streeten also had comments about a revised definition. Here, he finds that the approach emphasizes the "paradigmatic change."

This approach has the tactical defects of its intellectual merits: it tends to evoke controversy, arouse opposition to certain aspects and may reduce the chances of reaching agreement on action.

(Streeten, 1979b, p. 43)

Streeten does, however, acknowledge that the approach has both intellectual and political appeal, "because it cannot be accused of simply pouring old wine into new bottles or of concealing behind a polemical slogan questions calling for serious analysis and experiment" (Streeten, 1979b, p. 43).

The World Bank's experiences in using the "basic needs" approach have indicated the possibility of providing adequate and acceptable shelter within certain income constraints for all except possibly those in the lowest 5 to 10 percent of the income distribution (World Bank, 1980, pp. 4-5). This figure may seem small, but if one considers household income
distribution in Nairobi, for example, the "lowest 5 to 10 percent" of the income distribution consists of almost the entire low-income population group (see Tables 2.3 and 2.4). In effect, studies conducted by the World Bank suggesting the BNA as a good approach to Kenya's housing problems would not be of much help to Kenya. The low-income groups would still be without homes. In fact, it seems as if World Bank strategies for low-income housing never seem able to accommodate the needs of the lowest 20 percent of income groups.

Continuing with the criticisms of the "basic needs" approach, we find that the concept of basic needs is fast becoming an endangered code word (Stewart, 1979, p. 1). To some, the concept of providing for the basic needs of the poor represents a futile attempt to redistribute income and provide welfare services to the poor without stimulating corresponding increases in their productivity to pay for them. To others, the "basic needs" approach conjures up the image of a move towards socialism, with reference being made to China and Cuba (World Bank, 1980a, p. 32). Yet, others view it as a capitalist conspiracy to deny industrialization and modernization to the developing countries, thereby keeping them dependent on the developed world (Frank, 1980, p. 289).

The question remains to be whether the poor obtain what they want or what some external authority believes they need. This remains the central conflict because there exists a distributional dilemma, similar to the one inherent in using statistics on average Gross National Product as a measure of
Table 2.3

Shares of GNP
Accruing to Income Groups in Kenya

<table>
<thead>
<tr>
<th>Share of Total Income (%)</th>
<th>1969</th>
<th>1976</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poorest 25% of Population</td>
<td>4.1</td>
<td>6.2</td>
</tr>
<tr>
<td>Richest 10% of Population</td>
<td>56.3</td>
<td>37.7</td>
</tr>
</tbody>
</table>

Table 2.4
Nairobi Household Income Distribution, 1974

<table>
<thead>
<tr>
<th>Household Income Group (KSh/mo.)</th>
<th>Mean per capita Income (KSh/mo.)</th>
<th>Percent Population</th>
<th>Percent Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-99</td>
<td>15.3</td>
<td>1.0</td>
<td>0.05</td>
</tr>
<tr>
<td>100-199</td>
<td>71.6</td>
<td>1.0</td>
<td>0.21</td>
</tr>
<tr>
<td>200-299</td>
<td>91.2</td>
<td>6.5</td>
<td>1.80</td>
</tr>
<tr>
<td>300-399</td>
<td>100.6</td>
<td>8.0</td>
<td>2.45</td>
</tr>
<tr>
<td>400-499</td>
<td>147.7</td>
<td>6.0</td>
<td>2.73</td>
</tr>
<tr>
<td>500-699</td>
<td>143.9</td>
<td>14.1</td>
<td>6.19</td>
</tr>
<tr>
<td>700-999</td>
<td>179.2</td>
<td>18.1</td>
<td>9.88</td>
</tr>
<tr>
<td>1,000-1,499</td>
<td>288.0</td>
<td>17.6</td>
<td>15.49</td>
</tr>
<tr>
<td>1,500-1,999</td>
<td>291.0</td>
<td>8.4</td>
<td>7.44</td>
</tr>
<tr>
<td>2,000-2,499</td>
<td>386.0</td>
<td>3.0</td>
<td>3.54</td>
</tr>
<tr>
<td>above 2,499</td>
<td>1,003.5</td>
<td>16.4</td>
<td>50.22</td>
</tr>
</tbody>
</table>

welfare. The use of statistics as an indicator of average GNP creates the impression that Kenyans are financially better off when the majority of Kenyans are not. The statistics are used to support the existing economic development plans because the government has deemed the statistical proof more important than the human condition. The ranking of a country's development plan priorities always occur. "A 10 percent increase in literacy and complete freedom from malaria or a 60 percent increase in literacy and no improvement in health" (Morawetz, 1977, p. 44).

Housing provisions in Kenya's development plans have always been prioritized. The next chapter provides some explanations as to why housing provisions have been important in the development strategies of Kenya as well as to her Third World countries. It presents an historical account of Kenya's housing policies, and it examines and critiques the performance of Kenya's housing sector.
CHAPTER THREE
HISTORY AND IMPLICATIONS
OF KENYA'S HOUSING POLICIES

Housing provisions are considered to be important to the development of a developing country (i.e., Kenya) for economic, social, and political reasons (World Bank, 1975, pp. 4 and 5).

1. Economic
   - Next to food, housing usually constitutes the second largest item of housing expenditure (15% to 20%).
   - Investment in housing represents up to 20% to 30% of fixed capital formation in countries with vigorous housing programs (Grimes, 1976, p. 30).
   - Housing enables countries that have under-utilized labor, materials, and financial resources to be more productive at lower costs.

2. Social
   - Housing shelters people from the elements.
   - Housing provides access to jobs, sanitation facilities, security, and education (Stern, 1978, p. 2).
   - Housing in proximity to employment is a way of saving people time, and money.
   - Housing is the principal transaction by which communities are created.

3. Political
   - Housing can be used as a tool for mobilizing political support.
It was not until 1966 that the Kenyan government officially became involved in housing (HRDU, 1979, p. 19). This involvement by the government was stipulated in a Sessional Paper (Government of Kenya, 1966/67), following a United Nations (UN) sponsored Bloomberg/Abrams Report on Kenya's housing needs (Bloomberg and Abrams, 1964). According to the Housing Research and Development Unit (1979) report:

The terms of reference of the UN Mission were to conduct a study of short- and long-term housing needs and to make recommendations to the Government on housing policies within the framework of social and economic development planning. (p. 19)

Consequently, the Sessional Paper discussed inter-alia, "the issue of aided self-help schemes, which were identified as the panacea for the housing problems facing the disadvantaged urban workers. The paper endorsed a recommendation to the effect that a National Housing Authority be established to coordinate housing programs, particularly those relating to the local authorities" (HRDU, 1979, p. 19). As a result of the UN study recommendation, the National Housing Corporation was founded in 1967, to succeed the now defunct Central Housing Board. The Corporation's responsibilities were to deal with the practical, technical, and administrative dimensions of housing, particularly those pertaining to project implementation (HRDU, 1979, p. 19).

The Government's initial allocation of funds for housing in the 1970-74 National Development Plan (NDP) came as no
surprise because indications already existed that this would occur in the Sessional paper. The only problem at the time, however, was that the development strategy and objective was aimed at the achievement of rapid growth through industrialization (Kenya, 1969). Thus, Kenya was somewhat reluctant in investing much of their capital and resources into housing production. For example, the National Development Plan went as far as fixing a maximum cost limit of KSh1,200 per unit for housing financed from NDP funds. Housing that cost over KSh1,200 would have to be taken care of by the Housing Finance Company of Kenya, together with the private sector (HRDU, 1979, p. 21). At that time, economists and government officials envisioned the provision of public housing as an investment in a non-productive sector, and they argued that the same resources could have been used to purchase more machinery or to build more factories (Wu, 1979, pp. 38-39). The Kenyan government later realized that their policies raised conflict between demands of public housing and the promotion of effective national growth (in essence, the housing problem still persisted) (Stern, 1978, pp. 220-221). For example, after a new City Council housing list was established, it grew rapidly—reaching 27,756 by March 1975. As the Economic Survey commented:

In Nairobi 60 percent of the people on [this] waiting list earned less than K.Sh.833 a month compared with a rental of K.Sh.650 a month for a three-bedroom flat in Nairobi's most recently completed housing scheme. The sharp rise in building costs is making it now progressively more difficult for people on low incomes to be provided with adequate housing.

(Kenya, 1975, p. 145)
Also of some controversy at this time was the "self-help" approach utilized by the government for solving the housing problem (Kenya, 1969).

The rationale behind the "self-help" approach taken by the government of Kenya was that it allowed the people to build what they wanted. The idea was that the individual is in a better position to provide more suitable living conditions for himself, and the individual can build a house at a cheaper rate than can the government. The assumption of self-help would imply that, because underemployment exists in the economy, the individual will have the time to construct his own house. It is also assumed that the self-help approach will be able to economize resources and materials, satisfy certain basic needs, and improve the quality of labor (Ghai, 1979, p. 33).

Proponents of the "self-help" construction strategy seemingly failed to take into consideration, however, that the individual may be unskilled in housing construction. Hence, a longer time-period might be required to build a house, which means incurring more costs. Not unrelated to this fact, is that an individual could adjust his time to be spent either in the labor market or with his family, since Kenyan people sometimes have two or three jobs (Kitching, 1980, p. 1). The person in the rural areas can be a farmer in the morning and a trader in the afternoon. The value of time (in essence, the opportunity cost) for this person would therefore be considered
high (Ghai, 1979, p. 33). The main criticism of "self-help" projects, therefore, is that the government cannot just assume that the costs will be cheaper if an individual constructs his own home. In fact, the government may also be taking away the jobs of private contractors when employing the "self-help" concept. Contracts that are supposed to be allocated for small contractors have been known to end up in the hands of brothers or tribesmen of the elite, who probably prefer to build housing for upper-income groups so as to gain more profit (Leys, 1974). The purpose of providing homes for low-income families is therefore self-defeating.

