SHELTER FOR THE URBAN POOR:  
IS LOCAL GOVERNMENT THE ANSWER?  
THE CASE OF LUSAKA, ZAMBIA

by

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Bachelor of Architectural Engineering  
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Submitted to  
the Department of Urban Studies and Planning  
in Partial Fulfillment of the Requirements  
for the Degree of  
Master of City Planning  
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ABSTRACT

The problem that this thesis addresses is the dilemma between the centralization of housing activities where bureaucratic procedures have tended to undermine the national governments' ability in meeting housing targets and the decentralization of housing activities at a time when local authorities are too weak and ineffectual to undertake such responsibilities. Most local authorities lack the administrative capacity and technical staff to undertake housing and shelter responsibilities. In addition, they usually have a weak revenue base and lack the capacity to raise revenues making them reliant on central financial support.

By analyzing the provision of housing in Lusaka, Zambia, this study aims at identifying the circumstances under which local governments can effectively produce a shelter programme for the urban poor and the prerequisite conditions necessary for them to implement policies. In addition, an attempt is made at redefining the roles of both central and local governments in the provision of shelter.
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Sina Raouf
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2. Lusaka Upgrading and Sites and Services Project Organization: City Council, Housing Project Unit, and Central Agencies 38
A large proportion of urban populations in developing countries live in very poor housing conditions. Although virtually every person has some form of shelter, a growing number of the urban poor live in over-crowded conditions, substandard housing, without secure tenure, and lack adequate basic services. Most governments in developing countries have attempted to rectify the situation by first the provision of low cost housing and later by the various sites and services and upgrading projects. However, all these solutions could not keep up with fast urban growth. In almost all developing countries, the supply of housing, both private and public, has not kept up with demand.

1.1 STATEMENT OF THE PROBLEM:

In most developing countries, public provision of housing and shelter is a responsibility of central agencies. When governments first realized the need for intervention in housing, they, in most cases, created ministries of housing charged with the formulation of national housing policies. These ministries usually coordinated housing programmes rather than engaging in actual execution and various agencies were set up for housing construction, finance, estate management and so on. However, it was soon realized that the
The proliferation of housing agencies was not conducive to efficient and effective work because limited responsibilities tended to create coordination problems. As such many governments in developing countries moved towards the centralization of housing activities within one line agency, usually called the national housing authority. However, the effectiveness of most of these agencies was not that much better. It seems that all central bodies, whether concentrated within one agency or distributed among various bodies have not been able to meet their targets and there is currently a tendency towards decentralization and giving local authorities the responsibility for housing.

The problem that this thesis addresses is the dilemma between the centralization of housing activities where bureaucratic procedures have tended to undermine its ability in meeting housing targets and the decentralization of housing activities at a time when local authorities are too weak and inefficient to undertake such responsibilities. Most local authorities lack the administrative capacity and technical staff to undertake housing and shelter responsibilities. In addition, they usually have a weak revenue base and lack the capacity to raise revenues making them reliant on central financial support.

1.2 PURPOSE AND OBJECTIVES:

The main purpose of this thesis is to show that neither
central nor local government alone can be effective in providing shelter programmes for the urban poor; but rather initiatives must be taken at both central and local levels. Central governments, as previously mentioned, are too centralized; therefore efforts must be made to pass on more responsibilities to local authorities. To be effective, local authorities need to build up their institutions so as to undertake these new responsibilities. As such, the main objectives of this thesis are:

- to identify the circumstances under which local governments can effectively produce a shelter programme for the urban poor and the prerequisite conditions necessary for them to implement policies.
- to redefine the roles of both central and local government in the provision of shelter for the urban poor.

An important issue to keep in mind is that shelter is not just the provision of a 'house' but rather encompasses a wide range of activities such as the availability of land, building materials, infrastructure and services, finance and so on. Some of these activities are better dealt with at the local level while others may require strong support and therefore can better be dealt with at the central level.

Although there may be a number of ways in which the above objectives may be carried out, the strategy of this thesis is to concentrate on one case study, i.e.- Lusaka. The Lusaka
Urban District Council has had a long history in the provision of housing, and ultimately can be useful in identifying the obstacles local governments may face if they are to take on the responsibility of shelter provision. In addition, by identifying the roles that both central and local government have played in Lusaka, one can identify their weaknesses and strengths and can better identify the ideal roles that each needs to undertake.

1.3 PLAN OF THE THESIS:

In summary, this thesis will attempt to show that for a shelter programme for the urban poor to be effective initiatives must be taken at both the local and central levels and the thesis will use Lusaka as a case study to reach its objective. Chapter 1, introduces the purposes and objectives of this study. In addition, it provides a framework for analysis by providing a background and historical perspective of shelter provision in Lusaka indicating the government’s performance in meeting housing needs. Chapter 2, focuses on local-central relations with respect to the provision of shelter. First a brief overview will be presented to understand why local government should participate in the provision of shelter. Then an attempt will be made to examine the role of the Lusaka Council in the provision of housing, indicating its strengths and weaknesses, and showing the constraints it faces in executing an effective shelter
programme. Chapter 3 identifies the various shelter components with the aim of understanding who, whether central of local government, is better suited to act as a facilitator for the provision of each component. Chapter 4 summarizes and indicates the inferences that can be drawn from this analysis.

1.4 LUSAKA: BACKGROUND AND URBAN GROWTH:

Prior to independence in 1964, Lusaka was planned as a 'garden city' for Europeans and other non-Africans, while Africans were not allowed to live in Lusaka unless they were employed. Africans, considered only temporary workers, were housed in barracks or were allowed to build huts for themselves in designated 'compounds' (Schlyter and Schlyter, 1979). Unauthorized housing was not permitted and was continuously demolished.

The first years of independence marked a period of economic boom. Copper, the dominant economic activity, was in demand at the time and its price worldwide was steadily rising. This was critical to Zambia's economy as copper resources accounted for 45 percent of government revenue and about 95 percent of the total foreign exchange earnings. In the 1970's, however, falling copper prices and increased military spending caused by conflicts in Zimbabwe, Zaire and Angola greatly affected Zambia's economy to the point that the per capita GDP was lower in 1979 than it had been in 1965 or 1972 (Bamberger et al., 1982). This situation has not
improved in the 1980's as copper remains the country's main resource and its foreign exchange earnings, accounting to more than 80 percent of its exports, continues to decline.

At independence, Zambia was one of the most urbanized countries in sub-Saharan Africa. After independence, rising copper prices, economic diversification, and the expansion of government all led to increasing migration to urban areas particularly Lusaka. In addition, removal of the colonial restrictions on migration into towns and freedom of movement allowed workers to bring their families to urban areas. Also, rural urban income gap and the availability of employment opportunities in urban areas was another reason for migration (Bamberger et al., 1982 and Pasteur, 1979).

The Lusaka City Council and the central agencies directed their activities at the growth of the formal areas of the city. In addition to the provision of housing, major infrastructure and social services were provided. In the housing sector, most of the public resources for housing were spent on the provision of middle and upper-income housing and there was a big decline in the provision of housing for workers. As such, squatter areas grew around Lusaka and the state's attitude was either to ignore these settlements or to demolish them (Schlyter, 1984). Table 1 summarizes the total population of Lusaka between 1963 and 1980 indicating the proportion living in squatter settlements.
Table 1
Changes in Proportion of Population Living in Self-built Areas of Lusaka 1963-80

<table>
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<tbody>
<tr>
<td>Total Population</td>
<td>119</td>
<td>262</td>
<td>396</td>
<td>550</td>
</tr>
<tr>
<td>Living in unrecognized areas</td>
<td>19</td>
<td>95</td>
<td>166</td>
<td>180</td>
</tr>
<tr>
<td>(%</td>
<td>(16)</td>
<td>(36)</td>
<td>(42)</td>
<td>(33)</td>
</tr>
<tr>
<td>Living in recognized plots</td>
<td>3</td>
<td>21</td>
<td>45</td>
<td>100</td>
</tr>
<tr>
<td>(%</td>
<td>(3)</td>
<td>(8)</td>
<td>(11)</td>
<td>(18)</td>
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In 1963, the percentage of the population living in squatter settlements was estimated at between 15-20 percent (Bamberger et al., 1982, and Schlyter and Schlyter, 1979). As the provision of housing was not keeping up with population growth the squatter settlements continued to grow around Lusaka and by 1974, 42 percent of Lusaka's population were living in squatter settlements (Bamberger et al., 1982).

At independence, Zambia had two main political parties, the United National Independence Party (UNIP), and the African National Congress who between them dominated all the squatter settlements. In 1972, Zambia became a one-party state and UNIP eventually took control of most squatter settlements.

The Party is organized hierarchically from national level down to the household level. It has a sophisticated structure of elected officials, mass memberships and a two way communication system between local and central levels (Pasteur, 1979). At the local level the party is structured
so that every 50 households form a Section. A number of Sections make up a Branch of approximately 700 households, and, several Branches make up a constituency of approximately 6000 households.

Economically, most of the squatters in Lusaka were poor, but due to economic growth most were employed in the formal sector and there was very low unemployment at the time (Pasteur, 1979). However, the decline of copper prices worldwide led to a decrease in formal sector employment and a decrease in real wages. In 1979, about 26 percent of urban households were below the basic needs income of 100 Kwachas per month (ILO, 1981a). At the same time Lusaka’s population continued to grow, over one half due to natural increase and the rest due to migration. Table 2 summarizes the increase in Lusaka’s population in relation to the total population.

