Shack/Slum Dwellers International: One experience of the contribution of membership organizations to pro-poor urban development

Celine d'Cruz[1] (SPARC and SDI) and Diana Mitlin[2] (IIED and IDPM, University of Manchester)

I. Introduction

This paper considers the experience of the membership organizations that make up the international network of Shack or Slum Dwellers International (SDI),[3] an international network of national urban poor Federations and their support NGOs. Each federation is made up of local community organizations that are savings schemes (in which women are a majority of participants). These Federations often have a city, regional and national identity. Since its inception in 1996, the international network has grown to be active in ten countries (Asia: Cambodia, India, Nepal, the Philippines, Sri Lanka; Africa: Kenya, Namibia, South Africa, Uganda, Zimbabwe). SDI also supports emerging federations in Brazil, Ghana, Indonesia, Malawi, Swaziland and Zambia. Through an analysis of the experiences of the SDI members, we will identify some successful strategies with regard to the contribution of membership organizations to poverty reduction in urban areas.

Prior to commencing this discussion it is important to elaborate on the meaning of membership organizations in the context of SDI.[4] These groups of the urban poor who join together to achieve some common goal in residentially based collectives have a recognised identity that involve individuals in joint activities within a common governance framework. SDI specifically seeks to strengthen local groups that address the collective needs of urban poor communities in ways that are inclusive of the poorest residents. "Membership" in the savings schemes is defined by participation in local community activities. There is a deliberate effort to avoid formalisation; this advantages the more articulate, literate and

---

higher-income residents who are more familiar with the formal world. Hence membership is defined by consistent participation in savings and in other community activities.

`   It is important to emphasize that the federation leadership does not see the federation as a 'membership organization' in the conventional sense of an exclusive and defined grouping. As explained in Section 2, the precedent to the savings schemes and federations for active residents were the conventional trade union movements and political party structures in India - both strongly characterized by membership affiliation. However, neither was able to address the needs of the urban poor. Their strategies appeared flawed to the emerging SDI leadership both because their exclusivity pushed away the poorest and because such exclusivity prevented the development of a political mass movement. The emerging understanding was that such a movement was required if the political momentum was to support the urban poor.

Conscious that the important issues that confront the urban poor are those that affect the communities at the city level (for example, evictions, water, sanitation, electricity and other services), the federations sought strategies that brought people together at the community, city and national level. For the federations, increasing employment opportunities is not central in itself. Pavement families in Mumbai may have 6 to 7 members employed in the informal economy and earn a fairly decent family income. However, they live and work in appalling conditions over which they have no control. The federations realise that to address needs such as secure tenure (the single most important priority for the urban poor) and basic services, requires a politically astute strategy and an all-inclusive position that promotes unity in the settlements. Hence the federations and their savings schemes seek to build a critical mass of the urban poor rooted in local neighbourhoods. Individuals determine the extent of their own 'membership' through the level of their participation. There is, inevitably, an inner core of strong savings scheme members in each neighbourhood and a wider outer core of less committed and more hesitant participants who become more involved

---

4   The introductory note for this conference identified political parties, trade unions and cooperatives as membership organizations that may not be associated with furthering the interests of the poor.

as they gain confidence in the process and its outcomes or as their personal situation changes. The national federations seek to allow such choices, incorporating those savings schemes that engage in local exchanges and other activities. The ambivalence to a clear identification of "members" lies in the association with exclusion and the creation of non-members. SDI seeks to nurture a process that responds to the needs and aspirations of the very poor and the better off in low-income settlements.

Having now defined the concept of membership for SDI, we will discuss emerging lessons on the contribution of this federation to poverty reduction. The paper will start by describing the growth and strategies of SDI in sections II and III. Subsequent sections look at what has been secured at a local level and analyses four factors relevant to SDI's success:

- the strategy for community learning

- the role taken by the support NGOs,

- the practice of federating communities

- the development of new relationships with local authorities and state agencies.

The objective is to ensure that organizations of the poor are central to the design and implementation of development strategies. These strategies in turn contribute to strengthening the capacities of the urban poor and their organizations.

II. The emergence of SDI

 SDI and its strategies emerged from approaches that were already familiar to Indian slum dwellers in the 1970s. In 1975, the 70,000 residents of Janta Colony, north east of Mumbai, were threatened with evictions and organized themselves under the leadership of Jockin Arputham, a local resident. This experience prompted Jockin to form the National Slum Dwellers Federation of India (NSDF). The community leaders drew on the main organizing traditions that they knew, those of the political parties and trade union movements. They struggled to achieve success and were forced to step back to analyse their failures. Whilst national federation structures made sense, the movement lacked depth; large numbers could

be mobilized (for example, for demonstrations), but there was no continuing organizational activity to keep them engaged. Jockin could see that a movement that connected slum dwellers, especially women, facing evictions in cities throughout India was essential. Secure tenure was a central objective. The emerging demand was that evictions, if unavoidable, should happen in consultation with communities and with an alternative plan for resettlement.

In 1985, NSDF entered into a partnership with the Society for the Promotion of Area Resource Centre (SPARC) an NGO founded in 1984 in Mumbai (Patel and Mitlin 2004) which began its work with pavement dwellers. In 1986, NSDF and SPARC together initiated the first pavement women's organization, *Mahila Milan* concerned with finding ways to ease their daily struggles. These three organizations created an alliance with the common objective of developing a strategy for housing the urban poor and with recognition that they had specific and complementary roles. (Patel and d'Cruz 1993).

During this period, evictions were intensifying in other Asian cities. In 1989, a new regional network, the Asian Coalition for Housing Rights, which had rapidly become active in mobilising against evictions, organized a regional meeting on evictions with members of urban poor communities and their NGO partners. For the first time, community leaders from all over Asia travelled to meet together in Seoul when 2,000 people were evicted for the Olympic games. It was empowering (and a lot of fun) for these women to meet others like themselves, and share their eviction experiences. This process strengthened the idea that communities learn best from each other, and that such encounters nurture confidence.

At the same time, many Asian NGOs were organizing around housing rights and were seeking a dialogue with the state and the UN. Their strategy was confrontation through demonstrations and legal proceedings. However, there was little follow up after the initial crisis of a demolition. This strengthened the belief of SPARC and NSDF that the affected communities (not the NGOs or politicians) needed to be at the centre of the process.[5] They

---

[5] An alternative strategy that was being promoted at the time was that of community organizing following Alinsky's approaches in the US. However, this also did not appear to build organizational capacity within low-income settlements (see Castells 1983 for a discussion of some of the problems in the US).

believed that urban poor communities need to develop the capacity to identify credible alternatives and strength to negotiate for such alternatives. The women pavement dwellers working along with SPARC and NSDF began to create a new learning and knowledge that would build the capacity of urban poor communities. Savings schemes emerged as a critical organizational strategy for addressing the needs of the poor. Over time, many more women's collectives have developed in Africa and Asia using a similar approach.

The international network emerged slowly during the 1990s. In 1991, NSDF was invited to an initiative to organize the poor in the informal settlements of South Africa.[6] The Indians explained to the squatters and informal residents in South Africa that at Independence they had been promised a lot by their leaders; but the poor got nothing and were soon evicted by the newly elected government. The message from Jockin was clear "…you need to do your own homework and organize yourself to make it easier for your government to deliver houses." Shack dwellers in South Africa set up savings schemes similar to those that were emerging in India and regular exchanges between their members. In 1994, the South African Homeless People's Federation was formed with 200 savings schemes marking the beginning of the shack dwellers movement in southern Africa.

In 1996, leaders from savings schemes in Cambodia, India, Namibia, Nepal, South Africa, Thailand and Zimbabwe came together in South Africa. The links between the communities were already strong due to regular exchanges. The South Africans had developed strong links to Namibia and were seeding savings groups in Zimbabwe. The Indians had been working in Cambodia for some years and had helped strengthen the Thai and Philippines savings schemes. This group decided to launch SDI. From the beginning, this network believed that the function of its international activities was to strengthen their local activities by creating an international presence marked by innovation and diversity, rather than to manage the activities of local groups.

---

[6] Whilst those living in formal areas were organised in "Civics", informal dwellers had fewer opportunities.