The housing policy for the 1974-78 Development Plan was somewhat changed by incorporating a desire to streamline housing design and construction in an accordance with Government determined standards. That is to say, each housing unit constructed in an urban setting would be expected to have a minimum of two habitable rooms, plus a kitchen and toilet (HRDU, 1979, p. 21). In addition, the plan advocated government action against further spread of squatter settlements, slum clearance through the process of resettlement, and improving of sub-standard urban housing (in essence, the Strategy for Housing Policy [for example, Sites and Services] was aimed at areas of high unemployment) (Kenya, 1973). Similarly, by addressing itself to such issues as unit cost, services, zoning, and affordability, the plan constituted a very significant chapter in the history of housing policy and programming in Kenya (HRDU, 1979, p. 21). For example, for the
1974-78 plan period, there was an increase of 230% in the allocation of funds for housing. "The total amount allocated was KSh34.5 million as compared to KSh14.9 million in the previous five-year period" (HRDU, 1979, p. 26).

The 1979-83 Development Plan did not offer any new policies or programs for housing. According to the Housing Research and Development Unit (1979) report:

it merely underlines the policies and programmes of the previous plan, notably those aspects regarding squatter upgrading, promotion of the sites and services strategy, and the advancement of the housing interests of the disadvantaged urban worker. (p. 21)

Allocation for housing in the 1979-83 Development Plan was increased by 66% (in essence, KSh57.2 million) (see Table 3.1). Table 3.1 is a breakdown of funds allocated to housing form 1964 to 1983 by the government of Kenya. As we can observe from the table, the housing fund allocation has increased virtually every year.

Considering all the attention and money spent by the Government to solve Kenya's housing problem, it would be expected that the performance of the housing sector would be impressive. Instead, the opposite has been the case, as will be demonstrated in the analysis presented in the next section.

**Indicators of Housing Performance**

In 1979, when the fourth development plan was introduced, we were told that the current short-fall of units located in
### Table 3.1

**Annual Allocation of Development Funds for Housing**

**Public and Private Sectors (Planned) 1964-1983**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funds Allocated to Housing (1964-68)</th>
<th>Year</th>
<th>Funds Allocated to Housing (1969-73)</th>
<th>Year</th>
<th>Funds Allocated to Housing (1974-78)</th>
<th>Year</th>
<th>Funds Allocated to Housing (1979-83)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>N/A</td>
<td>1969</td>
<td>N/A</td>
<td>1974</td>
<td>25.14</td>
<td>1979</td>
<td>38.22</td>
</tr>
<tr>
<td>1965</td>
<td>N/A</td>
<td>1970</td>
<td>13.32</td>
<td>1975</td>
<td>28.36</td>
<td>1980</td>
<td>47.27</td>
</tr>
<tr>
<td>1966</td>
<td>N/A</td>
<td>1971</td>
<td>18.32</td>
<td>1976</td>
<td>32.71</td>
<td>1981</td>
<td>48.44</td>
</tr>
<tr>
<td>1967</td>
<td>N/A</td>
<td>1972</td>
<td>20.31</td>
<td>1977</td>
<td>36.07</td>
<td>1982</td>
<td>48.82</td>
</tr>
<tr>
<td>1968</td>
<td>N/A</td>
<td>1973</td>
<td>23.29</td>
<td>1978</td>
<td>42.06</td>
<td>1983</td>
<td>51.36</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>N/A</td>
<td><strong>75.25</strong></td>
<td></td>
<td><strong>164.34</strong></td>
<td></td>
<td><strong>234.11</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Sources:** National Development Plans (1964-70; 1970-74; 1974-78; 1979-83)
urban areas came to 140,000 units (Kenya, 1979, p. 172). To meet the present demand for housing, 30,000 units needed to be constructed annually. This, of course, does not take into account the rapid urban growth rate of approximately 7% that is now occurring (Farugee, 1978, p. 110).

Due to the inadequacy of reliable data, it is difficult to provide an accurate assessment or evaluation of the current performance of proposed targets for the housing sector. Nevertheless, data that are usually used are obtained from a 1979 Central Bureau for Statistics (CBS) Rent Survey of urban areas. This Survey probably provides the most accurate coverage of the housing stock that is currently available (see Table 3.2).

The table is a breakdown of the existing housing stock in urban areas by ownership pattern. A brief examination shows that over 80% of the urban stock is owned by the private sector, 23% of which are squatter settlements (i.e., informal housing). The picture of the public sector is worse when we consider that the public sector consists of staff housing and private rental units constructed prior to 1976.

One of the goals of the housing policy for Kenya of having each individual own at least a two-room dwelling unit is yet to be realized (see Table 3.3).

Table 3.3 also provides information on the types of structures and tenancy statutes of the private housing stock. An examination of the table shows that by the end of 1979, only 4% of the housing stock was owner-occupied. The majority of
### Table 3.2

**Percentage Distribution of Urban Dwelling Units**

by Sector, 1979 (percent) (a)

<table>
<thead>
<tr>
<th>Sector</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Sector</strong></td>
<td></td>
</tr>
<tr>
<td>Formal (b)</td>
<td>64</td>
</tr>
<tr>
<td>Informal (c)</td>
<td>18</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>82</td>
</tr>
<tr>
<td><strong>Public Sector</strong></td>
<td></td>
</tr>
<tr>
<td>Local Authorities</td>
<td>10</td>
</tr>
<tr>
<td>Central Government (d)</td>
<td>8</td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td>18</td>
</tr>
</tbody>
</table>

**Notes:**

(a) A dwelling unit is defined as a place of residence for a family, an individual, or a group of persons eating together and sharing the budget for common provisions. A single housing structure may contain multiple dwelling units.

(b) Includes site and service plots provided by the public sector.

(c) Informal housing includes both squatter settlements and housing developed by land-owners who have not completed the required legal procedures of sub-division and registration. Much of the latter type of housing is owned by land companies, such as those holding large tracts of Marithare Valley in Nairobi.

(d) Includes public boards and corporations.

**Source:** "Report on the 1979 Rent Survey in Urban Areas of Kenya, CBS, 1981."
<table>
<thead>
<tr>
<th>Type</th>
<th>1969 Number</th>
<th>1969 %</th>
<th>1976 Number</th>
<th>1976 %</th>
<th>1980 Number</th>
<th>1980 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Housing</td>
<td>27,092</td>
<td>90</td>
<td>30,674</td>
<td>80</td>
<td>34,820</td>
<td>69</td>
</tr>
<tr>
<td>Tenant Purchase</td>
<td>1,852</td>
<td>6</td>
<td>4,185</td>
<td>11</td>
<td>6,243</td>
<td>12</td>
</tr>
<tr>
<td>Site-and-Service Plots</td>
<td>1,321</td>
<td>4</td>
<td>3,593</td>
<td>9</td>
<td>9,861</td>
<td>19</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30,265</td>
<td>100</td>
<td>38,452</td>
<td>100</td>
<td>50,924</td>
<td>100</td>
</tr>
</tbody>
</table>

tenants (84%) lived in dwelling units that were not self-contained. Over three-quarters of the urban households were renters. In the Dandora Site and Service Housing Scheme for instance, two-thirds of the residents were tenants and only one-fifth of the plots were occupied by a single household (Soni, 1980, Introduction). Even though the renting of urban housing in now encouraged, housing standards and lower costs have caused additional problems. Lowering the costs of Sites and Services Housing Schemes so that they can be affordable by the lowest third of the income distribution has meant adopting standards generally unacceptable to the local authorities. Even with the acceptance of subletting, the government often fails to realize or determine the socio-economic factors responsible for subletting. Compared to other projects in other countries (Tanzania, for instance), subletting has been exceptionally high, particularly the Dandora project (Serga, Neleti and Associates, 1980, Report No. 8). Monitoring studies of the Dandora project have compared tenant and allottee populations and found several interesting results. Some of them are listed below (Serga, Neleti and Associates, 1980):

(1) Despite similarities that exist between tenant population and residents of urban informal housing developments, the tenant population shows higher incomes from employment than do the the original allottees.

(2) Overcrowding is still present among the tenant population and those allocated spaces. Three-quarters of the residents who sublet apartments have no intention of giving
them up, at any time soon (Serga, Neleti and Associates, 1980, Report No. 8).

What the above data indicate is that the present government policy of providing single-family occupancy is probably unrealistic. Questions would have to be raised as to why the government would want to do this, considering the present population increase and very tight housing situation for low-income families (see Table 3.4).

The 1979 rent survey has also indicated an increase in the number of dwelling units in urban areas, at the rate of 8.1% per annum, with an average increase of 9.9% for the private sector and 1.4% for the public sector (CBS Rent Survey, 1979). Although this figure is compatible with data on the value of residential building plans approved by different municipalities (see Table 3.5), the value of building plans is considered to be a more reliable indication of activity than the number of approvals. For example, a single building plan can cover a number of houses for a community but approved building plans may never be constructed. Furthermore, the value of public residential building plans was no more than a fraction of the value of private building plans and showed little growth over the period 1976-80 (CBS Rent Survey, 1979). Perhaps this justifies the conclusion that "performance of the public sector and not necessarily the private sector has been deficient" (CBS Rent Survey, 1979).