Oestereich estimated that in 1980, half of Lusaka’s population lived in unplanned settlements and sites and service areas (this is based on an estimate of 550,000 inhabitants, slightly below the official figure of 599,000). About 180,000 inhabitants lived in upgraded and sites and service areas while 100,000 persons (about 18 percent of the total population) lived in squatter settlements that have yet to be upgraded (Oestereich, 1986a).
Table 2

<table>
<thead>
<tr>
<th>Year</th>
<th>Lusaka</th>
<th>Total Zambia</th>
<th>Lusaka as % of total Zambia</th>
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<tr>
<td>1963</td>
<td>123,000</td>
<td>3,490,000</td>
<td>3.5</td>
</tr>
<tr>
<td>1969</td>
<td>262,000</td>
<td>4,057,000</td>
<td>6.5</td>
</tr>
<tr>
<td>1974</td>
<td>401,000</td>
<td>4,695,000</td>
<td>8.5</td>
</tr>
<tr>
<td>1979</td>
<td>599,000</td>
<td>5,600,000</td>
<td>10.7</td>
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Source: Compiled from EIU, 1984 and Martin, 1979.

By the year 2000, Zambia will double its population to about 12 million people, of which 50-60 percent will be living in urban areas. The ILO Report estimated that the number of urban households below the present poverty line would double or triple by the year 2000 (ILO, 1981a).

1.5 HOUSING POLICIES: ACHIEVEMENTS AND CONSTRAINTS:

In Zambia, government intervention in housing started at independence with the adoption of the British colonial policy of providing housing to its employees. The Zambian government's aim was to equalize the status of African employees by giving them the same benefits previously enjoyed by expatriates. This meant good, high standard housing for everyone (Bamberger et al., 1982). It also meant that the state became the major supplier of rental housing. Prior to independence, private ownership of housing was restricted to the relatively few high cost dwellings owned by the Europeans,
much of which is now owned by the wealthier Zambians (Jol, 1977). After independence, the adoption of the philosophy of Humanism (President Kuanda's term for his eclectic political policies) made social and economic equality a political objective. In the housing sector, it implied that housing was to be a responsibility of the state while a 'formal' private market for housing did not develop as it was not encouraged by the state. For example in 1973, only 18 percent of the total housing stock in Lusaka was privately owned and was limited to high and middle income groups (Martin, 1979).

Prior to independence, the Lusaka City Council like all other urban councils in Zambia, were responsible for housing in the designated African areas. At independence, the colonial practice of authorizing local governments to provide and maintain public housing stock and its related services was continued.

In 1965, the government introduced its first sites and services programme. The idea of sites and services is not new to Zambia as it was first started by the colonial government in 1911, albeit on a smaller scale, a practice which continued off and on until 1963, just prior to independence (NHA, 1975). The reintroduction of sites and service seems to have started as an emergency measure to temporarily house squatters who were displaced under the government's clearance and demolition schemes, until such a time that more formal housing can be provided for them (Martin, 1979 and NHA, 1975).
The provision of sites and service plots and conventional housing was not keeping up with rapid population growth and the total number of squatter houses increased from 7,500 in 1965 to 26,300 in 1971. At the same time, only 3,071 conventional houses and 7,850 serviced plots were completed although the target was 6,790 houses and 14,710 sites and service plots (Bamberger et al., 1982).

The Second National Development Plan (1972-1976) marked a change in government policy toward squatter settlements. The plan recognized that 'although squatter areas are unplanned, they nevertheless represent assets in both social and financial terms' (SNDP, 1971:148). It also acknowledged that its policy of demolition was not a practical solution and allocated K5 million for squatter improvement out of a total housing budget of K106 million (approximately 5 percent). The Plan also recognized that public funds alone were not sufficient to meet the housing demand. As such, it introduced a home ownership scheme and councils of large urban areas were instructed to abandon all new housing construction programmes for rental use (Greenwood and Howell, 1980 and SNDP, 1971). However, construction resumed in 1975 as a result of a temporary policy revision and the scheme was not implemented (TNDP, 1979). Therefore, actual government investment during the plan period on public housing, most of which was medium and high cost dwellings, was estimated at K56.9 million while only K23.5 million went to sites and service schemes and K1.6
million for squatter improvement making an increase of over half the amount originally allocated to public housing and a decrease of 33 and 68 percent for sites and services and squatter improvement respectively (Jol, 1977). By the end of the plan period only 5,000 sites and service plots were allocated out of the total 67,000 in envisaged the plan (ILO, 1981b). The Third National Development Plan attributed the unsatisfactory performance in the implementation of housing policies to 'organizational, financial and legal difficulties as well as lack of qualified personnel. Implementation was adversely affected by the uncertain attitude of local authorities towards the self help policy' (TNDP, 1979: 315).

In the early 1970's, the housing problem in Lusaka grew to such an extent that the government for the first time felt compelled to seek external assistance. In 1970, the squatter settlements comprised 40 percent of the total population in Lusaka, and it was unlikely that the sites and service schemes could provide any significant solutions. In addition, these schemes, although remarkable in their own way, still did not reach the root of the problem. The sites and service schemes did not attract a large number of squatters as most of them could not afford these schemes (Pasteur, 1979). Although highly subsidized, these plots were only affordable to 50 percent of all urban households (TNDP, 1979). Another factor that may have had a big influence was the decline of the copper prices which in 1974 reached its lowest record in the
international market.

In addition, the bulk of the housing budget continued to be absorbed in high and medium cost housing. In 1974, 77 percent of the total amount of urban housing went to high and medium cost housing (including servants quarters), while only 13 percent was spent on low cost units, and 5 percent each for sites and service plots and informal settlements (Dewar et al., 1982).

The scale and intensity of the housing problem convinced the World Bank that a response of equal scale and intensity was required. In addition, the change of attitude in the government's perception of squatter settlements, as indicated in the Second National Development Plan, albeit lacking substantial implementation strategies, convinced World Bank economic planners that the Bank's assistance in implementing a project in Zambia would promote changes in national urban shelter investment (Bamberger et al., 1982).

Negotiations for the Lusaka Upgrading and Sites and Services Project (referred to as the Lusaka Project for short) started in 1973. The Bank loan was approved in July, 1974 and became effective in April 1975. The project was finally completed in 1982. The project was to target the poorest 40 percent of the population and comprised the upgrading of 17,000 existing dwellings in four major settlements; provision of 12,000 sites and service plots; and construction of related community facilities.
Total number of beneficiaries was 29,000 families, although it reached 31,000 families (approximately 180,000 persons) during the implementation stage, comprising between 27-30 percent of the total population of Lusaka (Bamberger et al., 1982). Half of the sites and service plots were allocated to low income households and upgrading reached over 90 percent of the households in the targeted areas. The cost of the houses built under the project was approximately one-tenth the amount required under conventional schemes. The project was not subsidized in any way and was to have complete cost recovery.

The Lusaka Project had one distinct aspect from other World Bank funded projects at the time which was the high degree of community participation. The only other project funded by the World Bank at the time that had community participation was the first El Salvador Sites and Services (IBRD, 1983). The Bank having had no previous experience in community participation was reluctant to accept the idea, but due to local pressures finally consented on the condition that it would be terminated if it should unduly interfere with the timely execution of the project (Bamberger et al., 1982).

The aim of the Lusaka Project, from the World Bank’s point of view, was to demonstrate the feasibility of using upgrading as a way of providing low cost shelter for Zambia’s urban poor. If the Bank was successful in this respect, then one would expect a marked change in government policies.
towards the provision of shelter.

The strategy of the Third National Development Plan (1979-1983) was to 'enable the maximum number of families to attain, at least, the minimum shelter standards' (TNDP, 1979:321). However, the plan lacks clear implementation guidelines for carrying out this strategy. On the other hand, there are a number of merits in the plan in that it adopts minimum shelter standards, gives priority to low income groups, proposes the withdrawal of subsidies and rechannelling them to low income groups, encourages the revision of lending policies of financial institutions to allow low income groups better access and establishing a housing bank specifically for low income housing, promotes home ownership, and finally, it appoints a Land Development Committee to ensure the availability of land (TNDP, 1979).

Clearly, if all of the above is implemented, Zambia would have an outstanding policy for the provision of shelter for the poor. Unfortunately, very little of what was said in the text was actually executed.

During the plan period, the emphasis was still on the construction of housing rather than upgrading. The total sum spent on upgrading, sites and service schemes, and low cost housing as a percentage of total public expenditure between 1979 and 1983 was 5, 7, and 11 percent respectively. This amount includes all available public resources for housing including external loans and grants (TNDP, 1984). Private
investment in housing has increased during this period, indicating a change of policy toward private ownership, although it is still substantially lower than public investment. Between 1980 and 1984, total private investment in housing was K88,500 as against a total public expenditure of K465,000 (TNDP, 1984).

Evidently, the government was relying on external funding for squatter improvement and upgrading. Unfortunately, the World Bank was reluctant to give a second loan and therefore, the government had to seek other donors, with relatively little success. Lack of donor funding, however, did not persuade the Zambian government to initiate any upgrading projects on its own.

In 1980, the West German government provided a small grant for the upgrading of Kalingalinga, one of the squatter settlements in Lusaka. The Kalingalinga project, begun in 1980 and completed in early 1987, was the only upgrading project undertaken by the Council during this period. It is also the only major upgrading project in all of Zambia, accounting for 88 percent of total expenditure on upgrading between 1974 and 1983 (TNDP, 1984). The project was similar in design to the Lusaka Project and was to provide improved shelter for 13,000 persons (Oestereich, 1986a). An interesting feature in the project was more active and intense community participation. Community participation, as in the Lusaka Project, was organized by the local party leaders who
were also given the responsibility for running and maintaining community facilities.

To sum up, during the Third National Development Plan period, Kalingalinga was the only upgrading project undertaken by the Lusaka Council that targeted lower income groups. The only other investment in housing in Lusaka during this period was the Helen Kuanda - Phase III, which consisted of the construction of 100 dwellings for low income families. No new construction of medium and high cost housing was undertaken in Lusaka during the plan period (TNDP, 1984).
Chapter Two

INSTITUTIONAL SET-UP:

CENTRAL-LOCAL RELATIONS

From the last chapter one can see that the provision of shelter in Lusaka has come to a virtual standstill. This is due in part to the economic crisis that Zambia is undergoing at present. High rates of inflation has increased the prices of building materials both locally produced and imported. In addition lack of foreign exchange has restricted the import of building materials on which the construction industry heavily relies. Also it has restricted the import of primary products needed for the production of building materials (GTZ, 1983).