An analysis of the experiences of this network requires an understanding of its strategies and activities. Our underlying argument is that not all 'membership organizations' can hope to achieve development success, and the processes used are critical to the outcomes that can be anticipated.

III.   Strategies for Change

Outsiders often assume that the federations are primarily vehicles to deliver low-income housing. However, this is misleading. On-going evictions and the significance of secure housing leads to the prioritisation of housing by the urban poor. This priority is both practical and strategic (borrowing from the terminology used by Moser, 1989). The scale of inadequate housing has been recognised (UN-Habitat 2003) and the consequences for health, well-being and livelihoods are widely acknowledged. Strategically, addressing shelter (in the broadest sense including land, infrastructure, services and the dwelling) requires an immediate and continuing collective effort in self-organization and effective dialogue with local government. The aim of SDI is precisely to strengthen communities so that they can initiate, direct and manage change in these areas that they themselves have prioritised.

There is another reason for prioritising housing. Most of the problems faced by the poor require political solutions (not solely income growth and market-based opportunities). Political solutions can only be achieved if the poor have a capacity to act collectively (Castells 1983). Whilst approaches such as micro-finance create individualised possibilities this may result in increased inequality within low-income settlements (see, for example, Copestake's (2002) analysis of a Zambian programme) and may reduce the capacity for collective action. Housing (including infrastructure and secure tenure) can most easily be achieved collectively. SDI's core organizing principles establish the pre-conditions for

effective political action by the poor through strengthening inclusive local organizations that, through federating, have the potential to negotiate with various levels of government.[7]

Beginning with the most vulnerable: When SDI groups begin work in a new city their priority is to identify and organize the very poor and vulnerable groups. Every city has groups of people who are never included in city development plans; these are the pavement dwellers in Mumbai, the landless groups in South Africa and the scavenger families who live on the dumpsites in Manila. If the strategy is built around the needs, perspectives and capacities of those with higher incomes, there is a strong probability it will exclude the very poor.

The savings process seeks to ensure that women, often vulnerable, are at the center of each strategy. The women's collectives develop and manage systems around savings and loans at the community level and control decisions related to money management. These experiences help redefine the relationship between women and the rest of the community. Women have always managed finances at home, a role that now gets transferred to the community level. Over time men and women come to understand their roles and bring their skills and strength to build their organization.

Savings and loans: Daily savings is at the heart of the membership (participative) process within SDI groups. Most families have lost the ability to trust their own community. Rebuilding this trust is essential for collective action. By saving together, families learn to trust one another. The process of savings embeds practices of accountability and transparency within these local organizations. By bringing communities together around the issue of money, saving in turn forms the basis of improved shelter (land tenure, services and housing).

---

[7] It should be added that the responsiveness of the programmes to the needs of the poor has resulted in diverse lending strategies including enterprise-development, consumption and emergency needs. However, such lending is subsidiary to major activities and organisations are neighbourhood-based.

Women members from the community organize the saving through door-to-door collections. Since most savers are women, they easily communicate with each other. The savings process, when developed, gives women more political power and social authority. It ensures that members are in touch with one another, understand each other's needs, and support each other through their daily problems. A common federation saying is that "when we collect money, we collect people". The process demonstrates to members how they can reduce their vulnerability and increase their development options through collective action. Through savings, communities learn the basics of financial management. Members begin to take consumption and emergency loans of smaller amounts for food, schoolbooks or medicines. Many also take medium-size loans for income generation. Ongoing community-based savings and loans provide "the proven track record" needed for long-term housing or infrastructure loans from the formal lending sector. Managing savings and loans provides the community with new skills and enables the federations to take on new risks and manage complex funds. "The formula is simple: without poor women joining together, there can be no savings: without savings there can be no federating; without federating, there is no way for the poor themselves to enact change in the arrangements that disempower them." (Appadurai 2001, 33)

A frequently heard story when SDI initiates savings in any new community is of past leaders running away with the money. The picture that often emerges through in-depth studies of local neighborhoods or residents' associations is one of male-domination with a major function being to further the incomes and/or political ambitions of the local leader (Peattie 1990; Scherper-Hughes 1992; Thorbek 1991; van der Linden 1997). Such organizations manage to secure partial improvements in their locality (Benjamin and Bhuvaneshari 2001). However, they fail to address the needs of some of the more vulnerable groups, notably women. They are embedded within existing systems of political patronage and are designed to secure benefits for a few rather than social justice for many. The first challenge for SDI is to support local groups to overcome such problems.

Community exchanges as a methodology for learning

The most important vehicle for community learning and knowledge creation within SDI is the exchange of information, experience and skills between urban poor communities (Patel and Mitlin 2002). Community exchanges take place at the city level, between cities, across countries and regions. Community exchanges are the experiential means by which local groups are linked together into a federation. Through visits local groups lose their isolation and gain their solidarity.

Over 60 per cent of those who participate in the exchange visits are women. This encourages families to allow women to travel to other cities and countries, while others take care of their chores and support the household. It also provides opportunity for women to interact with people outside their immediate community. Exchange visits are different from exposure visits to communities as they are designed and constructed according to the learning needs of both the host community and the visiting community. Exchanges are not a single experience but a series of visits that enable mutual learning. A curriculum based on each community's learning needs is created and, as a result, knowledge within each community begins to consolidate.

Exchanges between communities draw large numbers of people into a process of learning and change, something a single NGO cannot do on its own. Exchanges enable the poor to reach out and federate at the city and national level, thereby develop city and national strategies. Exchanges create strong personalized bonds between communities who share common problems, presenting them with a range of options and ensuring that they are not alone in their struggles.[8] Whilst exchanges serve many needs, a major aim is to support city and national federations to begin negotiations with the city on locating land for housing and basic infrastructure.[9] Exchanges locate the basis of federating within the members of savings schemes and help to avoid it being dominated by, and exclusive to, the leadership.

---

[8] www. Sparcindia.org
[9] Face to Face, ACHR, < http://www.achr.net/face_to_face.htm>

The underlying process is a powerful and critical one. The message is that the poor must learn from themselves, and must depend on themselves. The NGO leaders step aside from the immediacy of learning hence exchanges help to avoid the poor being beneficiaries of the process and instead makes them the agents of change.

Demographics, enumeration and the mapping of settlements.

National and local governments use census-taking and statistical enumeration for making decisions for the distribution of finite state resources. Demographic information provides an objective basis for "subjective choices" normally determined by "political processes". SDI groups have adopted self-enumeration as one of the main strategies to teach members how to gather reliable and complete data about households in their own communities. Local federations with the help of the support NGO have codified these techniques into a series of practices to create knowledge and capacity in many countries. The data generated is used in negotiations for resources such as land, housing, government grants and opportunities for employment. Hut/shack counts, settlement counts and settlement profiles, cadastral surveys and household surveys all become powerful tools in mobilizing communities.

The activity of collecting and processing data by the community generates self-knowledge and empowers the understanding that problems can be dealt with only through collective effort. This helps to build a more cohesive community. Data gathering and analysis are no longer detached, mechanical exercises conducted by third-party professionals. Slum/shack dwellers themselves decide on what information is needed; why is it being collected, what is the purpose and how will it be used. This process thus becomes an important tool in mobilizing communities and is illustrative of what is meant when Appadurai (2001, 34) argues, "The Alliance has created a revolutionary system that we may well call governmentality from below". The collective strength experienced through knowledge derived from these self surveys is empowering and gives people the hope to reach previously unattainable goals; for example, in Dharavi, a slum in Mumbai which is a hub of informal business and houses 85,000 families (average family size: 5.5), the daily cash turnover is

Rs.700, 000 (US$14,000; 45 Indian rupees = 1 US dollar). Sharing such information makes the urban poor aware of their collective economic power and provides them with a valuable tool for negotiation.

House Model Exhibitions

House model exhibitions are large, open-air events attended by housing professionals and government officials and politicians. Communities gather to show life-size house models designed and constructed by them. These house models are life-size and not miniature modules. These life-size house model exhibitions allow the poor (especially the women) to discuss and debate-housing designs best suited to their needs. The women furnish the house model with beds, stoves and some basic storage. This gives them an idea of real space as they compare it to the space they presently live in. This is the public face of SDI membership in which the identity of the Federation comes to the fore as communities present their alternatives for their neighbourhoods.