On the other hand, the housing problem in rural areas is not so much that of shortages in actual physical structures, as
Table 3.4
Urban Growth Projections to Year 2000 (in 000's)

<table>
<thead>
<tr>
<th></th>
<th>1979 (Actual)</th>
<th>2000 (Based on 1969-79 Growth Rates) (a)</th>
<th>2000 (Based on 1962-69 Growth Rates) (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pop. % Share of Urban Pop.</td>
<td>Pop. % Share of Urban Pop.</td>
<td>Pop. % Share of Urban Pop.</td>
</tr>
<tr>
<td>Nairobi</td>
<td>828 36</td>
<td>2,300 27</td>
<td>3,500 41</td>
</tr>
<tr>
<td>Mombasa</td>
<td>341 15</td>
<td>700 8</td>
<td>1,100 13</td>
</tr>
<tr>
<td>Other Existing Centers</td>
<td>1,138 49</td>
<td>5,100 59</td>
<td>3,500 41</td>
</tr>
<tr>
<td>New Urban Centers</td>
<td>-- --</td>
<td>500 6</td>
<td>500 6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,307 100</td>
<td>8,600 100</td>
<td>8,600 100</td>
</tr>
</tbody>
</table>

Percentage of Population Living in Urban Areas: 15 28 28

Notes:
(a) Assumed growth rates: Nairobi, 5.0%; Mombasa, 3.3%; other existing centers, 7.4%.
(b) As given in "Human Settlements in Kenya," pp. 88-95. The estimates shown are an average of the high and low projections for the major cities and generally assume some diminuation of the 1962-69 growth rates.

<table>
<thead>
<tr>
<th>Year</th>
<th>Private Nairobi City</th>
<th>Private Municipalities</th>
<th>Public Nairobi City</th>
<th>Public Municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>6,927</td>
<td>4,440</td>
<td>598</td>
<td>1,364</td>
</tr>
<tr>
<td>1977</td>
<td>15,177</td>
<td>4,072</td>
<td>2,965</td>
<td>125</td>
</tr>
<tr>
<td>1978</td>
<td>26,202</td>
<td>8,266</td>
<td>4,716</td>
<td>540</td>
</tr>
<tr>
<td>1979</td>
<td>33,641</td>
<td>12,808</td>
<td>1,765</td>
<td>693</td>
</tr>
<tr>
<td>1980</td>
<td>53,238</td>
<td>10,827</td>
<td>1,322</td>
<td>1,637</td>
</tr>
</tbody>
</table>

Source: Economic Survey, 1981, CBS.
that of the poor condition of these structures and the general lack of service facilities in the rural settlements. The process of rapid urbanization has depleted the rural community of its young and economically able. Similarly, migration to urban areas would be considered an additional problem on institutional arrangements because these migrants would have been placed under pressure on urban facilities, causing an imbalance of investment resources in urban areas. Consequently, the result over the years may have also resulted in a stagnation of rural development.

Apart from the possible stagnation in rural settlements, water supplies close to where people live have been lacking. Presently it is estimated that only fifteen percent of all rural population are now on pipe-borne water supply, and it will not be until the year 2000 that all rural areas will be satisfactorily supplied (National Environmental Secretariat, 1978, p. 6).

Availability of land in rural area is obviously a prerequisite to development, yet the problems associated with the availability of desirable land has also been a limited resource in Kenya. Land has been a scarce commodity in that its supply is limited by the territorial boundaries with population growth. In the past, the government made land available for various development projects from unalienated government and trust land inherited at the time of Independence. This land has now been exhausted. The government's reason for lack of involvement in rural housing is
due to the fact that rural incomes are not high enough to demand housing of high standards (Farugee, 1978, p. 3).

Another indicator of the housing market is the behavior of rents. Table 3.6 presents rental indices for Nairobi, stratified by three income groups. The data provided indicate that increases in rental prices for upper-income residents have corresponded with increases in other prices over the period 1975 to 1979, while rentals for the middle- and lower-income groups have "shot ahead" of other price changes. The low-income groups, in particular, have been the target for rent increases. Low-income renters often end up paying more than what the house may have cost when originally constructed.

These price changes show that although the housing sector may have been able to maintain an adequate provision for the upper-income group, the middle- and lower-income groups have been deprived from having "adequate" housing. The implications reflect the relative dominance of the private sector in serving the upper-income group, and to some extent the middle-income group. On the other hand, the lower-income group does not have much choice but to depend on the public sector for its housing provision.

What all of the above data and indicators have suggested, is that the public sector in particular needs improvement in terms of Policy Implementation, so as to meet the need for urban housing resulting from rapid growth. Whether policies will be revised and new policies adopted is also a matter of "will" on the part of those concerned.
### Table 3.6

Rent Index for Nairobi, 1975-79
by Income Group (a)

<table>
<thead>
<tr>
<th>Income Group</th>
<th>1974</th>
<th>1975</th>
<th>1976</th>
<th>1977</th>
<th>1978</th>
<th>1979</th>
<th>5-Year Change in Rent Index</th>
<th>5-Year Change in Price Index for All Other Commodities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Income</td>
<td>96.9</td>
<td>109.3</td>
<td>115.6</td>
<td>135.1</td>
<td>145.7</td>
<td>164.2</td>
<td>67.3</td>
<td>71.5</td>
</tr>
<tr>
<td>Annual Change</td>
<td>12.4</td>
<td>6.3</td>
<td>19.5</td>
<td>10.6</td>
<td>18.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Middle Income</td>
<td>96.2</td>
<td>111.1</td>
<td>120.5</td>
<td>146.3</td>
<td>158.7</td>
<td>175.3</td>
<td>79.1</td>
<td>61.9</td>
</tr>
<tr>
<td>Annual Change</td>
<td>14.9</td>
<td>9.4</td>
<td>25.8</td>
<td>12.4</td>
<td>16.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lower Income</td>
<td>95.3</td>
<td>140.0</td>
<td>124.3</td>
<td>161.0</td>
<td>187.7</td>
<td>205.1</td>
<td>109.8</td>
<td>78.8</td>
</tr>
<tr>
<td>Annual Change</td>
<td>18.7</td>
<td>10.3</td>
<td>39.7</td>
<td>23.7</td>
<td>17.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>n.a.</td>
<td>n.a.</td>
<td>181.0</td>
<td>198.9</td>
<td>215.5</td>
<td>n.a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Index (c)</td>
<td></td>
<td></td>
<td>17.9</td>
<td>16.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Base: January-June 1975 = 100
(b) Computed at December of each year.
(c) Base: December 1972 = 100
n.a. = not available

Conclusion

From the policy point of view, the housing problem in Kenya can be characterized as a gap between need and demand. Estimates of housing needs, such as those cited in the fourth development plan, are derived from surveys of the homeless, overcrowding, below-standard housing, and projected population change and depreciation. Estimates of demand, on the other hand, essentially involve a comparison of incomes and prices.

Theoretically, bridging the gap between need and demand would just require either the increasing of incomes or the reducing of prices (ILO, 1976). However, it is not that simple in practice. For example, it is possible that having realized the magnitude of the housing problem in Kenya, anyone could argue that instead of the Kenyan government adopting a "self-help" approach to housing, what would seem more logical to solving the housing problem would be to raise the incomes of poverty groups. Supporters of this view argue that this could be in the form of:

(i) changing the relative prices of materials and labor services that the poor provide, compared with prices of things that they purchase;

(ii) introducing consumption transfers that benefit the poor;

(iii) introducing investment transfers to the poor; and

(iv) redistributing part of the existing stock of capital to the poor, by such measures as land reform (ILO, 1977).
This may be so, but would this really be the solution? It is certainly not as simple as it sounds. First, these methods of redistribution would have to be combined with progressive taxation and redistribution of assets in order to be effective (ILO, 1977, p. 34). Relative price changes are not capable of altering the share of income that the poor would receive. Any changes would be marginal, and these price changes could lead to secondary effects that phase out the initial impact. For example, higher incomes may increase the cost and price consumed by the poor. Hence, the poor will be "back to square one"—distribution of income remained virtually unchanged. Furthermore, no one can be certain that the increase of incomes would be realized by the poor only. Public housing projects designed for the poor, for example, have been known to benefit income groups other than the poor (World Bank, "Shelter," p. 8).

Other related criticisms of the "income approach" have stemmed from the fact that, while the income approach may provide adequate personal income to pay the rent, some basic needs remain, such as health, education, safe water, and sewage, that cannot be bought by the private individual. These needs can be provided for only through public effort (Streeten, 1979, p. 7). This notwithstanding, the income approach is also said to ignore those individuals who are incapable of earning an income—the unemployables—and that it ignores non-material needs (Streeten, 1979, p. 7).
Given the weaknesses of both the income and self-help approaches, one would wonder whether these suggested solutions to the housing problem have any actual relevance. Nevertheless, no matter what approach is adopted, the crucial issue still remains, that of how to transform such an approach or policy into a successful outcome. This is one aspect that is neglected by both proponents and opponents alike. Policy implementation is a crucial process that determines the kind of success (outcome) that should be expected of any policy. To further highlight on this point, the analysis in the next chapter will consider specific cases where institutional constraints have impeded the performance of housing policy.
CHAPTER FOUR
CONSTRAINTS IN THE IMPLEMENTATION OF "BASIC NEEDS" APPROACH IN KENYA'S HOUSING POLICY

Introduction
The purpose of this chapter is to identify the constraints which prevent the implementation of the "basic needs" approach to Kenya's housing problems. The author will demonstrate in this chapter that the housing problems experienced in Kenya today are primarily the result of three institutional factors (the first two of which are interrelated).
A. the lack of clear objectives (Formulation)
B. the inability to translate policies into programs (Centralization)
C. the problem of land acquisition and redistribution (Resources).

A. Formulation
The problem of formulation will be examined in the context of BNA's inability to clarify objections in its housing policies as exemplified in urban informal housing developments. In order to achieve this goal, the history of the origins of the urban informal sector is presented. A statement of the institutional factors relevant to urban informal housing are addressed. Subsequently, institutional factors that act as constraints in urban informal housing are analyzed. In concluding, the alternative approaches aimed at resolving the
problems of urban informal housing are assessed. The author also suggests that the inability to effectively implement housing programs is the cause for deficiencies in housing policies.

General Background

A study was done by the International Labor Organization, in 1972, on Kenya's unemployment income and inequality problem (ILO, "Employment, Incomes and Equality," 1972). The study recommended several things, one of which was for the government of Kenya to recognize the informal sector. The study had identified the informal sector as being (ILO, 1972):

(i) A sector to which entry by new enterprises is comparatively easy

(ii) Enterprises in this sector rely on indigenous resources and are family-owned.