Zambia's economic crisis has also decreased the amount of capital and recurrent grants available for building and maintaining the publicly owned housing stock. As such, local councils have had to depend on their own resources which are often in short supply also. In the meantime, Lusaka’s squatter settlements continue to grow and upgraded areas are quickly deteriorating due to lack of maintenance.

As such, innovative methods are required to deal with the shelter issue in Lusaka. In recent years, housing experts have stressed the need for increased local government intervention in housing and shelter for the urban poor. According to these experts, if governments are to have effective housing policies, then local governments must play a
more active role in the planning and implementation of shelter policies and to consider them within the context of the planning of urban areas. The main reasons for these views are:

- Fast urban growth requires regular expansion and maintenance of urban services. This can be more efficient if it is a local responsibility.
- Local government is better at understanding local conditions and needs and can better understand people's priorities.
- Only local governments of cities can effectively deal with their own particular housing problems and only they can innovate new ways of solving their everyday problems.
- It is only through local government that communities can voice their concerns and can take a more active role in issues that effect their well being.
- Local government can be more effective in acting as a link between local communities and central government.
- A system where funds are mobilized and spent in the same area is more efficient and responsive to local needs.

This line of thinking stems from the belief that central governments have become over-centralized and too bureaucratic, making them ineffectual in dealing with the shelter problems of developing countries. Sites and services and upgrading
projects, for example, have in most instances been carried out by national agencies without much coordination with the local authorities, which resulted in implementation and hand-over problems, and beneficiary acceptance (Allport and von Einsiedel, 1986). Over-centralization of government activity has tremendously weakened local governments. In Latin America, governments are so centralized that they have almost completely been taken over the role of local governments up to the point where 'matters intimately related with the daily life of communities' are decided at the national level (Hardoy, 1982:12). The main reason for this is the over-centralization of public expenditure where over 90 percent of public expenditure is controlled by the central government leaving less than 10 percent for local governments (Hardoy, 1982).

Given these strong centralization policies, it is not surprising that local governments are, as very often criticized, ineffectual and lack adequate administrative and technical capability to fulfill the demands of urban areas. They also lack the capacity to raise revenues, although they generally have the authority to do so.

As such, there is a need for the redefinition of roles and responsibilities for both central and local governments with regard to shelter. It should be mentioned that these new roles and responsibilities cannot be achieved overnight but must be a gradual process which requires institution building.
and increasing the capacity for local governments to take on more and more responsibility. Local governments will have to undertake a multitude of new roles previously carried out by central governments. However, before assuming these roles, they must first build up their institutions to be able to handle these roles by undertaking the following tasks:

- Strengthening their capacity to design, implement, and monitor local policies and programmes (Schon, 1987). Local government needs to build its institutional structure so as to be able to handle this increased responsibility and to improve its management capabilities. Managerial skills are very often lacking in local government and many projects and programmes have failed or have been delayed because of managerial ineptitude (Burns and Ferguson, 1987 and Rondinelli, 1986).

- The second task that local government must undertake is improving its capacity for raising revenues. Fast urban growth has led to an increase in local government responsibility, without a matched increase in revenues to meet expanding expenditure requirements. The result is a 'fiscal gap' between expenditure requirements and resource availability. Local authorities need to strengthen their ability to raise revenues by improving their property taxation systems, imposition of automotive, local income and
sales taxes, realistic (non subsidized) user and development charges, and taxes on industry and commerce, among others (Bahl and Linn, 1984). Also, there is often a mismatch between the source of the revenue and the type of expenditure. For example, it is assumed that general urban services can be financed by local taxes, public utilities by user charges and social services by intergovernmental transfers. However, very few cities display such a pattern. Studies show that local taxes have financed many services that should have been financed from user charges, or transfers have been used to finance services that could have been more appropriately financed from local taxes or user charges (Bahl and Linn, 1983).

Finally, the tax capacity of local governments needs to be strengthened by more careful design and application. For example, property taxes, generally one of the most important taxes collected by local governments, have not increased commensurably with the increase of property values. Inadequate assessment practices, lack of professional expertise for valuing properties, and problems of collection and enforcement are the main obstacles faced by local governments (Bahl and Linn, 1984).

The aim of this chapter is to see how the above mentioned
views apply to Lusaka. The intent is to see whether strengthening the Lusaka Council will ultimately improve shelter conditions for the poor, or whether there are other factors that may affect the provision of shelter. In doing so, a general description of local-central relations will first be presented. The structure of the Lusaka Urban District Council and its role in the provision of shelter will then be discussed; also a review of the Council's revenue raising capacity is provided. The purpose is to show what role the Council has played in providing shelter, and what are its strengths and weaknesses. The role of national shelter policies and how they affect the provision of shelter is then discussed.

2.1 CENTRAL-LOCAL RELATIONS: A GENERAL OVERVIEW:

In the context of this paper, local government means the unit of public administration which administers an urban area, and often its surrounding rural areas. Central government on the other hand, refers to all branches of government above the local level ranging from state or provincial government, to national governments depending on the country's administrative system. The powers and roles of local government differ from country to country depending on the type of colonial government they previously had (CPFMCN, 1984). Ex-British colonies, for example, tend to have more or less the same kind of administrative structure which is different from the
French, Portuguese, Spanish, or Dutch ex-colonies.

If one has to categorize the types of local government, two distinct extremes can be made. One extreme are those local governments that have a high degree of local autonomy and the other extreme are those that are administrative arms or offices of central governments. Naturally, most local governments are somewhere between the two.

The more autonomous local governments usually have an elected mayor or city-council, have the autonomy to hire their staff who are paid from local funds, have a strong tax base, and have more authority to implement local services. The central government's role in this case, is to provide guidance in the form of financial incentives and subsidies rather than regulation.

At the other extreme are local governments that form part of a highly centralized system where the mayor is usually appointed centrally and local government is composed of local branches of central ministries and their staff is usually appointed centrally as well. In this case, taxation is centrally regulated and funds for capital development is passed to central line agencies for implementation. The central government's role, therefore, is to provide detailed regulations to local governments (CPFMC, 1984).

There is also a difference in the way the executive and deliberative functions of local government are allocated. In some countries these functions are housed in the same body, in
others in separate bodies. In countries influenced by the British system the formulation, authorization, and execution of policy is the responsibility of the city council who often exercise these responsibilities through committees or boards. In other urban areas, such as the United States, France, and some Latin American countries, the executive and deliberate functions are entrusted to separate local bodies. A representative body decides on budgets and other policy issues, while the executive body is responsible for the execution of policy. The initiation of policy may be shared by both. In other countries, a district officer or governor may be entrusted with both functions. As such, this person, under the supervision of central government, may exercise all governmental powers at the local level (UN, 1973).

The effectiveness of local government depends largely on the degree of decentralization, support from central government, national policy, and the financial systems within which it operates. In addition, the division of responsibilities at the national level between various ministries can also greatly affect local government performance. Separate ministries, for example, responsible for public works, housing and so on, are likely to execute their programmes themselves rather than through local agencies (Davey, 1985). Lack of coordination among central ministries and unclear responsibilities between local, provincial, and central levels tends to fragment responsibilities creating
inefficiency and confusion (Bahl and Linn, 1983 and Williams, 1985).

One of the main problems of local government is its weak revenue base. Local governments in many countries were more self-sufficient in the past but lost some of their best revenue sources due to the gradual preemption by central government (Williams, 1985). As such, the present financial weakness of local government could be attributed to three main factors:

- Revenue is inadequately shared with local authorities by central government.
- Weak revenue collection methods from taxation, charges, and fees, and other means of raising funds.
- Local government's limited access to capital financial markets for borrowing (UN, 1973).

However there are significant variations from country to country as the degree of autonomy and the local government's ability to raise revenues depends on many factors. In the next section, and attempt will be made to show how the Lusaka Urban District Council fits into this general context and how it diverges from it, particularly as it relates to the provision of shelter.

2.2 THE LUSAKA URBAN DISTRICT COUNCIL:

Lusaka is administered by its Urban District Council which is responsible for the management and maintenance of the
city and the provision of a number of services such as water supply, sewerage, roads, and housing. The Council also undertakes a number of commercial ventures, the biggest being the liquor operation which brews and distributes beer to local taverns.

The Council structure is based on the British system of a mayor and 24 elected councillors, each representing a Ward, two members appointed by the central government¹, and one ex-officio, the District Secretary. The non-executive mayor is elected annually by the Council. The management and executive functions are carried out in various committees. Professional staff head a number of departments and are responsible to the Town Clerk. Figure 1 illustrates the organizational structure of the Council.

The Lusaka Council falls under the jurisdiction of the Ministry of Decentralization which controls the revenue and expenditure of all councils in Zambia and instructs them on spending levels and priorities.

The organizational structure of the Lusaka Council has changed very little since independence. The main changes that have occurred, apart from the change of name from the Lusaka City Council to its present name, are the additions of departments and the formation of the Housing Project Unit.

¹. These members were previously appointed by the Ministry of Local Government and Housing, but with the disbandment of this ministry, it is likely that these members are appointed by the Ministry of Decentralization.
Central-local relations, on the other hand, have undergone various changes since the time of independence and there has been considerable encroachment upon local government autonomy and a general tendency toward centralization (Greenwood and Howell, 1980). Some decentralization policies have been introduced in Zambia as far back as 1968 but they have generally tended to be directed towards the provincial and district administrations with the aim of encouraging rural development. It was not until 1980 that a change in the direction of decentralization policies has directly affected the Lusaka Council. Under the Local Administration Act of
1980, the administrative framework and legal status of the Council was changed, but how effective this act has been on the decision making process of the Council cannot be determined at the present time. The decentralization programme has faced considerable delays due to shortage of finance available to councils and unsatisfactory financial management by most.