This is the point at which federations of the poor dialogue with professionals about affordable construction materials, construction costs and basic services. This process allows communities to redefine their relationship with professionals in their city. The exhibitions enable the community to explore what adequate space and affordable cost means to them. Significant technical and design innovations have been developed through this process.[10] In many cities, local governments now recognize that the urban poor can play a significant role in creating housing stock for low-income communities.

---

[10]During the time of reconstruction in Dharavi, the community members' preference for changing the norm of 9 feet to 14 feet ceiling height for slum housing in order to construct a mezzanine. Article written by Meera Bapat, urban planner in 1991.

<u>Precedent Setting</u>

As savings schemes become strong enough to put forward their own development ideas and options, precedent setting develops as a regular component of their work. Groups innovate new practices in areas such as land sub-division, water installation, construction of toilet blocks and housing development. These precedents open up a space for dialogue with city officials, as they show senior policy makers and administrators that it is possible to do things differently. Policy change alone is not strong enough and a 'precedent' that works is what creates the legitimacy needed to bring about change, whether it concerns water, toilets, electricity, houses, creating new systems to deal with health, education or the police.

Precedents becomes an important learning tool; federations, support NGOs and city governments learn from the processes involved in development innovations and the mistakes that are made. Learning from mistakes is as important for the federation as learning from the good practices. The actual construction of a toilet or a house model is the best way to learn for all involved. Not only are essential skills passed on but the process demonstrates something that is real and provides a proof of what is possible. The process builds trust both within communities about their own capabilities and between the poor and the government who always see themselves as being responsible for finding solutions to all city problems. These precedents help the support NGO work with the federation leadership to plan and structure technical and financial support for long-term projects to scaled up successful initiatives.

In Kenya, when Pamoja Trust along with the Federation, constructed the first house model, it set the tone of its initial negotiation with the city. This model was what prompted the city to assign the Federation the task of constructing 2,500 houses in Huruma. The Federation will now also begin construction of the first 800 houses to be shifted from railway lands in a recently agreed resettlement process. This is an outcome of an exchange visit organized between Pamoja trust and the Federation in Kenya to Mumbai (India) when houses along the railway tracks in Nairobi were recently demolished. The Indian federations in many cities within the country have set similar precedents. Construction of the first houses and

toilets help initiate a dialogue with the city. In Lucknow and Kanpur where the city does not have a lot of funds, the Federation was able to negotiate with the city to give them a piece of land to construct the first house and community toilet while the federation paid for the construction. The experience is that this form of learning by communities and cities brings results as 'seeing is believing'.

IV. Some successes of SDI

Prior to analysing the processes used by SDI groups and considering how and why they have achieved success, it is necessary to describe the achievements. In this paper it is not possible to give a comprehensive assessment of everything that has been achieved by SDI and the associated groups. Rather the purpose of this section is to provide an overview of the growth, scale and specific activities of this international network prior to the examination (in the following section) of the factors that have been important in secure such success.

Since its inception with six groups in 1996, SDI has grown to a network with ten core members and a larger number of other interested groups:

- Fully-fledged Federations now exist in India, Thailand, Cambodia, Sri Lanka, Philippines, Nepal, South Africa, Zimbabwe, Namibia and Kenya.

- Emerging Federations are located in Brazil, Ghana, Malawi, Swaziland, Uganda and Zambia

- Links are being explored in Colombia, Argentina, Indonesia, East Timor, Madagascar, Lesotho, Tanzania, Nigeria and Ethiopia.

Table 1: SDI information – 2004

	MEMBERS	SAVINGS*	HOUSES	LAND SECURED
INDIA	3 million +	$1,2 million	50,000	75,000 families
SOUTH AFRICA	80,000	$900,000	14,500	20,000 families
THAILAND	2.4 million	$15,000,000	5,000	8,000 families
PHILIPPINES	35,000	$13,000,000 (P35 million)	200	2,000 families
CAMBODIA	10,000	$100,000	1,000	10,000 families
NEPAL	2,500	$64,000	-	-
ZIMBABWE	30,000	$400,000 (Z$7 million)	150	3,000 families
NAMIBIA	16,000	$700,000	500	3,000 families

KENYA	1,000	$5,000	150	-**2000
ZAMBIA	500	$3,000	-	-
SWAZILAND	2,000	$4000	-	-
MADAGASCAR	500	$2,000	-	-
SRI LANKA[11]	21,000	$450,000	-	2,000 families
COLOMBIA	500	$10,000	-	60 families

* Adjusting local currency values against the US dollar means that these figures are difficult to interpret. **
Land for 2,000 families remains under negotiation

The growth in this network reflects both national level achievements[12] and the appeal of the methodology to existing groups that face real constraints in expanding their activities. For the most part, these have been new ventures for community leaders and professionals. However, there have been exceptions. In the Philippines, a well-established micro-finance group seeking to reach the poor recognised that secure tenure was an important issue to address. After exploratory exchanges, the group adopted the SDI methodology and established the Philippine Homeless People's Federation. In Uganda, government officials learnt about the work of SDI through activities in Kenya and asked for capacity building support in the low-income settlements of Kampala.

By 2004, there were three clear groups: fully fledged Federations or networks of women's savings groups living in slums/shacks; emerging Federations with groups of savings collectives who have not federated or consolidated into city-wide or national networks but who are growing and strengthening; and "exploring links" which includes community organisations or networks of community organisations who are not engaged in savings and credit but who are exploring such options through their links to SDI. The challenge for SDI is to continue deepening the success of the more mature and older Federations, whilst at the same time responding to the scale of interest from grassroots organizations and urban development professionals. The groups that make up SDI are introduced in Annex 1.

---

[12] For more detailed discussion sees Appadurai (2001), Asian Coalition for Housing Rights (2004), Baumann and Mitlin (2003), Patel, d'Cruz and Burra (2002), Muller and Mitlin (2004)

Stopping and reducing evictions

SDI groups have developed a number of alternatives to evictions. As noted above, the first reaction of many Asian NGOs during the 1980s was to confront their governments through demonstrations, agitations and legal proceedings. However, this strategy did not establish long-term solutions to the crisis facing communities. The experience of Janta Colony had demonstrated that when communities are organized they could leverage support from the outside but what should such support be orientated towards? The Indian alliance of SPARC, NSDF and Mahila Milan launched a long-term strategy to build capacities of urban poor communities to do more than merely expend their energy tackling a series of evictions. This strategy is outlined in Box 1

Box 1: Mahila Milan's strategy to manage evictions

1. *Buy time with the city: Mahila Milan's position was that " we do not want to live on the pavements. We want a better place to live for our children and us. We are working on a solution with the state for finding land and need more time". This is what most of the letters that went out to the municipality said. It was a way of telling government that 'we want to move but give us time to work a suitable alternative'. This seemed like a very reasonable demand to make to a city that had no solutions to house its poor. This position did help buy time for the pavement dwellers.*
2. *Undertake an enumeration about their settlement and collect accurate data about themselves to enable them to begin a dialogue with the city. The first study on pavement dwellers done by SPARC in 1985 broke a lot of myths about pavement dwellers. It educated city officials on how they were different from other groups of slum dwellers.[13]*
3. *Survey of vacant lands in the city. This is important information that helps break the myth that there are no lands available for the purpose of resettling urban poor settlements.*
4. *Saving for housing is a proof to external financial agencies that if government is willing to give the land, communities are ready to construct their homes and have their savings as a guarantee to leverage a housing loan.*
5. *By doing its home-work on affordable and feasible house/ settlement designs the communities can go with concrete solutions to the city This helps actualize these negotiations as these solutions are based on thinking through the details.*

Building up such capacities at the level of the community is a slow process to begin with. This strategy offers city officials the space to look at and understand issues of the urban poor as the urban poor themselves perceive them. However, these relationships need to be developed over time. The pavement dwellers in Mumbai helped the city officials and

---

[13] A report published locally: SPARC (1985), We, the Invisible, a pavement dwellers census.

politicians reconsider options other than evictions. By 1999, when the railway authorities wished to evict tens of thousands of families living alongside the tracks, the Indian federations strength was that they had done their homework towards their resettlement. Box 4 describes how 12,000 families were resettled.