(iii) Enterprises operate on a small scale

(iv) Enterprises operate in unregulated and competitive markets

(v) Enterprises use labor-intensive and adapted technologies

(vi) Enterprise workers have skills acquired outside the formal school system.

The ILO's assessment of Kenya's unemployment, income, and inequality problems, however, is faulted because in the identification of the informal sector there is no clarity as to what is meant by "small scale" (in essence, is it 10 or 500?). Most of the definitions given could very well apply to the formal sector as well.
Bearing the difficulty and lack of clarity in identifying what is the ideal definition of the informal sector, by the ILO (1972) an attempt has been made to define urban informal housing to include all those urban areas that do not comply with one or more of the existing legal regulations on planning or development of residential areas (in essence, squatter settlements).

In Kenya, most of the population living in urban areas have had to live in houses that have not been "up to standard" in the eyes of the authorities (Dwyer, 1975). Only recently (1974) have changes occurred in official attitudes towards urban settlements and other inadequate housing. In the past, officials had tried unsuccessfully to force the people from squatter settlements and to diminish their numbers. As a result, the Kenyan people simply moved their settlements elsewhere (these settlements were cheap to construct), and the problem persisted.

With the increase in informal housing areas and the drift of people from rural to urban areas, the Kenyan government needed to evaluate their policies. Different studies were undertaken by various planners. Interestingly enough, the informal housing areas proved to possess some positive features (see Etherton, Martinere, and Valley, 1971).

In terms of social aspects, the social scientists point out that there often exists a closely knit system that develops in the informal sector. The people in these areas are able to develop social relations with each other since they share the
common problems of inadequate accommodation. In this regard, the people in the informal sector are able to unite to fight against the system. Assuming this is true, the closely knit system present in these informal areas can enable leaders of these areas to mobilize political support to serve their interests in times of election.

From an economic point of view, informal housing areas provide a large percentage of the labor force (or "reserve army of labor"), and one of their main economic functions is providing cheap rental accommodation for these people. With the incomes most of the informal housing residents receive, they cannot afford to live elsewhere. Some of the residents in these areas have even turned to subletting their homes for extra income (Etherton, 1971, p. 90).

Surprisingly, the physical development of many informal housing areas, especially the more traditional ones, are not always entirely deplorable.

With the result of the study showing positive features of the informal housing areas, the question remains as to why there is much concern about the development of these housing areas.

From the point of view of the inhabitants, the answer to the question about why so much concern exists regarding the development of informal housing areas is not that they are not recognized by the officials as legalized structures. The failure of these areas to comply with all legal ordinances has meant that the usual urban services, such as pipe-borne water,
roads, electricity and social amenities, are often not provided by the government. This has resulted in the inhabitants having found other ways of providing all these urban services for themselves. The lack of legal security has also resulted in the inhabitants having little incentive in improving their homes or living environment (Hoek-Smit, 1976, p. 3).

The authorities have argued that it is necessary to bring the informal housing sector within the framework of legal institutions. Their rationale for doing so is that they anticipated that this will allow an adequate control of development to be exercised over a scarce item like urban land. It will also make it possible for the government to acquire revenue from land, businesses, and homes (Dwyer, 1975). Moreover, informal housing areas have the stereotype of being breeding grounds for criminals and are places considered to be hazardous to one's health because of the overcrowding and the lack of services. More importantly, these housing areas are viewed by officials as "eyesores" that need to be demolished. What generally happens in practice, however, is that these areas may be used for political purposes, whereby the government embarks on demolition of these areas to demonstrate to the elites or other pressure groups that something is being done about these "hazardous" areas (Mbithi and Barnes, 1975).

The overriding issue therefore is in trying to incorporate these areas into the legal framework. Factors, such as the physical quality of structures, level and improbability of services, socio-economic and political characteristics of the
population, have served to form the basis of a number of classifications in the informal housing areas (see Turner, 1968). These classifications have led to questions being raised by the authorities concerned, as to whether or not to upgrade, redevelop, or demolish and settle the population concerned. The indecisiveness about what to do with informal housing has been reflected in Kenya's development plans.

Development Plan and Urban Informal Housing

Maintaining adequate standards of living and housing has been the primary emphasis of Kenya's development plans concerning informal housing areas (Kenya, 1979, p. 172). Various building and planning by-laws have been undertaken and the formalization of such areas has meant that they will have to comply with these legal regulations. Needless to say, the factors that have stimulated the "positive features" observed in informal housing areas (described earlier) ought to be incorporated in any development strategy the Kenyan government embarks upon. The government cannot ignore the sector, because the failure of intervention could be the foundation of reactionary groups and result in social upheaval (which any government wants to avoid). Economists have suggested that development be directed towards the income level and the priorities of the inhabitants of these informal housing areas (Hoek-Smit, 1980). This would mean that the low-rent character and income opportunities--such as income from subletting--would be maintained. It has also been suggested in studies of informal housing areas that the inhabitants need opportunities
to participate in the improvement of their own living environment (Hoek-Smit, 1970, p. 49). The assumption involved in the inhabitants' participation is that by doing so, the authorities will be better able to contribute to the maintenance of the existing community.

Though obtaining development input from the inhabitants of informal housing areas is easier said than done, it should be realized that if all development input in informal areas comes from the outside sources, then the result possibly would be a disruption in the implementations. It may also result in the re-evaluation of the housing policy development plans. This action may be initiated by informal housing area inhabitants or their sympathizers. In addition, it might be expended without meeting the essential needs of these residents. Public funds are limited to public low-cost housing, and measures will be needed to stimulate and assist private investment by the inhabitants, in terms of both labor and capital. Hoek-Smit (1980), who did a study on informal housing, described what such measures would entail.

(i) the provision of security and tenure to the house-owners, both as an incentive for the individual owners to invest in their homes and as security for obtaining a loan;

(ii) the development of a loan system that is accessible and suitable to the needs of the often diverse group of house-owners; and

(iii) the promotion and the realization of the self-help potential through a community development program.
Furthermore, it is imperative to acknowledge to what extent the existing organizations and legal regulations in Kenya form either a barrier or a strong basis for development of informal housing areas along the lines of these objectives. Some of the existing regulations would come from institutional regulatory policies regarding minimum housing standards, building codes, and a public health act.

Standards

Controversy exists between many economists and planners as to what is considered "adequate" housing standards for the inhabitants. There is little argument, however, that the units have to be cheap and affordable as a prerequisite of adequate housing. Many of the inhabitants are poor, and studies on housing preferences of inhabitants of these areas show that the price is critical; less importance is placed on the quality of such units (Peattie and Doeble, 1976). Also of importance is the amount of space surrounding the house and the availability of services such as water, roads, and street lighting (Dwyer, 1975). Hoek-Smit noted that the building regulations imposed by the government do not allow for people to build affordable homes they desire to, and as a result there is a lack of development in these areas (Hoek-Smit, 1976, p. 5).

The Building Code

In Kenya, the building code is comprised of two separate local government orders, namely Grade I and Grade II By-laws (Hoek-Smit, 1976). Grade I By-Laws cover private high-quality
structures, whereas Grade II By-Laws cover low-quality structures (Hoek-Smit, 1976, p. 5). Since we are mostly concerned with low-quality structures (informal housing), the Grade II By-laws will be considered here. However, a problem exists in that there are situations where some informal housing areas are granted Grade I status (because of location). This presents a problem in that an upgrading to a Grade II status is needed before the set of Grade II By-laws can be applicable. These By-Laws can be summarized into materials, space, and structural standards (Hoek-Smit, 1976, pp. 7, 8).

Grade II by-laws have stipulations regarding sanitation and building construction. In terms of sanitation, Grade II by-laws allow for non-water, home sanitation provided that minimum standards are maintained and soil conditions are suitable. In low-cost housing, the position of water-home sanitary facilities often accounts for one-third to one-half of the total cost of a house (depending on its size). Sanitation can thus be considered a crucial factor. With regards to materials, Grade II by-laws allow for the use of "temporary" or "substitute" material for walls. Mud and wattle, mud-bricks, cement blocks, and corrugated iron for the roof are frequently-used substitutes.

Space and structural standards provide a problem when considering construction quality and materials. Foundations are often non-existing which means homes are not very sturdy. Any sort of improvement on the existing structures would therefore have to begin from the foundation level. On the
other hand, there is some flexibility in Grade II by-laws with regards to space requirements. Rooms may not always have the required sizes and heights (Dwyer, 1975).

Flexibility is also provided in the planning standards in the sense that the Councils can waive certain rules, though often only with the approval of the commissioner of lands, and/or the medical officer of the health department or the chief health inspector (Kasner, 1977).

According to Hoek-Smit, Grade II by-laws "allow far too much flexibility" (Hoek-Smit, 1977, p. 7). Much of the burden of enforcement is left to local authorities, who often do not possess adequate staffing to investigate other alternatives available, other than those they previously have used successfully. Consequently, by-laws are often applied stringently or higher standards are imposed on new structures (Hoek-Smit, 1977, p. 8).

Public Health Act

If interpretation and application posed a problem in the case of building codes, it is even more serious in the case of the Public Health Act, which provides general health requirements and leaves it to national and local authorities to translate these into measurable building requirements (section 126 of the Public Health Act). The Public Health Act's lack of definitive policies leaves it susceptible to the whims or discretion of medical officers who have the power to turn down final approvals of any building or housing scheme on grounds of what they feel to be undesirable developments (Hoek-Smit, 1977,
Poorly defined guidelines in the Public Health Act also result in decision-makers making conservative choices in policy implementation until further research is done in the public health field. Without research providing information on the ill-effects and problems of the Public Health Act, it is doubtful if the attitudes of the officials are going to change.