Central-local relations can best be described by following the changes that have occurred with respect to the provision of shelter. This relationship can be divided into the three phases: the first phase being immediately after independence where the Lusaka Council had a relative degree of autonomy. The second phase in the 1970's which was characterized by strong central interference, and finally the present period, where an attempt is being made to reallocate responsibilities to the local authorities.

2.2.1 PERIOD IMMEDIATELY AFTER INDEPENDENCE:

As previously mentioned, at independence the Lusaka City Council (as it was then called) was responsible for the provision and maintenance of its housing stock. Should the Council want to undertake a new housing project, it would first identify the source of funding, whether governmental, parastatal or private, and prepare the design of the scheme. Official approval is then sought from both the Ministry of Local Government and Housing and the National Housing
Authority. The National Housing Authority's job was to ensure that the design conforms to existing housing policy, complies with the acceptable planning, engineering, health, and building standards, and that the scheme can be realized within the budgetary framework imposed by the grant or loan. Once approval has been granted, the Council would then be responsible for implementing and maintaining this scheme (Jol, 1977).

The National Housing Authority was, at the time, a technical and advisory body and was not an implementing agency. Its principal functions were the approval of housing schemes and approval of loans to local authorities from government, parastatal, and private sources for local housing schemes (Jol, 1977).

In short, central control was exercised during this period through the Ministry of Local Government and Housing which controlled the revenues for housing projects and the National Housing Authority which gave final approval on housing schemes.

2.2.2 THE LUSAKA PROJECT PERIOD:

During the planning stages of the Lusaka Upgrading and Sites and Services Project central control became stronger and more visible. A brief description of the planning and implementation process of the Lusaka Project is as follows: The National Housing Authority was responsible for the
preparation of the project proposal as the City Council lacked the technical capacity (Pasteur, 1979). As this was a 'demonstration' project, the World Bank was under pressure to make it a success, and felt that the Council's poor record of implementing previous sites and service projects would not make them a suitable body for implementation. The reasons given were that the Council's poor performance was a 'result of inefficient internal bureaucratic procedures and a bias towards conventional housing solutions' (Bamberger et al., 1982:75). As such, the Housing Project Unit (HPU) was set up as a semi-autonomous agency under the umbrella of the Lusaka Council. The Project Unit was responsible for the implementation of the project only; maintenance and cost recovery were to be the responsibility of the Lusaka Council.

However, there is a history behind this decision. In the preliminary discussions with the World Bank, it was decided, probably at the Bank's insistence, that the implementation of the project should be undertaken by a special project unit rather than through the existing departmental structure of either the Council or the National Housing Authority. The project proposal, therefore, included the organizational design and staffing for a project unit although its location was not specified. It was assumed however, that this unit would be connected to the National Housing Authority as they were responsible for the preparation of the project proposal, even though the project was first initiated by the Lusaka
Council. This solution was preferred by the World Bank, and the project would have been implemented this way had it not been for the strong insistence of the Town Clerk. He argued, and rightfully so, that the project unit should be connected with the Council as it was the proper authority to undertake a project of this nature since it was responsible for the provision of housing and infrastructure. In addition, as it was responsible for revenue collection in the city, it would be more logical to have one body collect all local charges. He also recognized that the Council did not have the staff within its present establishment to undertake the project, so he proposed the lifting of controls on staff limits imposed by the Ministry of Local Government and Housing to allow the Council to hire the necessary staff. What he had in mind was 'an innovative management structure under which a special department of the Council would be free of the conventional local government controls and procedures and would have the flexibility to enable it to get things done' (Pasteur, 1979:24-25). In the end, his persistence convinced the World Bank and the Town Clerk’s paper containing the detailed proposals for the organizational structure of the Housing Project Unit was adopted (Pasteur, 1979). Figure 2 illustrates the organizational structure of the HPU in relation to the City Council.

One cannot predict how successful the project might have been had it been implemented under the jurisdiction of the
Figure 2: Lusaka Upgrading and Sites and Services Project Organization: City Council, Housing Project Unit, and Central Agencies. Source: Pasteur, 1979.
National Housing Authority. Clearly, any outside agency would have had more difficulty in getting the support of the councillors and political leaders in the squatter settlements. Also, the Council departments would have had to be involved, and coordination with them would have been more difficult (Pasteur, 1979). This is not to say that the Housing Project Unit in its final form did not have any difficulties, but rather that it would have faced more difficulties had it been under the National Housing Authority.

The Housing Project Unit being functionally separated from the Lusaka Council was able to achieve large-scale shelter development in a fairly short time simply by bypassing the municipal engineers and other people within the Council who had pessimistic views of the project (Blair, 1983, Pasteur, 1979 and Schlyter, 1984). However, various problems arose during implementation. The most important of which were the hand-over problems of cost recovery and maintenance, and what to do with the Project Unit once the project is completed.

The separation of responsibility for capital works implementation by the Housing Project Unit and revenue collection and maintenance by the Lusaka Council created much confusion and misunderstanding. Since cost recovery began before the project was completed, both the Council and Project Unit were blaming one another for low cost recovery. Therefore, the World Bank assigned the Project Unit the
responsibility for collecting charges until the completion of the capital project; then it will be handed over to the Council (Sanyal, 1986a). The Project Unit did not achieve better results and the rate of cost recovery is still poor. However, this is due to other reasons which will be discussed in the following section.

The issue of maintenance on the other hand, could not easily be dealt with. Because the project sites have not been maintained, the minimal infrastructure provided is quickly deteriorating and giving justification to residents not to pay (Bamberger et al., 1982 and Oestereich, 1986).

The problem of maintenance and hand-over in general raises the question of why had the project not been implemented by the regular departments of the Lusaka Council in the first place thereby avoiding the problems of continuity and effective hand-over. In addition, one might question the wisdom of offering special privileges and higher salaries to the Project Unit staff to attract the best people from both the Council and the National Housing Authority, and the consequential problems that this caused. The implementation of the project by the existing Council departments would have improved the management performance of the Council by strengthening their capabilities in delivering projects and improve coordination between the various departments. It would also ensure replication of this project in the future. On the other hand, this would have undoubtedly slowed the
process, which the World Bank would not have agreed to. It should be mentioned that the aim of the Bank in the 1970’s was to demonstrate the feasibility of projects rather than institution building, which did not become an objective of the Bank until later.

For sure, the model of the Housing Project Unit as a special unit would have made further upgrading projects almost impossible. This was dealt with by the Lusaka Council by disbanding the Project Unit and creating a new unit within the Council structure to take its place. The Peri-Urban Areas Unit was created in the Department of Housing and Social Services to coordinate activities in the project areas and to initiate more upgrading activities, as shown in Figure 1. The unit has retained the same management procedures and styles it previously had in the Project Unit such as the field team approach, the operation of the building materials stores, and allocation of plots. In this way, the experience of the Project Unit staff was retained within the Council to ensure better implementation of future projects. In addition, it would diminish the continuity and hand-over problems faced in the Lusaka Project.

On the other hand, the Peri-Urban Areas Unit no longer has the autonomy that the Project Unit had as it is strictly controlled by the head of the Housing and Social Services Department. Although the unit was responsible for the implementation of the Kalingalinga Project, all pertinent
decisions were made by the head of the department and only towards the end of the project was total responsibility given to the Unit. Undoubtedly, the operation of the Unit within the larger framework of the Council has weakened it considerably and unless it is given more support it may not survive.

2.2.3 THE PERIOD FOLLOWING THE LUSAKA PROJECT:

The Third National Development Plan (1979-1983) reverted the responsibility for planning, design and execution of housing projects back to local authorities, and limited the role of the National Housing Authority to advising local authorities (TNDP, 1979). Due to the economic difficulties, the National Housing Authority's budget was considerably reduced and it has now become self-financing by building houses for sale.

Although the Lusaka Council has regained authority for shelter provision, there remains one problem in the way the Council deals with upgrading, which is the 'project' approach. This approach tends to become a piecemeal solution and does not have much impact on the city as a whole. A careful analysis of the housing situation needs to be devised to give an overall perspective of the problem and ensure a better delivery system.

Another weakness of the Council is its maintenance capabilities. This problem is not unique to the Lusaka
Council but is inherent in most local governments in developing countries. The solution is not an easy one as decision makers lack understanding of the importance of maintenance both technically, economically, and socially. Available resources are usually spent on extending available facilities rather than maintaining existing ones (Cohen, 1985). A solution to this problem in Lusaka requires training and a new source of revenue which the Council neither has nor is likely to get as will be discussed in the next section.

2.3 RAISING LOCAL REVENUE:

The Lusaka Council, as all urban councils in Zambia, derive its funds locally through rents, fees, charges, taxes, and commercial enterprise. Additional finance comes from central government through grants and loans, although the Council's main sources of revenue are generated locally (Greenwood and Howell, 1980). Major services are financed out of a number of funds or accounts such as:

- The general rate fund, which finances general urban services. Its major source of revenue is mainly property rates and a personal levy on all locally employed persons; minor sources are license fees, fines, and income investment. In cases where the revenue generated from this fund proved to be insufficient, the central government has in the past usually supplemented it with grants (Jol, 1977).
Trading accounts in water and sewerage are intended to be self-financing as both operating and debt servicing costs are met from user charges. The liquor account is also self-financing and at times its revenues have proved to be very profitable and the surplus was used to finance a wide range of services, particularly housing. However profits from liquor have been steadily declining and there have been losses, particularly in the mid 1970's (Greenwood and Howell, 1980 and Jol, 1977).