This initial strategy has also been used elsewhere in the network. In Kenya, both the Pamoja Trust along with the Kenyan Federation had to find a solution when those living along the railway were threatened with eviction in 2003. Following the steps outlined in Box 1 and an exchange with India that included both community members and state officials, the railway authorities agreed in 2004 to provide alternative for the first 800 families.

Securing land, basic services and improved housing

SDI groups have been successful in securing land, basic services and improved housing. The achievements include the establishment of urban poor funds and the ways in which these have been able to bridge finance state subsidies (notably in India and South Africa). SDI groups have experimented with a number of organizational forms of urban poor funds to increase the value of their savings.[14] In most cases, the funds are independent of the state. An exception is the Community Organization Development Institute, a state agency in Thailand which provides subsidised loans for housing, land purchase and community revolving funds.

Further success has been achieved in improved regulatory frameworks that reduce the cost of development and facilitate incremental approaches. The costs associated with building and land development regulations are considerable and SDI groups in Africa (notably Kenya, Namibia and Zimbabwe) have worked to secure regulatory reforms. This has been driven primarily by the need for affordable solutions that can successfully include all members of the Federation. Typically, high standards result in unaffordable costs. Higher density development, collective infrastructure (eg. toilet blocks) and extended periods for

---

[14] Funds have been established in Cambodia, India, Namibia, the Philippines, South Africa and Zimbabwe. In the last year, Kenya, Nepal and Sri Lanka have also established such funds. In many cases, the capital includes a contribution from the state (national and/or local government).

housing construction all assist with affordability and inclusion.   Box 2 summarises the

success of this approach in Namibia.

Box 2: Pro-poor land and service regulations

Like many Southern African cities, Windhoek has been growing rapidly in the recent decade. Housing needs are acute. Unsurprisingly, the City of Windhoek found that it could not respond rapidly to the shelter needs of a growing population. Between 1991 and 2001, the Council provided 6,000 serviced plots, well below the scale of existing requirements even before new migrants were considered. The City Council estimate that only 4 per cent of those living in Windhoek's informal settlements have incomes sufficient for them to afford plots with individual household connections.

The Shack Dwellers Federation of Namibia and its support organization the Namibia Housing Action Group have been active in developing new strategies. By 2002, the Federation had 187 savings schemes, 31 of which have acquired land for infrastructure and housing development. In 2000, the Shack Dwellers Federation gathered information on incomes from 3,128 people in Windhoek. The average income was N$ 744 with a median income of N$ 611. The average income of women was, on average, 69 per cent that of men. With this scale of need and limited affordability, the Shack Dwellers Federation of Namibia and the Namibia Housing Action Group put forward a development model based around self-help and a new partnership between the poor and the municipality.

During the late 1990s, acute contradictions within the municipality resulted in a commitment by the City to design a new Policy on Access to Land and Housing. There was an evident tension between a political commitment to provide services, a financial requirement for cost recovery and a high level of professional commitment to managing urbanization. Building on the stakeholder processes at national level, the municipality decided to consult widely on the content of the document. In April 2000, a group of municipal councillors and staff accompanied the Shack Dwellers Federation to visit developments of the South African Homeless People's Federation in Port Elizabeth and Durban in South Africa to consider savings scheme activities and the extent of self-help processes to develop low-income settlements.

Building on such experiences, the City has designed a system of "development levels" that define the extent of services provided. The lowest cost option of all is a rental plot of 180 square metres serviced with communal water points; the rental charge is sufficient to cover financing costs for the land investment plus water services and refuse collection. The second lowest cost option is for a group to purchase or lease a block of land, again with communal services. In Windhoek, it costs N$10,000 to provide individual services to a 300 square metre plot. Within this policy, Federation groups can supply communal services to 180 square metres for between N$ 2100 to 3,100 and individual connections for N$ 3,200 to 4,300.
Source: Mitlin and Muller (2004)

Achieving voice and empowerment

The Federating strategies ensure a political presence that consolidates, as groups grow

stronger. The first step towards achieving voice occurs at a very local level. As one women

member of a savings scheme explained during a review of the Twahangana loan fund of the

Shack Dwellers Federation of Namibia:

> "Twahangana is good. Before Twahangana, I was silent. I could not say anything.
>
> Now I go to meetings. I talk." (Savings scheme member, Oshakati, 12th August 2004)
>
> Central to the process of inclusion is an informal local process that enables the women
>
> active in the savings schemes to come to the fore. As discussed by Cleaver (1999) the
>
> formalisation of local organizations may not encourage the participation of all members
>
> of the community. An emphasis on active involvement at the most local level helps to
>
> ensure that the voice of the least powerful is heard. Box 3 describes this process for the
>
> women pavement dwellers in India, the first women's group in SDI.

Box 3: Mahila Milan

The women pavement dwellers in Bombay moved from being encroachers in the city to finding an identity for themselves and determining their future in the city as formal citizens. For them, this journey moved beyond just a quest for a house. For the first time they experienced the power of being able to sit across a government officials table returning with many small victories:

- *In order to deal with the health system Mahila Milan invited the dean from the local hospitals to talk to them in their community space about the policy for health services.*
- *They obtained ration cards (a document that enables you to get subsidized food grains). They could not get this in the past due to the fact that they lived on pavements and it was never considered as a fixed address.*
- *They requested senior inspectors from the local police stations to come and talk to them about their security rights. e.g. it was very important for the women to know that they should not be called to the police station after dusk. Many of them complained about their husbands being picked up by the police when they got home late from work. It was part of a routine police exercise to round up a certain quota. It is easiest to pick up the very poor.*

It was the voice and confidence along with skills that they developed over time that helped them tackle the more difficult issue of demolitions. Now they are invited to give advice and participate in many state programmes within their cities on issues that concern the urban poor and have gradually begun to influence decisions at the local, national and the international level. Their critical mass along with their rooted-ness in the local on a daily basis gives them the strength, wisdom and voice to juggle and manage the complexities of this process. This model has been replicated in many of the other SDI federations.

The processes of information gathering together with precedent setting activities help to build

relationships with city officials and politicians. SDI groups are now regularly invited both by

city officials, NGOs and communities to participate in finding city level solutions for the

urban poor. A key structural element to inclusion is federating.   At the national level

progress has been varied with much depending on the level of political opportunity. SDI as

an international movement has demonstrated considerable adeptness at moving to take

advantage of such opportunities through international support for national initiatives. In

Cambodia, the urban poor have struggled to establish themselves faced with a history of

considerable oppression and rampant urban redevelopment. Nevertheless, relationship

building between the Squatter and Urban Poor Federation has resulted in a pledge by the

Prime Minister in 2003 to favour the improvement of 100 central low-income areas in Phnom

Penh in a reversal of the previous resettlement policy (Asian Coalition for Housing Rights,

2004). In Zimbabwe, despite very difficult political and economic circumstances, the

Federation groups have been able to take advantage of the declining legitimacy of the central

state and increasing local political competition to further their interests. Both these examples

have required the introduction of appropriate and affordable development standards. As

Friedmann and Douglass (1998, 2-3) argue in reference to civil society more generally, these

efforts seek to transform (rather than overturn or replace) the state and to make it more

inclusive of the less powerful and more responsive to its citizens.

> At the international level, SDI has slowly built a presence, particularly in the last four
>
> years. Jockin Arputham, speaking at the World Urban Forum, Nairobi, April 2002.
>
> "We have not come here to beg. We have come here to say: 'Let's make a
>
> partnership, let's sit together, slum dwellers and city authorities and bilaterals under
>
> the auspices of the UN. We can sit together and plan a city, a sustainable city.' We
>
> have come here to say that, without our partnership, you cannot have the development
>
> we are talking about today."

There are not many champions for the urban poor at the international level- and some

of those that do exist are using outdated and dysfunctional strategies that are not having an

impact on cities and how they deal with the poor. In the next five years these issues are likely

to be more important in the future of city growth and local developments. SDI believes that,

by participating in the global agenda setting and global dialogue, the processes are more likely to ensure that the poor and their new organizational forms are part of the discussion. One reason to dialogue with these agencies is to ensure community processes are given space and that the urban poor have a chance to drive the emerging city agenda. So while MDGs may be another development "fashion", the policy can be useful in opening the door for the urban poor to establish a dialogue on their own terms. SDI seeks dialogue at various levels simultaneously as only this seems to produce local impact. Many "deals" for work at a national level, which legitimize local federations, actually occur in international meetings when ministers and officials watch presentations by slum dwellers they would never have spoken to at home.