**Conclusion**

From our observation of urban informal housing, there exists no legal framework that specifically address improvement schemes in planning standards, although some degree of flexibility is tolerated by the officials. In any case, it seems highly desirable that a consistent and workable set of planning standards be used as a set of guidelines for the improvement of informal residential areas.

Informal housing areas differ considerably in their layout and density. They range from areas with a highly irregular layout and high densities to areas with a planned layout and an acceptable density of rooms per housing area. As a result of these irregularities in informal housing areas, policy regulations are impeded.

Plot size, space requirements, and road reserves pose outstanding problems for designing an improvement plan. Plot sizes vary a great deal, and it is often quite expensive to upgrade existing structures. Problems also arise from having to provide roads and public services to residential plots according to Grade II by-laws (Town Planning Handbook, 1971).
These problems are not easily resolved, partly because the standards are not always applicable due to inconsistencies of urban informal housing and the inconsistency of the planning regulations. Furthermore, local authorities are often reluctant to take responsibility for and maintain roads that are not of high quality (Hoek-Smit, 1976). This has meant that the cost of an improvement plan would be astronomical unless the inhabitants possessed sufficient resources to maintain the roads in their area. The Kenyan Bureau of Statistics is considering the revision of standards, in order to better meet local requirements and local industry capabilities (Hardoy and Satterthwaite, 1981, p. 178). But, as a Kenyan architect points out,

In his wish to become modernized and noting the contempt with which his traditions were regarded by the colonial powers, Kenya's African architect or administrator has accepted unreservedly whatever has come from the west and has, up to now, joined his western colleagues in disregarding the local traditional building materials and methods.

(Mann, 1968)

Finally, the question of self-reliance in the development of informal housing areas is a question of how to assist and stimulate the self-reliance of the population living in informal housing areas. From our observation of the Urban Informal Housing Development plan, there exists the need to identify which policy is best suited in helping to meet the needs of the poor in informal areas. Jorgensen suggests that a policy that includes loan provision is best for rectifying the problems of Urban Informal Housing (Jorgensen, 1975, NHC,
1976). In contrast, Kazner proposes that government intervention through the construction of public housing for the poor as a resolution to the housing problem (Kazner, 1977).

Obviously, there are limitations in Jorgansen's and Kazner's recommendations. For instance, in terms of the proposed lending strategies there are several limitations:

1. The construction of affordable houses often makes use of temporary materials. Construction using this type of material cannot generally be financed by a loan as depicted in housing regulations.

2. Many of the home-owners are elderly (Lewis and Ottenbin, 1975). They may not be able to benefit from a loan program, being that they are not healthy enough to construct their own homes. Subcontracting will enrich only a few and any repayment obligation will only be a burden on the elderly because they receive no income.

3. There is also the belief that the money designated for housing is often used for purposes other than home construction (Peattie and Doeble, 1976). It is often said that potential home-owners use the money obtained for housing to pay obligations like sending children to school or for non-essential items like entertaining guests or parties.

4. At times, loans are not taken advantage of because people may fear that they may not be able to repay them within the term of the loan. As mentioned above, housing for many is not taken as a first priority (Peattie and Doeble, 1976).
Therefore, the loan system may be utilized to meet other existing needs rather than for housing.

This raises the questions of how housing eligibility is determined, and how the people will be provided with the raw materials necessary for housing construction. There are bound to be large differences in the amount of money needed. Moreover, materials and labor costs vary considerably throughout the country. The required standards in different regions, at times varies from those on which calculations are based in policy formulation. The limits that may be imposed on a loan may, in practice, become a considerable restriction, given the complex situation existing in many informal areas.

Regarding Kazner's (1977) proposal of producing housing for the poor, the problems experienced in such a policy are:

1. Housing may never be allocated to those for whom it was originally intended. Most of the housing might become occupied or rented by the middle-class.

2. The government sometimes does not want to get involved in providing housing for the poor because people with low incomes often do not have the capital to afford even minimal standard housing.

3. Housing is not considered a "capital good" and is therefore not a good investment. Some economists maintain that it is a waste of money to provide housing for its people (Renaud, 1980). Instead, money should be allocated to machines that will generate a multiplication of goods, which many can partake of. One house will be good for only the one
family's needs, but a machine can accommodate the needs of many people.

Given the "deficiencies" in the finance and provision systems for housing, the question can be raised as to what alternative plan may be implemented.

Previous experiences suggest that the failure of housing improvement projects are typically not the result of failures in housing provisions or of a strong financial system. Rather, the fault lies in policy implementation, specifically in the lack of coordination between authorities and inhabitants. Any improvement scheme designed for the informal housing areas needs to take into consideration the structure and socio-economic characteristics of the inhabitants [in essence, income and employment structure, social relations] (United Nations, 1971). Such schemes should also be able to:

(i) Provide government support to stimulate self-help and improve communications and cooperation with the leaders and inhabitants of informal housing areas.

(ii) Acknowledge the existence of these people and strengthen their sense of community.

It is the inhabitants who will determine if a program succeeds or not, not the government's or economist's policies.

B. Centralization

To better understand the constraints found in Kenya's Administration, it is important first to give an overview of planning and administration in Kenya.
An Overview of Planning and Administration in Kenya

Kenya's administrative plans developed from early attempts by the colonial administration to structure and coordinate development and budgetary activities in its overseas possessions (Hyden et al., 1970, p. 176). At first the colonial powers introduced the United Kingdom's Colonial Paper No. 3 on development planning, which instructed colonies to prepare a ten-year development plan (Nicoleson, 1958, pp. 62-63). However, this was little more than the elaboration of departmental plans and associated budgets for recurrent and capital expenditures. Effective planning did not start until 1945, when the British established a Development and Reconstruction Authority and the formation of a Planning Committee under its jurisdiction in 1948. By the time of Independence in 1963, an associated committee system had evolved. In 1964, a Directorate of Planning was established in Kenya's Ministry of Finance. Since that time, however, attempts have been made to build an effective planning organization that might link the central government with individual and groups in the countryside by means of specialized roles and structures, using a host of committees on provincial and district levels (Hyden, 1970, p. 177). However, "this structure has only been partially successful in shaping the development activities in Kenya and in the rural areas; its impact has clearly been marginal" (Hyden, 1970, p. 177). In fact, Frank Holmquist suggested that probably less than 5% of rural development activities during that time were initiated,
shaped, or controlled by the formal planning structure (see Holmquist, 1970).

Kenya no doubt has inherited some of the basic features of the British system of government, but they seemingly have been transmitted somewhat arbitrarily "from an earlier concern with gaining control and protecting the white settler minority, to a terminal concern with welfare and expanded social, economic, and political opportunity for Africans (Hyden, 1970, p. 6).

This British "authoritarian method" reflected similar policies in other British colonies prior to the 1960's. However, Kenya's case was rather unique, for the colonialists decided to settle in Kenya, even after Kenya had gained Independence in 1963. Before leaving, the British had not succeeded in installing a parliamentary system because their efforts had been impeded by the 'Mau Mau' revolution, which was primarily a nationalistic response by some Kenyans to the alienation of their land by settlers. Therefore, the British influence on African political consciousness was not as strong as it might have been, yet the authoritarian character of the British administration impacted on the African political leaders who took over the running of the country. Nothing seemed to change in terms of administration. The authoritarian character of the British government during the colonial era seemed evident in the social esteem and high status granted to officers of the post-Independence Administration and is probably still reflected in Kenya today.
After British occupation, Kenya was faced with the problem of trying to segregate the legacy of the colonial era from current African political thought. The nature of such political thought was reflected in the government's White Paper on African Socialism, which extols the virtue of the positive and creative state in the service of popular development goals (Hyden, 1970, p. 6). The impression the government had at the time was that the government would be able to solve all the fundamental problems of national unity and development, once in office. Those in power seemingly took advantage of the ideological support given to them by the Kenyan peoples and automatically assumed a form of "statism," despite traditional cultural norms in Kenya that have always emphasized values of equality and voluntarism in social and political action (Hyden, 1970, p. 6).

Politicians also took advantage of the fact that Kenya lacked a hierarchical authority system. Rather than having activities carried out on a large voluntary and communal basis, they were able to take control of the principal activities pertaining to the welfare of local communities (Hyden et al., 1970).

Characteristics of the Civil Service

At the time of Independence, Kenya had inherited a much more elaborate administrative organization than most other British colonies in Africa. The size of the civil service was about one-third larger than that of Tanzania, although the latter had a larger population (Bienen, 1974, p. 30). This
discrepancy can be explained with reference to at least three factors—the provision of services to a white-settler population, the Mau Mau uprising, and the fact that Tanzania was under United Nations trusteeship and of less immediate interest to Britain (Bienen, 1974, p. 30).

The growth in size of the Civil Service after Independence was in part a response to economic needs (in essence, the economy of Kenya was perceived to have potential for growth and was, in fact, growing). For instance, the total cumulative Gross National Product (GNP) expansion was at 6.8% during the 1964-66 period (Bienen, 1974, pp. 32-33). The growth of the civil service may also be a reflection of government efforts to cope effectively with, and guide, the development process. Meanwhile, however, expansion and economic change also paved the way for personal needs. Bienen commented that, "As the Kenyan Government implemented policies designed to Africanize trade and business, personnel were required to administer licensing and loan programs" (Bienen, 1974, p. 33). He was probably right in this observation, that the growth of Kenya's civil service was only partially a response of an administration to economic growth and growth potential, and to the concern for structural transformation of the economy. The growth of the civil service "... must also be viewed as the consequences of the autonomous goal-setting character of the civil service itself" (Hyden, 1974, p. 9). Because of the growth of the civil service, a great deal of speculation occurred, but it was accompanied by problems. For example:
The proliferation of ministries and departments is not solely a technical matter but may often reflect political considerations. For example, in many political systems, ministries and departments, important positions are awarded to key supporters or members of the ruling party and become their own 'possessions' to be staffed, in turn, by their own followers. In rural political systems with heterogeneous and fragile basics of support there is likely to be a strong need for a relatively large number of ministries so that all supporting groups can be properly rewarded.