Recurrent housing accounts are supposedly self-financing through rents. Capital expenditure for new housing is financed by loans and grants from central government. Up to 50 percent of the capital cost of any low income shelter scheme is met by a grant from central government. In addition, interest rates on official loans are low, implying a subsidy (Jol, 1977).

In a study relating the pattern of revenues and expenditures of the Lusaka Council, it was found that revenues from the general rate fund exceeded expenditures on general urban services, user charges fell short of public utility spending and grants from central government do not match social services. Therefore, the pattern of expenditure does not directly relate to the revenue source (Bahl and Linn, 1983).
The central government, through the Ministry of Decentralization, and previously through the Ministry of Local Government and Housing, controls all local council finances. Approvals must be granted annually by the ministry on all capital and recurrent expenditure, regardless of the source or size of the expenditure (Jol, 1977). Also, the Ministry issues instructions on spending levels and priorities thereby ensuring control over local councils (Greenwood and Howell, 1980).

In addition, central government retains control over all price and rate levels. Local authorities have experienced major constraints on the growth of revenue because of the reluctance of central government to introduce higher charges. The same applies to housing rents, which are determined by central government. Liquor losses were also attributed in part to price controls by central government over basic commodities such as maize and beer (Greenwood and Howell, 1980).

One of the most serious problems that the Lusaka Council continuously faces is the collection of revenue particularly from rental housing. As Greenwood and Howell state "'rent-dodging' is a minor art form in Zambia' (Greenwood and Howell, 1980:175). For example, arrears in the Lusaka Council were estimated at 11 million Kwachas at the end of 1980, 43 percent of which were water and sewerage. In 1979, it was estimated that the seven largest local authorities in Zambia had a total
deficit of K28 million on their housing accounts (Bamberger et al., 1982).

The Lusaka Project which was intended to have full cost recovery, in fact continues to have one of the lowest rates of cost recovery among the 62 urban projects that the World Bank has undertaken around the world. In 1978, the rate of default was 65 percent in the upgraded areas and 42 percent in the sites and service areas. Loan repayments were even worse as the average rate of default was 85 percent in the upgraded areas and 60 percent in the sites and service areas (Sanyal, 1986a).

The low rate of cost recovery in the Lusaka Project can be attributed to two factors. The first is the Rent Act of 1972, imposed by central government, which made it very difficult to evict renters for non-payment. As such, the Lusaka Council had no firm basis on which to evict plot holders. The second was the lack of political support for enforcing eviction. Rates of default in public housing and sites and service projects implemented prior to the Lusaka Project were even higher. Despite this, no one had been evicted and therefore, eviction could not be enforced on the Lusaka Project areas only. In addition, local politicians publicly announced their opposition to eviction so as to generate political support for re-election (Sanyal, 1986a).

As such, the Council could not establish a satisfactory rate of repayment for the Lusaka Project, and an enforcement
on all areas of the city would have been politically unsound.

To sum up, the Lusaka Council generates most of its funds locally, supplemented to the extent possible by central grants and loans where necessary. Its weakness in generating revenues is attributed to central controls that make it virtually impossible for local authorities to enforce sanctions for non-payment. It is also due to central controls over prices and charges making it very difficult to raise rents or fees without central approval. Finally, lack of political will has also affected revenue collection. Without central support, it is highly unlikely that the situation will get better in the future.

2.4 THE ROLE OF NATIONAL SHELTER POLICIES:

A precondition for strengthening local government is the existence of clearly stated national policies and guidelines for the provision of shelter. Therefore, one needs to closely look at Zambia's shelter policies to see whether they provide the necessary guidelines for the provision of shelter for the poor. Both the Second and Third National Development Plans recognize the assets of informal settlements although they are vague on implementation strategies. The policy of the Third National Development Plan was to provide the maximum number of families with at least the minimum shelter standards (TNDP, 1979). However, the plan does not indicate how this was to be achieved as there were no clear strategies for implementation.
Therefore, both plans are quite vague in their housing policy (Schlyter, 1984). Bamberger, et al. go so far as to argue that:

Zambia cannot really be said to have a national housing policy. The plans, especially the Third National Development Plan (1979-83), do contain analyses of housing demand, but they lack a clear articulation of a delivery system and of capacity constraints, both of which are absolutely vital to the planning of a national housing policy (Bamberger et al., 1982:168).

The Lusaka Project was supported by the Bank on the basis that it would demonstrate the feasibility of using upgrading as a way of providing low cost shelter. The project was to promote changes in shelter investments and initiate squatter upgrading which would eventually be incorporated in Zambia’s national shelter policies (Bamberger et al., 1982). Unfortunately, the World Bank has failed in this respect as no national policies have yet had a clear strategy for doing this. The Lusaka project was completed in 1982 and to date no shelter policy has been developed that incorporates upgrading.

The government’s apparent reliance on external funds for the provision of shelter has, apart from the Kalingalinga Project, not been successful either. At the first instance, one can accept the reality of Zambia’s economic crisis and the lack of international funding as a logical explanation for the government’s failure to initiate shelter improvements for its poor. However, one cannot overlook the regressive structure of the subsidies that the government provides for housing. Housing subsidies were introduced in 1964 to maintain a low
rent structure, and were increased in 1968 as maintenance and operation costs increased. Also, local councils were instructed to provide a further subsidy from their liquor surpluses. For example, the total annual subsidy for a low-cost house in 1968 was K30 (K24 from central government and K6 from the Council) whereas actual rents charged ranged between K50-100 per year (Jol 1977, and Martin 1979). By 1972, recurrent subsidies accounted for 25 percent of the total housing account revenues (Jol, 1977).

The Second National Development Plan proposed a home ownership scheme whereby residents would be allowed to buy their homes from the councils; it also introduced economic rents for those who did not wish to buy. Annual increases in rent were to take effect beginning 1973 so that by 1975 full economic rents would be collected. At the same time, the government would correspondingly reduce its subsidies with their eventual removal by 1975 (Jol, 1977).

However, what in fact happened was that subsidies were removed but rents were not increased, and the home ownership programme never gained popular support. This resulted into overall deficits on a number of the councils' accounts. To make matters worse, the problem of arrears increased during that period with the introduction of the Rent Act of 1972, making it much easier for residents to dodge rent (Jol, 1977). Consequently, the government had no choice but to reintroduce the subsidies. Furthermore, it introduced a new subsidy in
1975 that aimed at encouraging home ownership by allocating allowances to homeowners.

The Third National Development Plan, once again raised the issue of housing subsidies, which were estimated at 15-20 percent of the government's employees basic salaries. This percentage is considerably higher for parastatal and private company employees (TNDP). In 1978, it was estimated that approximately 44 percent of all housing subsidies to public sector employees were received by the 10 percent with the highest incomes, while the poorest 30 percent received only 1.8 percent of the total subsidies. The poorest 50 percent of workers received only 10 percent of the subsidies (Bamberger et al., 1982).

The Third National Development Plan reiterated the government's support for home ownership and suggested the removal of subsidies and rechannelling the funds to low income shelter provision (TNDP, 1979). The home ownership programme seems to be picking up momentum, but unfortunately the question of subsidies remains unchanged due to lack of political support.

The adverse effects of these subsidies on the provision of shelter for the poor cannot be overlooked. According to an estimate done in the late 1970's these subsidies were estimated at between K90-100 million annually (ILO, 1981a and b). Such a large amount could go a long way in improving the shelter conditions of the poor.
Chapter Three

SHELTER COMPONENTS

The provision of shelter entails more than just building or improving a house, but rather encompasses a multitude of activities such as land acquisition, location, availability of affordable building materials, provision of infrastructure and services, and finance. Each of these elements is provided by different bodies making the eventual attainment of shelter a difficult and cumbersome process, particularly to the poor who spend most of their time earning enough money to survive.

The provision of infrastructure and services requires coordination between various bodies, either public or private, national or local, which can at times lead to problems. Building codes and standards often dictate the use of expensive materials making them unaffordable to low income families. Land tenure is yet another essential component as people are not willing to invest in shelter without some security of tenure. Self-help programmes and community participation can facilitate the provision of shelter. But finally, without housing finance very little can be attained.

The aim of this chapter is to look at the various components of shelter to identify the problems that are faced with each one. For each of these components, an attempt will be made to identify who deals with this issue, whether local or central government and how effective they have been. The
purpose is to identify who is more suited to act as a facilitator of this component. Also, an attempt will be made to see how these components have affected the provision of shelter in Lusaka.

3.1 LAND TENURE:

A high proportion of the urban poor occupy land that they do not own nor do they have the owner’s permission to reside there. Squatting has become a common way of meeting the demand of low income families for shelter who very often rent out rooms as an additional source of income (Doebele, 1982). Public action with respect to land has mostly been to avoid the issue altogether and opt for easier solutions. For example, in sites and services projects, public land had been used in most cases thereby avoiding the problems of land acquisition and expropriation. In the slum upgrading schemes, the land issue has mostly been avoided (Angel et al., 1983).

The reason that land has become a major obstacle in the provision of shelter for the poor is that the issue is political and institutional rather than a technical one. Procurement of land involves negotiation, legislation, and possibly confrontation. In addition, most politicians consider the provision of land for the poor as a temporary measure which will eventually be vacated for more profitable use (Angel et al., 1983). Politicians fail to see that the poor need to be housed somewhere and that this problem sooner
or later must be confronted.

Also, governments face a dilemma in the land issue. For one thing they realize that mass eviction can lead to political unrest while at the same time they cannot deny the landowners' right to their land. As such, it would appear that governments need to find a compromise between the poor who are in need of shelter and therefore land, or at least the use of the land, and the landowner who wants economic gains (Angel et al., 1983).