The consistent experience of SDI has been that to change agency policy and behavior requires a critical mass - lots of experiences at a local level that are all based on a consistently different role for these agencies and which build up to something that is difficult to ignore. Scalable solutions designed by the poor and negotiated with city and national governments often have to challenge and overcome solutions brought in by bilateral and multilateral agencies. Over time people's strategies have produced credibility and respect for those national federations that have continued to demonstrate strategies for change that work for the city and its poor. It is a long and slow process that builds up from local success. Instead of the usual practice where such good practices are documented by professionals and then extrapolated from to produce new learning, SDI uses these experiences, spread through exchanges, as "knowledge capital". Past experiences offer opportunities for dialogue and negotiations to create voice, and they offer choice for other fledgling or mature federations can use.

V. Understanding the SDI experience

What do these experiences and achievements indicate about the contribution of membership organizations to urban development and poverty reduction? What is the quality of the SDI

process which is linked to the depth of local participation and the strong ownership of residents over development activities? Four factors appear to be particularly helpful in understanding the contribution of SDI groups to poverty reduction: the creation of knowledge and learning, the role of the NGO, the process of federating and the emerging new relationships between communities and the city. In each specific locality, these factors may be more or less significant in securing more effective urban development options for the urban poor. However, all emerge as being "necessary" factors if the urban development process is to secure voice, redistribution, and access to housing, land and basic services.

Knowledge and learning

A central component of the SDI process is the recognition that community members learn very differently from the NGOs who work with them, and that community learning is imperative to the process. NGOs learn with conventional education strategies: through the written word, seminars, and meetings, networking and more recently by surfing the web. Formal education trains the professionals to collect information in a particular way, then collate and synthesize it. Community members learn through real life experiences and collective wisdom. Since most members have not been through formal education, the way they collect and synthesize knowledge is very different. They tend to learn their lessons from real life experiences and of what works and does not work, what feels right and does not feel right. Our experience has shown us that they are often better at numeric skills than writing skills, as they tend to be more familiar and street wise about financial transactions. (This has been a great advantage in managing the savings programmes.)

The prioritisation of knowledge creation and learning capacity within low-income communities is fundamental. There was the understanding that this process can only gain scale if the emerging solutions work for the poor. The experience of SDI groups is that the emerging solutions only work for the poor if they come from the poor, and are refined by the poor through practical experience. Membership, both within local savings schemes and the

federations, is critical to that process. The federations enable problems to be addressed; gradually consolidated solutions emerge which are robust in dealing with the issue.

Also important in learning has been the creation of a separate organizational space for women (through savings). Traditional leadership is often seen as a couple of male leaders in the settlement who monopolize information and decision-making. By giving women a separate organizational space (savings schemes), the traditional leadership is less likely to be threatened. Women are not viewed as competition but are positioned to be complementary to the role of the men. They are given the space to develop precedents that might address their priority needs.

Finally the role of the local collective in learning is also essential. By themselves, women leaders often behave like conventional men leaders. There is a need for the process to move beyond individual (generally market-based) solutions to the problem the community faces. Collectivising the problem makes it more evident that the only effective solutions are political ones and that the only way in which the community can address these is by acting together. Once the group understands that this is a problem that they have to address themselves, they own the process and begin to build the capacities they need to achieve it. As explained above, the savings process has multiple dimensions. Saving brings communities together to pool small monies and provide a pool for emergencies. The presence of the scarce resource together with a local management capacity to do something with such a resource provides an opportunity for practical learning.

Learning and knowledge creation activities are at three levels, within the community, between communities, and between the members of the federation, mutually reinforce a process that takes the central agency of the poor (participation) to a point of being able to determine development activities. The focus on local learning enables ideas to be nurtured and emerge so that the activities (when they take place) reflect local knowledge and local commitment. Rather than providing information that is used within an externally driven participatory programme or simply within a localised development planning process, knowledge is used to determine choices at the local level that are made within the context of a

national federation. The bringing together of communities through horizontal exchanges

ensures that only a small number of communities (in any networked group) need to take up

the opportunities mentioned above (and manage the associated risks). However, the ideas are

shared, spread and the exchange provides a catalyst to take learning to the next level. The

implications are taken up below in the sub-section on federating.

The role of the NGO

The second critical factor is the relationship between the Federations and support NGOs.

Howes (1997, 597) argues that NGOs have considerable experience in supporting

membership organization although, he adds, such experiences have not been widely

considered. SDI's experience is that the role-played by NGOs is an important one, despite the

emphasis given to local accountable savings schemes and to federations. Savings schemes,

federations and NGOs all have different skills and capacities and all are needed to move the

process forward. However, the NGO's role is often not an easy one.[15]

Within SDI, the role of the support NGO is to play a catalytic function to support the

federations to claim their own economic, social and political rights. In general, the NGOs

manage the finance and take on the administration. This also becomes a very good check

mechanism and a good way to create accountability between the two organizations. The

NGOs are accountable to the national federation for financial decisions and other choices that

affect the federation. This tension is healthy (whilst sometimes difficult) and helps both

organizations in their efforts to bring change. The support NGOs also bridge the gap between

development professionals (especially those within the state) and the communities. They take

the lead when city officials are hostile and do not think it is worth wasting time talking to

slum dwellers. This role is extended internationally when dealing with professionals in

funding and other development agencies.

---

[15] It should be added that, as Howes (1997, 602) recommends in a discussion of support for
membership organizations, all these NGOs are national organizations and it is not possible to
conceive of their role being undertaken by a Northern agency.

However, the NGO staffs are mostly middle-class professionals who very easily go into their dominant mode of providing answers. They like to present themselves as people who know what is best for their communities, and this can create problems. Very deep changes in attitude need to take place before professionals can serve ordinary people. This is one of the main challenges in trying to make this relationship equal. A further issue is that of donor funding. While there is a lot of pressure for the NGOs to give into donor demands the federation's logic of doing things on the ground sometimes turn formal systems on their heads. The professionals in this situation have a choice of giving up or walking through the logic of the federation leadership and create a system that works for the federation and for the external agencies. This role is a difficult one for NGOs who have to make sure that their basic intention is not to control through money. They have a double obligation of protecting the federation and also meeting the demands from the formal world. This role requires constant negotiation between the federation leadership and the NGO leadership. This can only happen in an environment where both can have their internal differences and yet trust each other's intentions in evolving to the next level. This is also the stage when many movements can break apart and it needs tremendous amount of patience and courage to analyse problems and find solutions to get out of the usual traps of 'tasting power', both material and non material.

As support NGOs take ideas that work for the poor and translate them for the formal world, they have to resolve contradictions. This is not always easy for the NGO especially the younger and less experienced support NGOs who get trapped between trying to deliver to the external world on one hand and to the federation on the other. At the same time, the relationships are in permanent transition as the federations and savings schemes grow stronger; the federation constantly takes on new tasks as local capacity is developed. This model differs from that discussed by Howes (1997, 601) who suggests that the NGO should move towards a point where they disengage. Within SDI groups, the NGO keeps changing its role but there is an understanding that it will continue to contribute to the development process. The SDI experience also differs from that researched by Howes (1997, 603) in that

prior institutional strengthening of the NGO is not necessary; rather both institutions grow stronger together.

<u>Federating</u>

Whilst some attention has been given to federating (Appadurai 2001, Bebbington 2002, Howes 1997, Mitlin 2004), neither the process not the outcomes of federating membership organizations has been particularly closely explored in development literature. The experience of SDI suggests that the federating process is very significant in changing the nature of the way in which local community organizations function. As savings schemes work together and participate in community exchanges, they begin to gain a sense of their collective identity and take on responsibility for accumulating knowledge. Thorpe et al. (2004) suggest that some of the poorest find it difficult to participate in local membership groups and are excluded from many ongoing activities and the benefits they offer. Federations of savings schemes offer a capacity to reflect on and strategise to avoid such processes.