(Hyden, 1974, p. 9)

The proliferation of governmental agencies in Kenya today is reflective of the administration's need to reward supporting groups (Hyden, 1974, p. 10). Because of the many favors that need to be obliged, the creation of a large number of ministries are required. However, in order to achieve a form of efficiency, consideration of administrative efficiency may very well demand that the ministries be consolidated or reduced. One example in Kenya can be drawn from the field of rural development, where several ministries were expected to cooperate in assisting farmers to increase agricultural productivity (Hyden, 1974, p. 12). As it turned out, such cooperation could not be achieved, because the ministries had separate field organizations responsive to different hierarchical authorities.

After viewing the type of administration that Kenya has, it is no wonder then that Kenya has failed to implement most of its housing policy and development plans. Concentration of political activity is at the federal level, and this means that the federal government is remotely involved in the actual administrative operations to exercise much control of the
detailed decisions that constitute program administration. They can, of course, set out on a course of becoming involved in administrative details at the local level, but here again we find a second limitation on centralization. The Public Housing Sector agencies are often already overloaded with demands, crises, and various pressures and problems requiring quick responses, so that they do not have time for simple administrative details. The Site and Service Housing Schemes (SSHS), which are managed at the federal level, are a good example of an agency's inability to quickly and effectively respond to administrative details. The federal government has opted for the SSHS as the most pragmatic approach to low-cost housing problems (HRDU, 1979, p. 24), and because SSHS is concentrated in or around major urban areas--particularly Nairobi and Mombasa (see Table 4.1), most of the development programs for these areas, such as public services, schools, and so on, are bound to result in an increase of people from the rural areas into these urban areas. Apart from the regional biases that may occur, an extra burden is being placed on the NHC and other local government authorities, because they will have to accommodate the housing needs of these "new immigrants." Consequently, the amount of money budgeted for housing in the five-year Development Plan will not be enough to provide for the increased demand for housing created by the influx of rural inhabitants. Another way to look at it would mean that even if administrative effectiveness were to exist in Kenya, the initial project appropriations would only be able to
Table 4.1
Geographical Distribution of Houses
(Sites and Services)
Completed during 1980

<table>
<thead>
<tr>
<th>Place</th>
<th>No. Units</th>
<th>%</th>
<th>Cost in Ksh.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUNICIPALITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nairobi</td>
<td>600</td>
<td>36.91</td>
<td>1,373,000</td>
<td>43.65</td>
</tr>
<tr>
<td>Mombasa</td>
<td>208</td>
<td>12.81</td>
<td>722,100</td>
<td>22.96</td>
</tr>
<tr>
<td>Nakuru</td>
<td>120</td>
<td>7.39</td>
<td>143,420</td>
<td>4.56</td>
</tr>
<tr>
<td>Kakamega</td>
<td>273</td>
<td>16.82</td>
<td>250,000</td>
<td>7.94</td>
</tr>
<tr>
<td>Kericho</td>
<td>6</td>
<td>0.36</td>
<td>26,500</td>
<td>0.84</td>
</tr>
<tr>
<td>Eldoret</td>
<td>15</td>
<td>0.92</td>
<td>153,187</td>
<td>4.87</td>
</tr>
<tr>
<td>Machakos</td>
<td>176</td>
<td>10.84</td>
<td>206,300</td>
<td>6.55</td>
</tr>
<tr>
<td>TOTAL MUNICIPALITIES</td>
<td>1,398</td>
<td>86.10</td>
<td>2,874,507</td>
<td>91.37</td>
</tr>
<tr>
<td>TOWNS AND URBAN COUNCILS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malindi</td>
<td>142</td>
<td>8.74</td>
<td>155,400</td>
<td>4.94</td>
</tr>
<tr>
<td>CITY COUNCILS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ol Kalou</td>
<td>83</td>
<td>5.11</td>
<td>115,000</td>
<td>3.65</td>
</tr>
<tr>
<td>TOTAL KENYA</td>
<td>1,623</td>
<td>100</td>
<td>3,144,907</td>
<td>100</td>
</tr>
</tbody>
</table>

construct a portion of the units originally planned for because of the increased demands. A "no-win" situation would exist whereby housing policy implementation would seemingly never be able to match the demand. Another interpretation might suggest that "because the ability of the development administration agencies to fully utilize annual development appropriations, is often seen as an imperative for successful plan implementation" (Chege, 1972, p. 6), housing policy implementation would inevitably become a failure. For example,

The government has over the plan periods injected sizeable amounts of funds into the housing sector. Although it is argued in certain quarters that funds allocated to sites and services have been inadequate, it is not very convincing to attribute the ineffective implementation of the schemes to widespread inflation and inadequate loan facilities, in view of the fact that substantial portions of the housing revenue has had to be returned to the Treasury because of inability to utilize the money.

(HRDU, 1979, p. 27)

Government reports and publications, as well as information on the historical background on relationships between central and local agencies in Kenya, have shown that Kenya has been unable to accomplish the objectives of its housing policies, because of long delays (see Table 4.2). These delays were found in foreign aid negotiations or in the detailed preparation of projects due to the redesigning of earlier plans because of new knowledge or donor insistence (HRDU, 1979, pp. 72-75). The implication of various delays has been that potential benefits are not captured. The slowness in implementing projects at the local level also
Table 4.2
Construction of Infrastructure Services for Completed Schemes

<table>
<thead>
<tr>
<th>Location</th>
<th>Final Date Construction</th>
<th>Construction Period</th>
<th>Final Delay in Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Planned</td>
<td>Actual</td>
<td>Months Planned</td>
</tr>
<tr>
<td>Dandora Phase I</td>
<td>10/76</td>
<td>12/76</td>
<td>12</td>
</tr>
<tr>
<td>Nakura Langa III</td>
<td>12/77</td>
<td>12/78</td>
<td>12</td>
</tr>
<tr>
<td>Thika 10</td>
<td>10/77</td>
<td>10/78</td>
<td>18</td>
</tr>
<tr>
<td>Nanyuki III</td>
<td>5/77</td>
<td>5/78</td>
<td>13</td>
</tr>
<tr>
<td>Webuye</td>
<td>6/77</td>
<td>6/77</td>
<td>N/A</td>
</tr>
<tr>
<td>Kiambu</td>
<td>10/76</td>
<td>3/79</td>
<td>4</td>
</tr>
</tbody>
</table>

results in the difficulty of fulfilling the schedule of the nation's Development Plan. Furthermore, due to the lack of co-ordination between federal and local agencies, policies are easily misunderstood, misinterpreted, or changed to suit political needs. For example,

the NHC has mentioned several instances where, contrary to the official policy, Government officials, some in senior positions have interfered with the work of the corporation, by for example, allowing the construction of a two-story high-cost housing on a serviced plot in the Bungoma site and services project.

(HRDU, 1979, p. 26)

This is another illustration that casts doubt on whether any program or policy, however well understood, will be acceptable or implementable, so long as there are political interferences and pressures prominent in the implementation process.

Conclusion

The political influence exercised during the course of execution is perhaps as detrimental to effective planning as any other facet of political activity. Quite frequently, politics affects the selection of a development site, the choice of contractors and suppliers, and the selection of employees (see Stolper, 1966). In addition, because there are no known administrative checks and balances present in Kenya, some agencies charged with project execution may be liable to the misuse of funds, as was the case with the NHC. Policy implementation, in this regard, can be conceptualized as an "ongoing process of decision-making by a variety of actors, the ultimate outcome of which is determined by the content of the
program being pursued and by the interaction of the decision makers within a given politico-administrative context" (Grindle, 1976, p. 12).

Merilee Grindle has commented that in a development plan or policy,

there are certain to be interest groups that will have particular interests in the plan, and their method of achieving their interests is by making demands on allocation procedures. Frequently, however, the goals are in direct conflict with each other and the outcome of this conflict and consequently who gets what is determined by the strategies, resources and power positions of each of the actors involved.

(Grindle, 1976, p. 12)

Anderson, a political economist who did similar analysis of the Latin American political system came to the following conclusion:

Programs that are implemented may be the result of a political caucus of interests and groups competing for scarce resources, the response of implementing officials and the actions of political elites, all interacting within given institutional contexts.

(Anderson, 1972, p. 171)

In view of this conclusion by Anderson, it is probable that this same conclusion for policy implementation can be applied to the Kenyan context, for an analysis of the implementation of specific programs could very well be equivalent to assessing "power capabilities" of the actors, their interests and the
strategies for achieving them, as well as the characteristics of the administration or society in which they interact. This, in turn, may facilitate assessing the potential for achieving policy and program goals. To be effective, then, implementors should be skilled in political strategies and should understand the "environment" in which they seek to realize public policies and programs.

C. Resource

Although there are numerous resources for the author's purposes, land will be the only resource examined. Before discussing land constraints, let us first describe Kenya's land policy.

Land in Kenya is held under the tribal and western concepts of private and state ownership (Hardoy and Satterthwaite, 1981, p. 172). These concepts can be classified into three broad categories of rights or types of title, namely (1) customary rights, (2) freehold land, and (3) leasehold land.

The land held under customary rights is enjoyed by the tribal people. Most of the land is held and shared by community laws. Most of this land is in rural areas. Customary rights are allocated to tribal groups in order to change the traditional tenure patterns of community ownership into private freehold land. Private freehold land aims to increase incomes through supporting individual farmers' production of cash crops. Basically, there are two major
components in Kenya's rural and urban land policies (Hardoy and Satterthwaite, 1981, p. 173). The first is the settlement of land formerly held by Europeans, while the second is the granting of titles to individuals and groups for land previously held under customary tenure.

Freehold land is usually land belonging to an individual. The individual has the title rights for the land but is still bound by statutory restrictions on the use of land.