There is also the argument of the use of prime agricultural land. In Egypt, for example, where only 4 percent of the total land area is arable, more than 10 percent of this agricultural land has been lost to urban sprawl in the last 30 years, mostly in the form of illegal squatting or subdivision. The same applies to Lima where in ten years (1965-1975) more than 14,000 hectares of irrigated land has been lost to urban functions (Blitzer et al., 1981).

The provision of tenure to squatter settlements offers two advantages: the first gives squatters security and as a result provides incentives for squatters to improve the quality of their housing. It has been shown that people only invest in their housing if they are ensured some form of security (Rodwin and Sanyal, 1987). In Turkey, for example, once the government stopped the demolition of gecekondu (squatter) settlements and accepted their existence, dwellings were built less rapidly and to higher standards while older
dwellings were improved and enlarged, and once public services were provided the gecekondus were barely distinguishable from other low income areas (Danielson and Keles, 1985). Security of tenure in the squatter settlements of Bogota also led to the rapid increase in the quality of housing (Burns and Ferguson, 1987). As Burns and Ferguson pointed out, 'the degree of property rights needed to achieve a perception of security varies with culture and circumstance' (Burns and Ferguson, 1987:30). The second advantage is that it enables the government to collect property taxes and charge for the provision and use of public services (Burns and Ferguson, 1987).

Clearly the issue of land is a local one, since local authorities control land use, zoning, cadastral surveys, etc. As such, local government needs to devise ways of providing land tenure to the poor. However, they need strong national policies that can facilitate land acquisition. Access to land can take a variety of forms, such as government procurement of land, opening up new tracts of land, or simply the encouragement of owners to rent rooms, among others. Each of these alternatives has its own advantages and disadvantages and only local government can decide what is more suitable to its local conditions.

One of the problems of developing countries is that land expropriation is costly and time consuming due to outdated and inefficient legislature. Doebele proposes the method of
'quick-taking', such as that used in the United States and most European countries, as a solution whereby governments get access to the land at once while negotiations for a price continue (Doebele, 1982).

Another method used in most socialist countries is the separation of ownership of the structures from ownership of the land. The advantages of this system is that it makes land more affordable and private funds could be diverted towards investment in structure, while giving the state the rights to the increments in land values. This may have great advantages in large sites and services projects and upgrading schemes (Doebele, 1982). In Tanzania and the Sudan, for example, public ownership of land has facilitated the provision of land to the poor and has greatly reduced the needs of low income groups (Blitzer et al., 1981).

Central governments' role in the land issue will mainly be to give legislative power to local government to produce an effective urban land policy (Blitzer et al., 1981). Any significant change in land policies is likely to attract attention and therefore, cannot take place unless it is widely supported by the major centres of power (Angel et al., 1983). Central governments need to encourage local government in its land policies and to provide incentives for them to do so.

Local governments face a difficult task as there are numerous problems to be confronted. For example, how does one ensure that once tenure had been given to the poor that the
higher income groups will not displace them. Also, how can local government ensure that the provision of tenure will not encourage further squatting (Angel, 1983).

Angel argues that although the land issue is political and requires political action, its implementation is not easily attainable. Tenure rights require a certain administrative machinery that may not be available in developing countries (Angel, 1983). Zambia, in theory, has public ownership of land and therefore, problems associated with land should be minimal. This change occurred in 1975 under the Land (Conversion of Titles) Act of 1975 which vested all land ownership in the President. Under this act all freehold rights to land have been abolished, and tenure was converted to leasehold. Land has no value except for the value of improvements as leases are charged at standard rates per hectare regardless of variations in quality (Dewar et al., 1982 and Pasteur, 1979).

Another major legislation concerning land in Zambia is the Housing (Statutory and Improvement Areas) Act of 1974 passed specifically for upgrading and sites and service areas. This act allows for occupancy leases up to 99 years in sites and service areas and occupancy licenses of up to 30 years in upgraded areas. Previously, sites and service areas had a 10 year tenure term which was not backed by any legislation.

Land acquisition in Zambia should not present any problems as freehold rights to land have been abolished,
tenure converted to leasehold, and land is regarded as having no value apart from the value of improvements. However, the administrative procedures required for such a change have been difficult and complicated. In the Lusaka Project, land acquisition was one of the major problems that it faced and caused delays of up to three years in some sites. Most matters concerning land were, and still are, dealt with nationally through the Commissioner of Lands, who is responsible for acquisition and transfer procedures (Bamberger et al., 1982 and Pasteur, 1979). Land valuation is the responsibility of the Regional Valuation Office of the Ministry of Local Government and Housing and compensation payments are paid by central government through this ministry (Pasteur, 1979). The occupancy licence for sites and service and upgrading, however, is issued and administered by the Lusaka Council (Angel, 1983 and Pasteur, 1979).

At the outset of the project, the Housing Project Unit transferred matters of land acquisition to the Commissioner of Lands. As the Commissioner’s office was responsible for all land transfers in Zambia, it was under considerable pressure and had limited staff. It did not give the Lusaka Project any priority and proceeded with it at normal pace. Approval for acquisition had to be obtained from both the Permanent Secretary and the Minister of Local Government and Housing, and then submitted to the President for approval, causing further delays. In addition, the properties had to be
verified with the Registrar of Titles causing more delays as some sites were found to be parts of larger properties that have been subdivided but not registered. These subdivisions had to be surveyed and there was only one registered land surveyor in Lusaka. Also, the sites had to be valued by the Valuation Officer so that compensation could be paid for the land. This again was another bottleneck as this office is responsible for all land valuation in Zambia.

After one year, the Project Unit realized that the matter of land acquisition was taking considerable time and decided to take matters into its own hands. It tried to purchase land by direct negotiation. However, owners were not willing to sell at the valuation prices and generally resisted selling. It also used the device of powers of entry under the Land Conversion Act which allowed entry for the purpose of constructing roads.

This is an example of how difficult administrative procedures can be. In part this was due to the newness of the legislation and the inexperience of staff with it. It is also due to the centralized procedure where all land in Zambia is handled by one office. And finally lack of trained staff contributed to these delays. A system where issues related to land are handled locally and within one agency that deals with valuation, surveying, title, and registry would simplify land acquisition and registry of deeds.
3.2 PROVISION OF INFRASTRUCTURE AND SOCIAL SERVICES:

The provision of infrastructure and social services for shelter of the urban poor requires the provision of essential and/or minimal services such as water, waste disposal and transportation. Provision of minimal infrastructure and services are essential for the success of these programmes and it is a positive way of showing government support for them.

The problem with the provision of services is that it encompasses a wide range of functions including but not necessarily limited to water supply, sewerage, drainage, waste disposal, roads, electricity and street lighting. Health and education also need to be considered. Each of these activities is carried out by a different unit, some private, some public, some national while others are local. The priorities of these units are different and coordination between all of them is very difficult. For example, in Valencia, Venezuela, water is in the hands of a national government agency, road building a responsibility of both the state of Carabob and the Ministry of Public Works. Electricity is provided by two agencies, one national and the other private. Health is controlled by the Ministry of Health and the Venezuela Institute of Social Security, while education is a responsibility of the central government. The local government is in charge of only sanitation and street maintenance. If anything is to be done in the city, the city
council must petition to the state or national agencies. Local government is virtually powerless to make any decisions since most of these are made centrally (Gilbert and Ward, 1985).

In Bogota, Colombia, on the other hand, the local authorities are in charge of electricity, water, drainage, telephones, local roads, and waste disposal. In fact, most activities are planned and carried out locally in the local planning department and housing corporation (Gilbert and Ward, 1985). Therefore, matters of coordination are considerably reduced.

Some cities may have a considerable degree of autonomy whereas others are completely dependent on the central government for the provision of services. If a service is seen to contribute to national growth and industrialization, the state usually intervenes with the aim of facilitating these services to the industrial sector and leaving the remaining services such as waste disposal to local authorities. It is widely known that without a good infrastructure system, industry cannot function and therefore, productivity cannot be increased, and economic growth cannot be accelerated. As such, the national government has used the argument of economic development for intervention in the provision of services leaving the non-economic services to local authorities. As Gilbert and Ward argue:
While all [services] are provided to the population for social reasons, we would propose that they have been developed primarily not because of organized political pressure from residential groups but as a response to the organized statement of needs from powerful industrial and commercial interests. In general, it has been in those areas of critical interest to industry and commerce where services have expanded not in areas which have been primarily subject to growing working-class or even middle-class pressure. (Gilbert and Ward, 1985:132, emphasis in original)

Most large cities in developing countries, now have a fairly adequate infrastructure system for industrial and economic growth but lack these services in the poor areas where the labour required to run this industry resides. It is also widely known that a healthy work force is more productive than an unhealthy one. Therefore, it seems quite apparent that these services need to be provided to residential areas particularly those of the poor.

Also, public (and private) utility agencies operating at the national level are not always sympathetic to the needs of the poor. For instance, 'pricing and management rules of public utilities may unnecessarily restrict the access of the poor to public services at reasonable cost. High installation charges, for example, may be incompatible with income levels of the poor. Rules of financial management restrict overall supply' (54 Grimes, 1976:87).

In Zambia, the provision of services is relatively easier to deal with as the local urban authorities provide a wide range of services, with no overlapping responsibilities making coordination relatively easier. Table 3 outlines the
responsibilities for the various urban functions.

The minimal services required for squatter improvements in Zambia are essentially the provision of water, sewerage, waste collection, roads and street lighting. In both the Lusaka and Kalingalinga projects, electricity was not provided. Therefore, the coordination that is required was mainly that within the departments of the Lusaka Council, and this has not previously caused undue delays nor were many difficulties encountered in the past. Almost every person in Lusaka has access to piped water. So the problems with water now concerns the distance at which water taps are available, the number of families using the tap, the frequency of breakdowns, wastage, and payment. Of the essential services provided by the central government, (transport, health and education), transport has been a major problem. The United Bus Company of Zambia has for some time been facing serious financial difficulties making the expansion of bus routes almost impossible, and residents have to rely on private taxis and minibuses for transportation and have had to pay higher prices.