As well as advantages to learning and strategising at the community level, strong federations change the way in which city authorities look at their low-income communities – rather than being the "problem" they have become the "problem-solver". A federating capacity opens up new possibilities for a city seeking to upgrade and improve low-income settlements. This is demonstrated by the present resettlement process from the railway tracks in Mumbai, which is being coordinated by SPARC, NSDF and *Mahila* Milan (see Box 4).

The significance of federating at a neighbourhood level can be understood in reference to recent commentaries on the practice of participation in development. Many of the attempts to promote participatory approaches to development have claimed to be empowering; however questions have also been raised about the effectiveness of such approaches (Cooke and Kothari 2001). The groups within SDI believe that a participatory development process that includes the poorest can only take place if it is institutionalised through local groups controlled by their members which are then be linked together through a

horizontally-driven federating process. For agency to be effective in addressing the needs of the poor, the direction of activities has to be managed through a participatory democratic structure rooted in local organization. This is the strategy that SDI uses to counter the tendencies that have resulted in earlier failures in participation (see a recent study of such problems by Kumar and Corbridge 2002). SDI seek to create the conditions that enable conventional development projects (whether funded by international development assistance or government funds) to be replaced by other approaches that work better for the poor. The federative nature is critical in part because it is perceived as, and generally operates as, a political agency capable of negotiating with politicians inside and outside of government. However it is also essential because of its contribution to the learning process (see above) and because of its role in supporting the people-centred nature of the process.

As noted above, many of the SDI mechanisms have both an immediate material agenda in meeting people's needs as well as political agenda orientated towards a more ambitious programme of reform, inclusion and redistribution. To what extent can the political agenda of SDI be located within the citizenship agenda that has been promoted by supporters of participation and inclusive governance (Gaventa 2004). The question is important because it highlights the extent to which the approach of SDI is also concerned to change relationships between state and citizen – essentially by changing this relationship SDI aims to embed collective action within the process of urbanization, urban development and urban citizenship rather than supporting an atomised and individualised conception of citizen and state which has previously left the poor and their interests unprotected. This is the theme of the final sub-section.

The significance of citywide strategies

SDI groups are involved in developing new relationships between the urban poor and the city authorities and politicians. The role of strongly rooted local organizations is critical in securing political interest and, in many cases, commitment. Federations, their members and support NGOs work strategically to generate political support and bureaucratic confidence.

The default social position for the poor has always been civic invisibility. Federation activities, such as housing exhibitions, provide a means of creating physical events that facilitate empowered political visibility. The poor gain official recognition and legitimacy for their work through such public events and capturing civic space in the public sphere normally denied to them. However, this public recognition is a small part of more fundamental changes that are sought.

As savings schemes and Federations grow in capacity and scale, they seek to develop initiatives based around precedent setting and the management of state programmes. Groups get involved in water and sanitation provision as well as other local improvements. Despite this work, it is not possible to typecast SDI groups within the category of "service delivery". Involvement in services becomes a way of strengthening local organizations and developing strategies that more effectively address the needs of the poor. The objective of involvement is both to address material/practical needs and to strengthen political/strategic organizational capacity. When better urban policies are developed, there are attempts to spread these through precedent setting. This is the first stage. Such initiatives are close to traditional NGO scaling strategies and pilot projects. When such programmes have been accepted and policy changes made by the state, the Federation groups drive the expansion of the programme from the bottom up (the second stage). Thereby they seek to avoid the difficulties of pro-poor policies that are never implemented. There is no compulsion to participate in such process from the national/city leadership of the Federation to local groups; rather it occurs because the programmes address the needs of the poor. A third stage in the relationship between state and the federation occurs when the programme becomes adapted at scale. Through such programmes, material needs are addressed and organizational capacity is strengthened. Then the process becomes the focus of learning for that Federation and other groups. Savings schemes members come and analyse the process, they learn the technical approaches, the political strategies that have secured implementation and then analyse the success of the programme in further building both the movement and the capacity of members and savings groups.

It may be useful to consider why the political space for such initiatives is opened. First, it is often the case that there is a political need, at local and/or national level, to address the agenda of the urban poor. For many politicians, the urban poor are seen as a constituency that needs to be addressed in some way. The Federation, because of the scale and depth of members' involvement and because of the learning supported by the horizontal networks, challenge the traditional relationships and enable new relationships to emerge. A second reasons is that there are generally resources for support to poverty reduction programming. Such resources often include available finance and specialist staff. Hence savings schemes generally find, as they grow stronger and federate, that they can identify local sources of funds and sympathetic state officials. In the last year, for example, the emerging federations in Nepal and Sri Lanka have both secured municipal contributions to Urban Poor Funds.

Hence SDI groups seek to identify a political space and then use this space to secure developmental benefits, generally around secure tenure, infrastructure, services and housing, that both address immediate needs and which build the capacity of the poor to innovate, strategise and negotiate for further benefits. This conceptualisation and reality is not well represented either in present discussions of state and civil society partnerships to provide services or citizenship. Both discussions are more strongly located within a modern Northern state and, in the case of the second discussion, the practicalities of addressing a lack of resources. Neither discussion fully encapsulates an alternative relationship between citizen and state in which local membership organizations offer alternative development strategies which, when taken up by the state, create new possibilities for citizen action.

Box 4 illustrates how SDI groups have been able to create new alternatives from their institutional capacities. Such initiatives broadly fit within what has been referred to as institutionalised co-production - "…the provision of public services…. through regular, long-term term relationships between state agencies and organized groups of citizens, where both make substantial resource contributions" (Joshi and Moore 2004, 40).

Box 4: People managed resettlement programmes in Mumbai

Mumbai relies on its extensive suburban railway system to get its workforce in and out of the central city; on average, over seven million passenger-trips are made each day on its five main railway corridors. But the capacity of the railway system has been kept down by illegal settlements that crowd each side of the tracks. By 1999, nearly 32,000 households lived in shacks next to the tracks with many living within less than a metre of passing trains. The households lived there because they had no better option they could afford, as they needed the central location to get to and from work. Yet they had to face not only the constant risk of injury or death from the trains but also high noise levels, insecurity, overcrowding, poor quality shelters and no provision for water and sanitation. Indian Railways, which owned the land would not allow the municipal corporation to provide basic amenities for fear that this would legitimate the land occupation and encourage the inhabitants to consolidate their dwellings. Residents spent long hours fetching and carrying water – a task that generally fell to women. Most people had no toilet facility and had to defecate in the open. Discussions within the Railway Slum Dwellers Federation (to which most of households along the railway tracks belong) made clear that most wanted to move if they could get a home with secure tenure in an appropriate location.

A relocation programme was developed as part of the larger scheme of the Mumbai urban transport project (MUTP) to improve the quality, speed and frequency of the trains. The management of the resettlement of 60,000 people was voluntary and needed neither police not municipal force to enforce it. The resettled people were involved in designing, planning and implementing the resettlement programme and in managing the settlements to which they moved. The process was not entirely problem free – for instance the Indian Railways started demolishing huts along one railway line and 2,000 huts were destroyed before the Alliance managed to get the state government to decree that the demolitions must stop. Land sites were identified to accommodate the evicted households and the Federation was given the responsibility for managing the resettlement programme.

A significant feature of this resettlement programme was the extent to which those who were to be resettled were organized and involved before the move. First, all huts along the railway tracks and their inhabitants were counted by teams of Federation leaders, community residents and NGO staff – and done in such a way that the inhabitants' questions about what was being done and how the move would be organized could be answered. Maps were prepared with residents where each hut was identified with a number. Draft registers of all inhabitants were prepared with the results returned to communities for checking. Households were then grouped into units of 50 and all the details were checked within these house groupings. This also enabled households to move to the new site together. Identify cards were prepared for all those to be moved and visits were made to the resettlement sites. Then the move took place with some households moving to apartments and others moving to transit camps while better quality accommodation was being prepared.