Leasehold land is land held for a fixed term. The term usually ranges from 50 to 99 years for agricultural land. This land is leased from the Commissioner of Lands (COL) or from the local authority.

In 1971, more than two-thirds of Kenya's land was held in trust (Hardoy and Satterthwaite, 1981, p. 172). Private freehold land represented only a tiny proportion of all land, but this included much of the richest farmland and best developed urban locations. The existence of private freehold land and its successful development has created problems for Kenyan authorities because most of the successful development in Kenya has taken place on private land despite the public authorities owning most of the urban land. However, public authorities have the right to acquire private land by eminent domain if it is in the "public interest" (Hardoy and Satterthwaite, 1981, p. 172). This presents the monopoly of successful land utilization by the elite.

Control of urban land-use is exercised by the local and central governments in Kenya by zoning clauses in leases which
regulate land use, plot size, and types of development. Building codes are also utilized as a means to exert government control. Urban development plans designed by the physical planning department include zoning and estimates of future land requirements to build public acquisition policy. The low-income shelter project demonstrates the steps required (HRDU, 1979, pp. 27-29):

- the assessment of the need for urban shelter and supporting services;
- the estimation of land requirements;
- the identification of suitable sites, preferably on public land;
- the assembling of land and, if necessary, the acquisition of land through eminent domain;
- the preparation of plans and the approval for the services and for subdivision;
- the installation of services;
- the allocation of plots; and finally,
- the supervision of development of individual plots as stipulated in letters of lease or offer.

Experience, however, suggests that these steps are rarely implemented because they are time-consuming.

Land figures prominently as a constraint to policy implementation in Kenya. Numerous public control methods have been implemented by the government in an attempt to "correct" inequalities that exist in land distribution. The issue of
land is obviously an important factor for successful housing policy. If the government wanted to build houses for its poor, especially in urban areas, land becomes the most important commodity necessary to implement construction plans. In Kenya, however, the problem is not so much one of inadequate land per se; it is the problem of delivering the land to target groups for which the housing is intended to benefit (Hardoy and Satterthwaite, 1981, p. 173). The majority of the time, these target groups are the poor who need this land for use in the construction of shelter (especially for the "self-help" approach form of development). The skyrocketing cost of urban land is an additional factor in the problem of delivering much needed land to the targeted groups. Although land is usually a small part of the total cost of shelter, the price of land in urban areas sometimes rises more rapidly than do incomes (see Bruch-Biggs, 1979; Frieden, 1975). In addition, other factors that may influence the value of land, making it unaffordable for the poor, are (a) inflation, (b) decisions that change land use, and (c) the demand for preference for single-family houses.

Given the high cost associated with land, it is not unusual to find urban land becoming a speculative investment commodity, virtually risk-free, with a high rate of return. Furthermore, problems arise when consideration is given to who generally owns the "decent" land. According to Leys, usually this is owned by the powerful, rich decision-makers (Leys, 1974, pp. 66-73). Most of the land is used by these people for
speculative purposes (Hardoy and Satterthwaite, 1981, p. 172); further contributing to the increase in urban land prices, and interfering with the economic laws of supply and demand. Obviously, it would be in the nation's interest to address these deficiencies and thus to make land policies more effective.
CHAPTER FIVE
CONCLUSION

Review of the Purpose and Objectives

This study has analyzed the BNA in terms of two levels of action: goal formulation, and policy implementation. With many factors accounting for the inability of the Kenyan government to achieve targets in their policies and plans, a question arose as to whether one factor, more than any other, was responsible for this inability. This analysis was primarily concerned with determining how basic needs and objectives have been formulated in Kenya, and to raise questions about the consistency between development plans goals on the one hand, and plan implementation on the other. With these remarks, let us bring together some conclusions of the findings of this study.

According to this analysis of the Kenyan housing sector, the reasons for the unsatisfactory performance of the sector can be summarized under three headings:

(A) Long delays in the translation of the National Development Plan into housing policy guidelines and a development program
(B) The lack of clear objectives for housing projects, and
(C) Problems of land acquisition and allocation.

The translation of development plan policies into programs in Kenya was perhaps as detrimental to the performance of the housing sector as any of the previously mentioned factors.
Because of the structure of the government, there was an inability (by the central government) to communicate policies effectively and efficiently to the local authorities. This resulted in a "constant interplay of short term responses and adjustments to social and administrative pressures, planning with arbitrary determined financial constraints, technological imperatives, and changes in administrative personnel" (Stern, 1978, p. 273). Even those regulatory policies (standards, building codes, etc.) that were supposed to aid the poor in the upgrading and development of urban informal areas, for instance, seemed ineffective and inoperative. In addition, the lack of technical skills and the interference of politicians in the planning process were said either to have raised the costs of materials or to have reduced the accessibility of regulatory mechanisms to the poor; perhaps contributing to the already poor performance of the housing sector, and at the same time creating an almost hopeless situation. In summary,

in a situation of grossly insufficient low-cost construction, the official policy dilemma is classic: too much regulation will discourage private building or lead builders to circumvent the law, but too little regulation will permit exploitation and threaten overall planning and public health requirements.

(Stern, 1978, p. 278)

Efforts to implement housing programs furthermore were hindered by the skyrocketing costs of land (especially close to urban areas). With urban population growth, the prices of land in urban areas rose more rapidly than did incomes. In addition, although the constitution guarantees the protection
of private property (expressed through the expropriation by eminent domain of the needed area), action is not normally taken until after a need or problem has arisen, and not in anticipation of urban requirements. As such, not only are compensations likely to be higher-priced, but actions based on actual and urgent considerations may later turn into obstacles as far as the implementation of long-term land plans are concerned. (This does not include the problem of the unavailability of land for housing construction.) According to Robert Shaw, "Less than a fifth of the country's land surface is good arable land. Conversely, half of Kenya is officially termed "dry bush land" and another fifth is "dwarf-shrub grassland" which can only sustain nomadic pastoralists. In 1945, there were 4.2 acres of potentially productive land per person; by the year 2000 the figure will have shrunk to 1.2 acres per person" (Shaw, 1983, p. 23).

Recommendations

Having summarized the findings, the question remains as to whether anything can be done to rectify Kenya's housing situation.

The solution to Kenya's housing problems will largely depend on the motives of the government and its affiliates (in essence, are government officials really serious about solving their housing problem?). The objectives or goals of the housing policy as stipulated in Kenya's Fourth National Development Plan would probably need to involve the following processes in order to realize Kenya's housing goals (Kenya, 1979, p. 172):
1. growth of the public sector to the point of dominating the private sector;
2. extensive development of infrastructure and public services to cater to sites and services projects;
3. technical descriptions of how the objectives are to be achieved; and
4. the consultation and involvement (at the local level) of people in house construction.

The impression is that for this kind of planning to be achieved, certain basic political and administrative conditions must be met. These conditions can be grouped under three headings:

1. The political community needs to possess a sense of solidarity such that trust exists between its various sections, preventing the inequality impact in development plans from having the impact of intensifying existing cleavages.

2. A basic affinity must exist between people and government, such that the government can ask its citizens to make sacrifices by engaging in housing construction, and citizens will do so without excessively reckoning the cost.

3. A country must possess a large skilled and committed public service that strives to serve the population, and that possesses a vivid sense of urgency for economic growth.

Given the knowledge about Kenya's governmental structure, it is doubtful that Kenya fulfills any of the conditions
described above. For one thing, Kenya really cannot be considered a "tight-knit" political community (except for the people in squatter settlements), such that one could expect "patriotism" from its people to government. Furthermore (as discussed in the analysis), the government does not possess a well-equipped administration. As Wolfgang Stolper very wisely said (in his description of governments in Africa):

[most] Governments must operate under several limitations. There is first the recalcitrant nature of the economy. There is secondly the fact that we deal with plural societies, and thirdly, the lack of sufficient numbers of well trained people capable of running things.

(Stolper, 1966, p. 14)

We do not want to give the impression that the Kenyan peoples do not have a sense of political community. Kenya, after all, does possess a decent administration when compared to those of other developing countries. There is no doubt that the people are willing to be governed. However, it can be argued that housing policy objectives cannot be carried out unless the political will is there, and the administration becomes more effective and efficient. Thus, the government of Kenya and its planners need to set their goals accordingly, rather than engaging in grandiose plans that have no means of being implemented within the required time period.

However, assuming the government was truly committed to solving Kenya's housing problem, as they have stated, it should simply be a matter of time for Kenya's housing problem to be overcome. However, Kenya's Fourth National Development Plan
has some identifiable implementation problems, one of them being the lack of clear objectives (in essence, the formalization or methodology used). There are two reasons why a more effective housing policy is needed:

1. Once housing policies are incorporated into a national development plan, they are used in informing interested parties as to the expected demand and claims public housing programs will make on the housing agencies, scarce materials and skilled labor of the construction industry. This minimizes the risk that unnecessary bottlenecks will develop (United Nations, 1976, p. 14).

2. A well-defined policy provides guidelines so that some kind of effective project recognition, preparation, planning, implementation, and follow-up machinery can be enacted (Cook and Kuhn, 1982, p. 98). Otherwise, policies become subjected to reinterpretations by implementers, politicians and beneficiaries for their own gain.

Utilizing recommendations made by the United Nations (1976) to developing countries, a national housing policy should be able to estimate the number, type and standard of dwellings to be constructed by both the public and the private sectors respectively. The approximate known time framework in which projects are to be completed, and the geographical incidence of these activities need to be known. For public housing, the role of financial institutions should be specified, with capital requirements and subsidies identified.
For the private sector, the type and size of incentives should also be identified. Income levels and type of families to be served should be explicit. The amount of land, material, equipment and labor necessary for attaining these targets should be calculated, and the manner in which they are made available should be explained. The ancillary infrastructure, services, and community facilities required, including their estimated cost and timing, should be assessed. Finally, the agencies responsible for executing and/or financing certain components of the proposed programs should be known.