On the other hand, there is a fundamental problem with maintenance. The services provided in the Lusaka Project have quickly deteriorated and broken down because of lack of maintenance (Oestereich, 1986). In an effort to solve this problem the community leaders have been given the responsibility of maintenance in the Kalingalinga Project, but
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<th>Function</th>
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<td>Curative Health (hospitals &amp;</td>
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<td>Land Administration</td>
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(a) Private owned and operated.

Key:  
P = Policy and Planning  
D = Design  
E = Execution  
M = Operational Management  
R = Revenue Collection

Source: Compiled from Greenwood and Howell, 1980, and Muller, 1979.
it is still too soon to tell whether this method is more effective or whether it could be successfully implemented in the other areas.

The lack of maintenance can be attributed to the fact that local authorities have since independence embarked on development projects for the extension of services such as water, sewage, roads and street lighting. As these services expanded, the amount of maintenance necessary also increased and has become a burden in terms of finance and manpower. In addition, local authorities have extended services to the "African areas" that were not previously serviced during the colonial days. Finally with the expansion of Lusaka and the incorporation of the squatter areas, services had to also be provided there. All these require maintenance but the Council has not increased its capacity to maintain these areas (Greenwood and Howell, 1980).

3.3 BUILDING CODES AND REGULATIONS:

Building codes, standards, and regulations were devised with the aim of ensuring certain health and safety criteria. These may include fire prevention, structural safety, public health, as well as certain aesthetic requirements. However, there are numerous reasons for the ineffectiveness of these standards, mainly:

- Standards are not based on local conditions and experiences but have either been inherited from the
colonial days or imported from developed countries.

- Standards do not reflect the availability or lack of local resources. The high demand for shelter affects these resources by first use of national resources such as timber, soil, and minerals, and second, by the use of agricultural land for building construction.

- Standards often do not reflect local cultures, traditions and living patterns and this has a direct impact on the poor.

- Since standards are based on Western models, the technology involved is therefore inappropriate. Very often capital intensive mass production or prefabrication is used in the provision of low cost housing.

- Standards do not reflect the local economic situation and are not based on the capacity of the people and governments to pay for shelter.

- Since standards are supposed to be enforced by local government, who very often are weak and ineffectual, it is very difficult to enforce them, except in the cases of upper and upper-middle income housing.

- Standards reflect social stratification since dwellings reflect a certain socio-economic status (Mabogunje et al., 1978).

Also, many of these building and sanitary codes are based on codes developed in the nineteenth century before the
discovery of disease prevention and control methods (Oram, 1979). Nowadays, it is believed that basic services are an adequate way of preventing diseases and ensuring health standards. These basic services usually include clean water, disposal of human waste by simple methods such as the use of pit latrines, and simple adequate methods of waste disposal. Similarly, shelter need only satisfy a few basic or minimum standards such as shelter from the elements both physical and natural (Oram, 1979 and Turner, 1968). In warmer climates, this requirement can be met by very simple construction methods. Shelter need only to be structurally stable and should provide adequate space to prevent overcrowding.

Finally, restrictions on the number of persons to an unit deprives the poor from a source of income. In many sites and service schemes, participants are prohibited from renting rooms in their dwellings thereby eliminating an important source of income. In Bogota, for example, studies indicate that about one-third of barrio residents rent out rooms receiving about one-fifth of their income from this source (Vernaz, 1973 as cited in Doebele, 1982).

Given all the above, it seems logical that local government would be more suited to review its building codes and regulations and adopt codes that suit local conditions. Only local government can understand local conditions and people’s needs. Standards should be developed to reflect people’s real needs and not a ‘middle class-technocratic
perception of what these needs are' (Mabogunje et al., 1978:15). Local government should aim at developing standards that ensure the health and safety criteria mentioned above; can be easily attained particularly by small construction activities; and finally, they should be affordable by the majority of households (Blitzer et al., 1981).

Most standards are developed to serve the whole population, but in effect they have benefitted only the upper classes (Mabogunje et al., 1978). However, there are a few exceptions. In both Tanzania and the Sudan, lower income families had better access to land and shelter because standards were kept very low; in certain urban areas in the Sudan, no standards are imposed (Blitzer et al., 1981). Consequently, codes that would permit the use of inexpensive, locally made materials would not only be more accessible to the poor but would also promote the local building materials industry.

Zambia adopted the building codes and sanitation standards from the British (Schlyter, 1984). These standards were previously applied in the European areas of the city only, while in the African areas no standards were enforced (Schlyter and Schlyter, 1979). After independence, local authorities tried to enforce these stringent standards in all formal areas of Lusaka, except the sites and service schemes, by applying them to all new construction and attempting to upgrade most low-income housing. The effect of this was the
adoption of industrialized building systems which were very
capital intensive and had a large import content (ILO, 1981b).

In the 1960's, when the government first introduced its
sites and service programme, modified standards were
introduced. These included narrower streets, smaller plot
sizes, and minimal sanitary requirements. The Lusaka Council
continuously reduced these standards with each new sites and
service project due to high costs and lack of affordability by
the target groups. As such, minimal adjustments in standards
were required for the sites and services component of the
Lusaka Project.

However there were no standards available for upgrading
areas and this caused considerable debate about the
appropriate level of services. The World Bank wanted to reduce
standards considerably to reduce costs. The city engineers,
however, felt that the same standards applied elsewhere in the
city should also apply to project areas, and were reluctant to
accept lower standards (Schlyter, 1984). In the end, the
engineers reluctantly accepted the lower standards.

It should be mentioned at this point, that there is a
certain trade-off that one makes when reducing standards.
Minimal standards reduce capital costs considerably, while
increasing the costs of maintenance. This is an important
point that needs to be considered particularly in Lusaka where
maintenance has always been a problem. In Lusaka, it may have
been more logical in the long run to accept higher standards
and their ultimate high costs, to ensure a longer life cycle. This matter needs careful consideration to ensure that costs are not too high yet at the same time maintenance is at a minimal level.

Although Third National Development Plan adopted the minimal shelter standards 'to be extended to as many of those existing households not enjoying these standards as possible' (TNDP, 1979:322), politicians and administrators continue to oppose lower standards. They reluctantly accepted the lower standards in the Lusaka Project due to the fear of a cholera epidemic and continue to consider upgrading as merely an emergency measure. In the eyes of politicians in Zambia, upgraded areas are 'still just muddy compounds', and are not showpieces that offer political display (Schlyter, 1984).

3.4 HOUSING FINANCE:

There is no doubt that finance plays an important role in the provision of shelter. However, most developing countries lack adequate or well-developed housing finance systems, or when they do exist they tend to exclude between 70-80 percent of the population because of their high eligibility requirements. Most housing finance schemes require that persons have a certain level of income, have steady dependable employment, and have some form of collateral. All these requirements tend to exclude the poor from access to finance. The poor, by definition, are usually below the minimum income
level required for eligibility for loans, and neither have the assets nor the collateral that enables them to borrow money (Sanyal, 1986b and UN, 1979). Also, they are constrained by the fact that they cannot afford high mortgage payments and very often lack steady incomes as their earnings tend to fluctuate making it very difficult to meet regular payments demanded by such loans.

In response to this, most governments in developing countries, created national housing banks aimed at providing credit to lower income groups who have been excluded from private sector financing. However, in reality, these banks are only slightly more effective than the private sector since the same requirements, albeit less stringent, still apply. The income eligibility requirement, although lower than the private sector, still was not low enough for low income households. In addition, there is no flexibility for income fluctuation and small repayments.

As such, there is a need for redefining the eligibility requirements to make them more accessible to the urban poor. This can be done in many ways such as reinterpreting the collateral required for security of loans, offering small short-term repetitive loans and making flexible repayment schedules. In addition, an effort could be made at locating financial institutions in residential areas of the poor to facilitate physical access (UN, 1979).

Clearly, financial institutions must be large enough to
be able to provide loans to the majority of the poor. Therefore, to be effective they must be national institutions supported and guaranteed by central governments. Central government must take the necessary steps to develop financial institutions capable of providing credit for housing construction and to incorporate these institutions with the national financial system.

At the same time, local government could strengthen the capacity of the poor in obtaining loans for housing. This could be done in the form of building material loans whereby in-kind loans are granted to those wishing to build or upgrade their dwellings.

In Zambia, financial institutions offering credit for housing did not develop until recently. This could be attributed to the non-existence of a private market for housing at the time. Currently there are a number of financial institutions that offer such credit such as the Zambia National Building Society, the Local Authorities Superannuation Fund, the Zambia National Provident Fund, as well as private institutions. In addition, building material loans are usually provided in designated project areas.

Most of these financial institutions, however, have geared their lending towards upper income groups. In the Lusaka Project, the building materials loan was crucial to the success of the project as most families did not appear to have access to other sources of finance. Those that were eligible
for loans from the Zambia National Provident Fund were unaware that this source was available (Bamberger et al., 1982). Eligible families may make one withdrawal from this fund to which they have annually contributed part of their wages as a 4 percent savings for retirement plan. Project participants may receive these funds in the form of a loan certificate which is accepted as in-kind payment at local materials stores (UN, 1979). This was virtually the only alternative source for the Lusaka Project participants, as banks were reluctant to give loans because of their low income status (Bamberger et al., 1982).

The Third National Development Plan estimated that over 90 percent of non-governmental housing finance is utilized in financing private high cost and company owned housing. The Plan, realizing the importance of housing finance requested institutions to change their policies to provide private borrowers, particularly lower income group, access to credit (TNDP, 1979). Unfortunately this has not been so successful. The Zambia National Building Society, as a policy, at present does not extend credit for an amount less than 5000 Kwachas, which must be paid back in five years. Therefore, a person must earn a minimum of K200 per month to be eligible (whereas low income families earn between K40-100 monthly). In addition, the Zambia National Building Society does not accept the occupancy licenses and leasehold titles for mortgage purposes (Sanyal, 1980). As such, low income families have
relatively little access to finance in Lusaka.