Interviews with those relocated in 2002 highlighted the support that the inhabitants gave to the resettlement and their pleasure in having secure, safe housing with basic amenities. The resettlement would have been better if there had been more lead-time with sites identified by those to be relocated and prepared prior to the resettlement. But this programme worked much better than other large resettlement programmes and has set precedents in how to fully involve those to be relocated in the whole process – and it is hoped that other public agencies in India will follow.
Source: Patel, d'Cruz and Burra (2002)

However, in this case the objective is not to work out a way for the state to provide essential

services albeit with the financial and organizational support of residents, rather it is for the

community to work out new ways of developing cities that are inclusive and then to secure

state resources to enable the implementation of such solutions at scale. Critically important for SDI is that these processes further strengthen the movement of the urban poor including its local membership and their capacities such that existing benefits can be maintained and new priorities can be addressed. To this extent the strategies go beyond "institutionalised co-production" in that collaboration is not simply an end in itself but a means to address a more comprehensive agenda. Cleaver (2004, 275) recently argued: "[S] surely 'empowerment' and 'transformation' require not just the opening up of participatory spaces to debate citizenship, to hold the state to account and so on, but also the more prosaic transformation of everyday life." SDI seeks to go beyond this dichotomy. The prosaic transformation of everyday life offers ways to empower and to open up participatory spaces; equally the opening of those spaces in turn contributes to the transformation of everyday life.

Despite these ambitions, it should also be recognised that there is a frequent tension in such relationships with the state. On the one hand, SDI groups struggle to make state programmes work more effectively for their members within the parameters discussed above. On the other, the institutions of the state influence the programmes to be less people-centred and locally controlled (see, for example, Baumann and Bolnick 2001 on the experiences in South Africa). A more detailed study of one settlement in South Africa (VukuZenzele, Cape Town) highlights the extent to which the capital linked subsidy redistributes wealth but does not transform social relationships. Embedded within Federation processes, the wealth is more efficiently redistributed (ie. a given amount of money results in additional physical construction) but the Federation struggles to use the capital subsidy to strengthen the activities and approaches. The programme, designed by professionals, does not strengthen the community at the same time that it meets their material needs. Rather its individual focus strengthens individualising tendencies and reduces the collective whilst the scale of externally donated resources orientates activities towards patron client relationships inside the community and between the community and local political structures.

The experiences of SDI emphasize that for community-driven development to succeed, it has to successfully engage the state. Programmes cannot hope to address the

needs of the poor without effective redistribution. Strong local organizations within a federating structure are successful in attracting the interest and resources of the state, however, such "co-production" is not necessarily supportive of the underlying community process. The development processes have to be regenerating, building community capacity at the same time as meeting local needs. In this process, relations between the state and citizens are transformed. It is much more than the strengthening of citizenship and democratisation; rather it is a re-interpretation of democratic localism. The multi-faceted nature of citizenship is recognised: neighbourhood, (district,) city, country and democratic possibilities are redefined because of an engagement with the state that secures redistribution and which re-generates and extends the possibilities for community decision-making and implementation.

VI. Conclusion

It is possible that the debate on membership organizations will emerge with similar parallels to the debate on participation. First receiving widespread support, criticisms began to emerge based in part on different concepts of participation and what it entailed (see, for example, Cooke and Kothari 2001). We are not arguing here that any particular form of membership organization is better than any other. Simply that different form of membership organizations can contribute differently to the process of development. Different kinds of processes address different needs, do different functions, and have different strengths. In the case of SDI, the constituency has developed to include all slum or shack dwellers in the settlements and cities in which this process is active.

Representative democracy appears to have lost touch with the concerns of the poorest. Many argue that mainstream institutions like government, political parties, legislatures and trade unions have lost interest in survival (livelihood) and dignity (empowerment) issues of the poor. In this context, SDI has created the space and opportunity for an alternative local agenda, enabling the urban poor who have been involved in local struggles to speak about their aspirations and vision. This process of federation building is an attempt to get the voices of its members heard and acted upon within agencies involved in

local and international policy making. In this sense, SDI's modus operandi represents a novel approach to the practice of democracy.

Involvement in civil society per se, does not necessarily resolve this weakness in democratic practice. As spaces for civil society groups expand, there is the assumption that all civil society groups, associations of citizens seeking to participate in the debate about public and private good, are similar and are benign. In most situations as we know very well, class interest divides civil society institutions and there are often policy battles among them about resources and over choices of priorities. The poor are rarely invited to participate in debates about issues of concern.

SDI and the groups that make up this network offer a way of locating participatory processes based in local organizations within communities and their emerging development agenda. The networks seek to create new possibilities within membership that includes all the urban poor. They have moved away from the conventional community based organization (CBO) to create a critical mass of the urban poor, believing this to be an essential component of a process to secure pro-poor developmental change at the city level. The multiplicity of levels of organizing and federating is a part of the picture; member of the group, the community as a member, the city federation as members of a national federation and the Slum/Shack Dwellers International which is network of national federations, all are seen as complementary and important. Just as dealing with local governments is vital for its membership, SDI seeks to create the same time and space for working at the level of international policy for poverty reduction. However, this is a tenacious issue within SDI and the question is whether its members should participate or not at international events that are so far removed from the reality of the urban poor and the results are abstract and the relationships a mirage.

Membership within SDI becomes a means to enable democratic participatory decision-making and activity and as a means to attract political interest. It is the large numbers that participate, along with their ability to address the needs of the urban poor on a significant scale, that makes them noticed by politicians and other middle class in their cities.

In the absence of the provision of housing and basic services in any of the formal political agendas, the federations have filled this vacuum by organizing the urban poor at the community level in different cities.

To reach its goals, SDI has developed various tools and strategies for building the capacities of the urban poor federations. When SDI enters a new city it makes sure that the needs of the very vulnerable among the urban poor get attention. Precisely because women are the most vulnerable, they are central to the organization building process. The understanding is that whatever works for the very poor and very poor women, will work for the rest of the community. This principle extends to the practice of research for social change. Self (or community) enumerations gives low-income communities a sense of ownership of the data they collect. This enriches the information that is produced and the process of data collection itself becomes a tool for mobilization. The federation collates and disseminates this information to its constituencies and the role of the support NGO is to be able package this information for government and other professionals.

SDI seeks to build the knowledge and skills of its membership to be able to move from simple events and routine processes of organization building to more complex negotiations with local, national and international institutions. For example, the United Nations Secure Tenure Campaign was a way of taking forward the local negotiations on land and housing for the poor to another level. At the heart of its strategy is to redefine the relationships between the different departments, agencies and other civil society groups at the city level. The strategies used at the international level are very similar to that used at the local level, the community learns to use its knowledge and skills to communicate and negotiate with different levels of government. Negotiations at each level are carefully monitored so that members begin to gradually understand the interweaving of the local, national and international negotiations. Within SDI, members are at different levels of experience and not all the members share the same opinion regarding a strategy. The challenge is to accommodate different points of view and experiences within the collective, be able to take risks and to move forward a process that both deepens and extends.

SDI has learned through experience that there are no quick fixes in development. Patience and persistence are two of the most important elements in this process. SDI acknowledges this in its work and also conveys this message to local, national and international organizations that. For some its members the lack of immediate and instant success often creates tensions that push the leadership within SDI and the support NGO to renegotiate and redefine their internal relationships. This is central to SDI's organization building, for in seeking an equal relationship with external institutions, it is forced to create the same environment within. Membership, conceived as local people's control of the organizations that represent them, lies at the heart of SDI process. Citizenship, local people's equal participation in their communities and the political processes that govern such communities, are equally significant. SDI understanding is that membership and citizenship require a transformation in relationship - out of such a transformation can grow a new conceptualization of development, one that is centered on addressing the needs of the poor.

Discussion points for this paper defining SDI as a membership organization of the urban poor

1. **The defining characteristics**: Membership to city/national federations is restricted to slum/shack dwellers and includes both men and women. In practice, nearly 80% of members are women. The common issues that bring all these federations together include finding solutions to evictions and finding city level solutions for housing and basic infrastructure. The common tool that is used for mobilizing is enumerations and savings.

2. **Measuring success**: SDI has been able to educate, mobilize and consolidate learning through community exchanges. The knowledge gained from internal learning creates the foundation for capacity to negotiate externally. The tools created for mobilizing like enumerations, community mapping, savings and house model exhibitions are tools that can be refined, transferred and scaled up across cities, countries and continents. Federations of the poor participate in city development activities representing interest of the poor at the local and global level. The federations have learnt to sustain mobilization levels beyond crisis and often beyond material gains like getting a house. This has been in challenge though in certain federations especially when the material gains come much before there is strong federation in

place. SDI presence has become a reference point when issues of the urban poor are discussed internationally today.