It was noted earlier that it is important for the Kenyan government to lower its targets so as to convey a realistic approach to planning possibilities. Yet it remains imperative that the government seek the cooperation of the institutions and firms most active in the housing sector, and if possible, set up a separate commission that "oversees" the public sector housing agencies. Grepey (1976) suggests that governments like that of Kenya need to experiment first with simulation models as an aid to preparing housing plans in which the expected growth patterns of cities, migratory movements and other useful variables are forecasted. "These are helpful for analysing the consequences of a proposed housing policy versus alternative policies in terms of the demand and supply characteristics of building activities and land use patterns" (Grepey, 1976).

It was also pointed out in this analysis that the problem of centralization was found in the implementation of housing policies in Kenya. As mentioned earlier, centralization is
somewhat similar to the constraint of formalization. They both involve the need for careful policy planning. The primary difference between centralization and formalization is that the federal government alone is responsible for stipulating clear objectives in plans and policies in formalization, whereas any 'external' factor could be responsible for creating difficulties in communication between the administrative functions at the national level and those at the regional and local levels in centralization.

This analysis emphasized the fact that policies are not always implemented in the manner they were intended. "The worst problems in housing arise in the Kenyan towns where the authorities frankly admit their inability to cater to the provision of houses and services for lower income groups" (Ghai, 1979, p. 33). There have been long delays in implementing these policies and some of the blame rests on the manner the government's policy process is structured. The obvious solution, therefore, is in finding ways in which the national housing programs can be better administered at the national, regional, and local levels. The 're-structuring' in administration (and consequently the deconcentration of policies) will relieve key housing officials from repetitious and detailed tasks related to purely local issues. The speed and effectiveness in dealing with housing programs will likely be increased at all levels. As a general rule, however, any form of decentralization (in essence, functional responsibilities) need to apply to the lowest "grass roots"
areas (United Nations, 1976, p. 77). Decentralization thus is a means and not an end. Premature or excessive decentralization might be harmful and may lead in some cases to widespread abuses when inadequate accounting and auditing control systems exist (United Nations, 1976, p. 77). As a matter of fact, who or what should be subject to suspicion are the politicians and others who have vested interests in housing. For example,

To a large extent, politicians, councillors and senior government officials often are aware of the low-cost housing policy, but do not fully support it in its entirety, especially when there are vested interests. One point in case, is that housing units built through public funds and intended for the lower-income groups have been mis-allocated to the higher-income groups. The housing policy and the National Housing Corporation guidelines on site and service programme has clearly specified that target income groups as those families within the income range of K.Shs.300/- to K.Shs.1,200/- per month (KL15 to KL60 p.m.). The HRDU field survey and discussions with various technical officers have shown that often political pressures and interferences in the allocation procedure have resulted in the misuse of public resources meant to benefit the lower-income groups.

(HRDU, 1979, p. 24)

Similarly,

The government has over the plan periods injected sizeable amounts of funds into the housing sector. ... it is not very convincing to attribute the ineffective implementation of the schemes to widespread inflation and inadequate loan facilities, in view of the fact that a substantial portion of the housing revenue has had to be returned to the Treasury because of inability to utilize the money. In spite of the biting inflation and general scarcity of funds, it would appear, housing policies have not been adequately implemented largely because of organizational inefficiency which seems to characterize the National
Housing Corporation and the local authorities, and also due to political manoeuvres.

(HRDU, 1979, p. 27)

Thus to be successful with a 'decentralization' proposal, the government needs to devise a system that specifies the nature, extent, and limits of delegated responsibility and accountability, regarding all programs, administration, and financial matters. "Essential to the success of decentralization is the drawing of lines of demarcation between larger policy issues and day-to-day administrative tasks, the former being referred to headquarters for decision" (United Nations, 1979, p. 78).

In conclusion, it is also the belief of the author that no policy (no matter how well documented) can be acceptable so long as there are political interferences and pressures in the implementation of the policy and programs.

Furthermore, public authorities should be given pre-emption rights to acquire land in special development zones as a resolution to the problems of land acquisition and housing. 'Preemption' is the right given to government institutions enabling them to have first priority in buying land. In the case where a landowner is interested in selling his land, the government needs to have the right to purchase the land at defined prices existing before the zone is declared a planned area. Such a policy would resolve the current problem of higher prices being paid by the government for compensation.
Compensation payments, therefore, would be based on that estimated value adjusted to take into account subsequent capital improvements on the land and monetary corrections based on a cost-of-living factor index or some similar national indicator of growth and inflationary pressures.

(United Nations, 1976, p. 41)

If used properly, a land policy that combines the rights of pre-emption and the freezing of land values, is an "effective way of removing speculation for the land market and maintaining pre-development land price levels in areas for sale contiguous to publicly purchased land (United Nations, 1976, p. 41). However, according to the United Nations (1976) report (which initially promoted this idea),

The rights of pre-emption, however, should not be relied on exclusively for land acquisition, since an acquisition policy cannot be based solely on acquiring land that is for sale. It must be combined with policies for expropriating land, where necessary, and for creating land "banks" or reserves for future needs.

(United Nations, 1976, p. 41)

In terms of the implementation of land policies for land allocation, the role of the national government "should be that of fashioning land policies and, through a national land-use authority working in concert with local governments, ensuring their implementation (United Nations, 1976, p. 48). (Details for this proposal can be found in the United Nations report
(1976) and the HRDU report on the evaluation of Site and Service housing schemes (1979, pp. 3-10).

Some final observations are that there is a need for a distinction between program and policy and a need for an effective plan to deal with uncertainty in policy implementation. As noted in the analysis of Kenya's housing policy, it is important to understand the difference between housing development program and actual implementation of policy. This is often difficult to accomplish, because in a policy, there are a variety of programs that are developed in response to policy goals. Programs, on the other hand, cause change in the policy environment. This distinction between policy and program would also imply that policy implementation is a function of program implementation and therefore is dependent on its outcome. Consequently, the research or study of the process of implementation almost automatically involves an investigation and an analysis of programs that are designed as a means of achieving broader policy goals. As previously stated, it is doubtful if such clear distinctions between policy and programs are ever maintained in reality. Our task was greatly impeded by the need to take into account the variety of levels at which the term "policy" was often used in development plans. In the area of housing for example, some policies are regulatory (in essence, they attempt to control individual action in the private sector) while other policies are developmental (in essence, they attempt to create new housing using public resources (Stern, 1978, p. 5). It was
also necessary to know at what point, for instance, did the program's failure (in essence, Urban Informal housing development), signal the overall failure of the general policy. The program's success does necessarily mean that because the aims of the program are in accordance with the aims of the policy that the policy goals will be achieved. Not surprisingly, this is an assumption that has typically worked in practice in developing countries. (See G. Benveniste, 1970, E. Lozano, 1975). Economists such as Merilee Grindle have even tried to resolve the problem of assessing the failure of a policy versus the failure of a program by viewing implementation as a general administrative process that can be analyzed at a specific problem level. Success of a program, she states, would be evaluated by asking the question, "Did the program actually do what it set out to do?" Consequently, program evaluation would be based on a measurement of program outcomes versus policy goals (Grindle, 1976). The process of policy implementation would therefore involve three things: (1) specifying general goals and objectives, (2) designing programs, and (3) allocating funds for the pursuit of goals. Grindle was able to differentiate policy failure from program failure in her discussion of implementation as a political and administrative process (Grindle, 1976).

Any discussion of policy implementation is considered important because the expected feedback from procedures of implementation could lead to modifications in policy goals and directions. In essence, the rules and guidelines interpreted
or re-interpreted could lead to a considerable number of new policies being made at sites of execution. More importantly, these revisions in the process of implementation might mean that final decisions devised at the design or formulation stage might have an impact on how the implementation process proceeds. For example, a decision by the government to allocate five million dollars rather than five hundred million to the development of Urban Informal housing areas will have considerable impact on the subsequent implementation plans.

It follows that the initial assumption made about a perfectly programmed development strategy or policy is that they might at least achieve a rare degree of certainty about the outcome or at least create a situation in which the probability of a successful outcome can be fairly accurately made. This would mean that a development plans policy or strategy (such as the "self-help" approach adopted by Kenya) needs to identify the exact causal relationship between the policy and the consequences of its implementation. From this, maybe the appropriate operational activities can be deduced. In addition, the development strategy or policy might take into consideration, or attempt to hold constant, the behavior of exogenous variables. The argument is that "if conditions are otherwise, then the operating agency will be compelled to adapt to unpredictable environmental change by deviating from programmed procedures or even by goal alteration" (Chege, 1972, p. 3). In Kenya, many development projects have been implemented with many uncertainties surrounding their outcome,
and as reported earlier, the failure of many programs and policies to succeed are attributed to these "uncertainties" or to the intervening of environmental variables (Kenya, 1979).

Uncertainties surrounding the probabilities of developmental policy outcomes are seldom analyzed, and as a result, governments can often use uncertainties as an excuse for not performing well.

It will be interesting to see how the government of Kenya will perform in the years to come. Maybe the failures of policies will continue to be blamed on these "uncertainties" surrounding outcome, maybe not. One thing that is certain, however, is that improvements in the housing sector will have to be made.
BIBLIOGRAPHY


32. Harris, J., Some Thoughts on a Housing Policy for Nairobi, Institute for Development Studies, University of Nairobi, 1975.


APPENDIX

Currency Equivalents

<table>
<thead>
<tr>
<th>Currency Units</th>
<th>Kenya Shillings (KSh)</th>
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<tbody>
<tr>
<td>KSh 1.00</td>
<td>US$ 0.0095*</td>
</tr>
<tr>
<td>US$ 1.00</td>
<td>KSh 10.5</td>
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*The dollar-shilling conversion factor given here is based on the approximate exchange rate in effect in mid-1982.