3.5 SELF-HELP PROGRAMMES AND COMMUNITY PARTICIPATION:

Sites and services and upgrading schemes are not only less expensive per unit than public housing, but they are more appropriate particularly if the local communities take an active role in these schemes. Local government can be more effective than central government in encouraging and supporting self-help programmes that allow communities and neighbourhood groups to decide on their shelter needs and improve their own living conditions (Rondinelli, 1986). Local government should aim at working with the people rather than for them. More active dialogue between local government and local communities leads to better understanding of their needs by local government while, at the same time, leads to better understanding of local government limitations by the communities.

In Zambia, the United National Independence Party (UNIP) has been very influential in organizing self-help activities. In addition to its political functions, it undertakes social and economic responsibilities. This is most prominent in the squatter areas where the Party allocates plots, controls building activities, particularly commercial ones, organizes self-help water supply projects and maintains wells, builds clinics, schools and markets, as well as maintaining law and order (Pasteur, 1979). Pasteur maintains that the Party has
been very strong in squatter settlements for three main reasons:

First, being illegal settlements, there is a need for organisation to defend their interests against authority. Secondly, since central and local government have been virtually uninvolved in the areas, there is a need to provide as far as feasible for rudimentary urban services and controls. The party’s achievements in filling this vacuum, while not an adequate substitute for services, have still been remarkable, and in a very real sense the party organisation has acted as the local authority. Thirdly, from the point of view of national leadership the party control provides the best means of exercising tight security and social control over the mass of lower-income population, and of maintaining support for the Government (Pasteur, 1979:11).

In both the Lusaka and Kalingalinga projects, the Party was very influential in mobilizing popular participation, briefing participants, organizing self-help activities, and participating in decisions about road layout (Bamberger et al., 1982). However the party leaders have not welcomed the help of the community development staff of the Council due to fear of rivalry.

Given this high degree of community organization in Lusaka, it seems obvious that every effort should be made to encourage these communities to help themselves.
Chapter Four

CONCLUSIONS

This study has attempted to analyze the Lusaka Urban District Council's performance in the provision of housing with the intention of making certain generalizations about local government participation in shelter. Obviously one cannot reach generalizable conclusions from the experience of one country but, on the other hand, the Lusaka Council's long experience in housing provision is an experience that can be learned from. The aim of this chapter is to summarize the findings and attempt to draw some conclusions about the pre-requisite conditions under which local governments can effectively carry out shelter programmes and to identify the roles of both central and local government in the provision of shelter.

In Zambia, the government is the main supplier of housing as a formal private market did not develop until recently. This undoubtedly has put tremendous pressures on all levels of government, as well as on the national parastatals for the provision of housing.

Some general points can be made with respect to the roles of both local and central government in Lusaka in the provision of shelter. Central governments main responsibilities have been:

- Production of national housing policies based upon an
analysis of housing needs but have generally lacked clear implementation strategies.

- The development of financial institutions for housing finance. However, the government has not been successful in directing the lending policies of these institutions towards lower income groups.

- The provision of loans and grants to the Lusaka Council for housing programmes.

- Setting the amount that local authorities can charge for rents and setting fees and charges for urban services.

- Adoption of minimal standards for shelter provision.

- Finally, with respect to land, it has provided adequate legislation to facilitate housing provision. However, as all matters relating to land are handled at the central level, administrative procedures have tended to frustrate implementation at the local level.

The Lusaka Council, on the other hand, has had the following responsibilities:

- Design and execution of housing programmes, although there have been times when the central government has taken the responsibility of design such as in the Lusaka Project.

- Provision of essential services such as water, sewerage, roads and so on.

- Working with communities in the execution of shelter
projects.
- Collection of all fees, rents and charges.
- Maintenance of all public housing stock.

It seems that in Lusaka, the weakness of the Council in delivering improved shelter for low income families is not a direct result of inefficient management nor lack of technical capability, but rather mainly a result of central government control and interference. Central control over price levels, rents and charges has limited the ability of the Council’s revenue raising capacity and made it reliant on central financial support. Also, the fact that the Council is powerless in imposing sanctions for non-payment of rents, again due to central policies, has weakened its revenue base.

The main weaknesses within the Lusaka Council could be summarized as follows:

- The Council’s poor performance in maintenance has serious implications on not only shelter schemes but on the city as a whole. Solving the maintenance problem requires the existence of an organizational structure capable of planning and monitoring routine and periodic maintenance; a set of maintenance standards against which performance targets are based; availability of spare parts; and adequate revenues for recurrent expenditures.

- With respect to shelter, the Council’s approach to upgrading and sites and services continues to be
project oriented. Although this has been common practice everywhere, one wonders whether an overall approach might not be more feasible whereby services are gradually introduced to all slums and squatter settlements, rather than concentrate resources on one area. Further research and experimentation in this field is needed.

Finally, in the absence of strong policy guidelines from central government, and given its inability to remove or reduce subsidies and rechannel funds to the poor, it seems unlikely that the Council would be successful in delivering marked improvements to squatter settlements.

The objectives of this thesis are to draw inferences from the experience of the Lusaka Council with the aim of identifying the circumstances under which local authorities can effectively produce a shelter programme for the poor; and to redefine the roles of both central and local government in the provision of shelter. The Lusaka case indicates that for effective local government participation in shelter the following pre-conditions should be available:

- A comprehensive shelter policy must be established at the national level. Housing policies should anticipate problems and should aim at preventing them from occurring rather than waiting for the problem to become so acute that a sensible approach is no longer possible and piece-meal actions need to be taken to
cope with the urgent demands (Karnjanaprakorn et al.). Housing policies should provide clear guidelines to both the central and local levels; for both the private and public sectors; and indicate how much aid local authorities can expect from central government and how much needs to be raised locally.

- the provision of a set of laws and regulations to support national policies. Land policies, for example, require strong central support as any major change can attract attention and may be unpopular.

- Due to the economic problems that most developing countries are facing it would seem logical for central governments to reduce subsidies for middle and upper income groups and reallocate them to the poor. In Lusaka, for example, subsidies which were intended to help low income families have in fact benefitted upper income groups. As such, central governments need to review this policy and either remove subsidies altogether or to rechannel them to those most in need of them. However, there are certain political implications in such a move. Attempts to remove subsidies, particularly on basic commodities, have generally not been well received by the public and has often led to rioting. As such, any removal or reduction of subsidies requires careful analysis.

- The removal of all controls over prices, rents, and
charges and to give local authorities the power to
increase charges and rents.

- Finally, local authorities need to have the freedom to
  enforce sanctions against non-payment of rents,
  charges, fees and taxes.

In redefining the roles of both central and local
government, it seems clear from Lusaka’s case that the central
government’s role, in addition to ensuring the availability of
the above conditions, should be limited to the following:

- Encouraging local governments to be more autonomous
  and where necessary, provide them with the legal
  authority to undertake more responsibilities. In
  Lusaka, the Council has lost considerable autonomy due
to central interference and decentralization efforts
have not been successful.

- Where necessary they should provide financial and/or
  technical assistance to local governments to carry out
  their shelter programmes. This however does not imply
  that local governments should depend solely on
  national funds for their programmes but rather to
  complement them with funds raised locally. The Lusaka
  Council seems to have the technical capacity for
  planning and execution of shelter programmes but
clearly lacks the finance to do so.

- Establishing or encouraging the development of
  financial institutions for shelter purposes. Housing
finance plays an important role in the provision of housing, and the central government must take the necessary steps to develop financial institutions capable of providing credit for housing construction; to guarantee these institutions; and to incorporate them within the national financial system. In Zambia, financial institutions providing small loans for low income groups are virtually non-existent and steps should be taken in that direction.

- Assisting local governments in expanding their revenue raising capabilities and to use these resources to provide and maintain services. As previously mentioned, the Lusaka Council’s inability to raise revenues has been due to a large extent to central regulations and laws.

- Assisting local government in improving their technical, administrative and organizational capabilities to deliver urban services.

- Also, in cases where infrastructure and social services are centrally provided either to decentralize these services or to ensure that they are provided. The provision of basic services by the Lusaka Council seems to have minimized coordination problems and has facilitated the provision of these services to low income groups.

Local governments, on the other hand, need to evaluate
local conditions and to understand shelter requirements. Local authorities need to act as facilitators, managers and encouragers of shelter activities. To be effective local governments need to widen their scope from 'project level' and to act as a coordinating body that ensures effective capacity to perform functions. The main issues that local authorities need to consider are:

- Review building codes and regulations and adopt codes that suit local conditions. Codes that permit the use of inexpensive, locally made materials would not only be more accessible to the poor but would also promote the local building materials industry.

- Encourage and support self-help programmes that allow communities and neighbourhood groups to decide on their shelter needs and improve their own living conditions.

- Provide essential and/or minimal services such as water, waste disposal, sewerage and so on.

- Also, local authorities need to devise ways for recipients to pay for these services without too much burden on their scarce resources.

- Provide land tenure to ensure a perception of security.

It seems clear that the redefinition of roles and responsibilities of both central and local governments requires institution building to enable local authorities to
take on these increased responsibilities. It also requires the training of local government personnel, particularly in the areas of financial management, operation and maintenance, needs and demand analysis, and investment planning. Finally, for effective shelter programmes, there is a need to work within existing institutions and to improve them rather than replace them on the grounds of efficiency. The creation of the Housing Project Unit for the implementation of the Lusaka Project was successful in the sense that it provided large scale shelter improvement in a fairly short time. However, to a certain extent, it weakened the Lusaka Council by depleting it of staff and did not provide the opportunity for improving the effectiveness of the Council itself.
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