3. **Internal organizational characteristics:** It is an organization of both men and women working together. There is a clear understanding of women's roles and contributions to the federation building process with ample room for women to continue to negotiate for personal and political and social spaces within their families, communities, locally and externally. The Support NGOs bring complimentary skills to this process. The local federation agendas determine what gets negotiated internally. SDI seeks to participate in global processes only to strengthen the local priorities of its member federations.

4. **Challenges faced in scaling-up**: There is no compromise on the depth and quality of the organization during scaling up. There is a need to constantly assess the relationship between the support agencies and the federations. To be able to constantly arbitrate internal organizational priorities and external demands. This often causes a lot of stress between the support NGO and the federations as the pressure to meet external demands increase with scaling up of resources and projects**.**

5. **Factors essential for supporting organizations of the urban poor:** There should be a demand and commitment from the urban poor themselves to change the quality of their lives through organized effort. A socio-political environment that gives space to organizations of the poor to articulate their own institutional representation is a crucial factor in organizations being able to truly represent themselves. Both local and international development agencies need to have a genuine commitment to want to listen to the poor if they have to be effective and support such initiatives from among the urban poor. Organized groups of the urban poor can help to determine a positive negotiating context.

Annex 1: Details of the Federations, their support NGOs and their Fund

Federation	*Year founded*	*Number of members*	*Support NGO / Federation-managed funds*
INDIA: National Slum Dwellers Federation and Mahila Milan	*1974 and 1986*	*c. 2 mill. Plus.*	*SPARC (1984) Community-Led Infrastructure Finance Facility (CLIFF)*
SOUTH AFRICA: uMfelanda Wonye (South African Homeless People's Federation)	*1991*	*c. 100,000*	*People's Dialogue on Land and Shelter The uTshani Fund (for housing), Inqolobane (The Granary) funds for employment/micro-enterprise*
ZIMBABWE: The Zimbabwe Homeless People's Federation	*1993*	*c. 45,000 Members*	*Dialogue on Shelter Gungano Fund*
NAMIBIA: Shack Dwellers Federation of Namibia	*1992*	*9,700 members*	*Namibian Housing Action Group (1997)*

KENYA: Muungano wa Wanvijiji	2000	c. 25,000	Pamoja Trust (2000) Akiba Mashinani
MALAWI: Malawi Federation	2003	3000 members	CCODE -Centre for Community Organization and Development
SWAZILAND-	2001		Peoples Dialogue, Swaziland.
THAILAND: Various regional and city-based federations	1990	**	CODI – Fund set up by the Government of Thailand
PHILIPPINES: Philippines Homeless People's Federation	2003	50,000 members	Vincentian Missionaries Social Development Foundation Inc (VMSDFI) Urban Poor Development Fund
SRI LANKA: Women's Development Bank	1998	31,000 household	JANARULAKA Women's Devpt. Bank Federation
CAMBODIA: Squatter and Urban Poor Federation	1994	Active in 200 slums	Asian Coalition for Housing Rights Urban Poor Development Fund
NEPAL: Nepal Mahila Ekta Samaj and Nepal Mahila Ekata Samaj (women's federation of savings groups)	1998		LUMANTI Nepal Urban Poor Fund

Federations are also forming in Zambia and savings groups that have the potential to form federations are forming in many other nations including Uganda, Ghana, Lesotho, Tanzania and Madagascar
*** Thousands of savings groups, many regional and city federations*

References

Appadurai, A. (2001) "Deep democracy: urban governmentality and the horizon of politics" *Environment and Urbanization,* 13(2): 23-44.

Asian Coalition for Housing Rights (2004), "Negotiating the right to stay in the city" *Environment and Urbanization* 16(1): 9-25"

Baumann, T. and J. Bolnick (2001) "Out of the frying pan into the fire: the limits of loan finance in a capital subsidy context" *Environment and Urbanization* 13(2): 103-116.

Baumann, T. and D. Mitlin (2003), "The South African Homeless Peoples' Federation: Investing In The Poor" *Small Enterprise Development Journal*, 14 (1): 32-41.

Bebbington, A. (2002) "Organization, inclusion and citizenship: policy and (some) economic gains of indigenous peoples' organizations in Ecuador" mimeo.

Benjamin, Solly and R. Bhuvaneshari (2001), "Democracy, Inclusive Governance and Poverty in Bangalore," *Urban Governance, Partnerships and Poverty Research Working Paper* No. 26, Stage 2 Case Study, University of Birmingham.

Castells, M. (1983) *City and the Grassroots*, Martin Arnold.

Cleaver, F. (2004, 275) "The social embeddness of agency and decision-making" in S. Hickey and G. Mohan (eds.) *Participation: from tyranny to transformation,* Zed Press, London and New York, pages 271-8.

Copestake, J. (2002) "Inequality and the polarizing impact of micro-credit: evidence from Zambia's copperbelt" *Journal of International Development* 14: 743-755.

Cooke, B and U. Kothari (2001) (eds.) *Participation: the new tyranny*, Zed Books, London.

Friedmann, J. and M. Douglass (1998) "Editors' introduction" in J. Friedmann and M. Douglass, *Cities for Citizens*, John Wiley and Sons, Chichester, pages 1-9

Gaventa, J. (2004) S. "Towards participatory governance: assessing the transformative possibilities" in S. Hickey and G. Mohan (eds.) *Participation: from tyranny to transformation,* Zed Press, London and New York, pages 25-42.

Howes, M. (1997) "NGOs and the institutional development of membership organizations: The evidence from six cases" *Journal for International Development, Vol.* 9, No. 4, 597-604.

Joshi, A and M. Moore (2004) "Institutionalised co-production: unorthodox public services delivery in challenging environments" *The Journal of Development Studies* 40(4): 31-49

Kumar, S. and S. Corbridge (2002) "Programmed to fail? Development projects and the politics of participation" *The Journal of Development Studies* 39(2): 73-103

Mitlin, D and A. Muller (2004*) "Windhoek, Namibia – towards progressive urban land policies in Southern Africa"* International Development Policy Review*, 26(2): 167-186, 2004.*

Moser, C. (1989) "Gender planning in the Third World: meeting strategic and practical gender needs" *World Development* 17(11): 1799-1825.

Patel, S. and C. d'Cruz (1993) "The *Mahila Milan* crisis credit scheme: from a seed to a tree" *Environment and Urbanization* 5(1): 9-17.

Patel, S., C. d'Cruz and S. Burra (2002) "Beyond evictions in a global city: people-managed resettlement in Mumbai" *Environment and Urbanization* 14(1): 159-172.

Patel, S. and D. Mitlin (2002), "Sharing experiences and changing lives" *Community Development* Volume 37 (2): 125-137, April 2002.

Patel, S. and D. Mitlin (2004) "Grassroots-driven development: the alliance of SPARC, the National Slum Dwellers Federation and *Mahila Milan*" in D. Mitlin and D. Satterthwaite (eds.) *Empowering Squatter Citizen*, Earthscan, London, pages 216-244.

Peattie, L. (1990), "Participation: a case study of how invaders organize, negotiate and interact with government in Lima, Peru" *Environment and Urbanization* 2(1): 19-30.

Scheper-Hughes, N. (1992), *Death Without Weeping: the Violence of Everyday Life in Brazil*, University of California Press, Berkeley.

Thorbek, S (1991), "Gender in two slum cultures" *Environment and Urbanization* 3(2): 71-81.

Thorp, R., F. Stewart and A. Heyer (2004) "When and how far is group formation a route out of chronic poverty?" *World Development* forthcoming

Turner, J (1976), *Housing by People*, Marion Boyars Publications Ltd., London

UN-Habitat (2003) *Global Report on Human Settlements 2003*, Earthscan Publications Ltd., London.

van der Linden, Jan (1997), "On popular participation in a culture of patronage: patrons and grass roots organizations in a sites and services project in Hyderabad, Pakistan" *Environment and Urbanization* 9(1): 81-90.

Verhagen, K. (1987) *Self- help promotion, The challenge to the NGO community* Cebemo and Royal Tropical Institute, Amsterdam.