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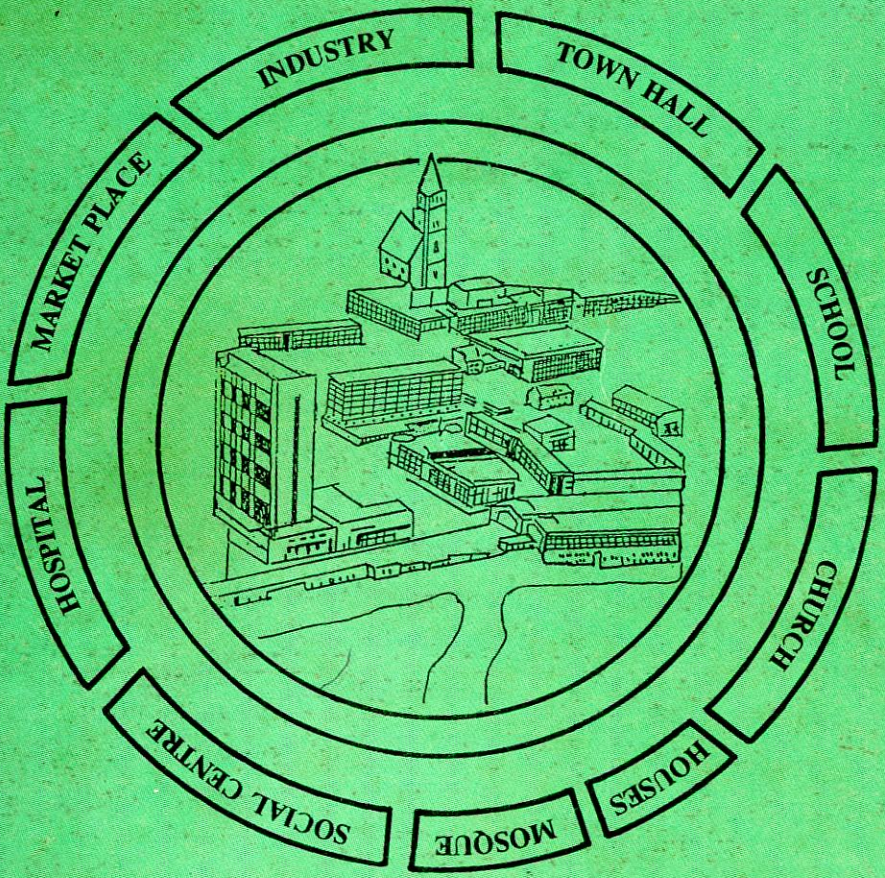
Urban Management

Issues, Problems and Trends



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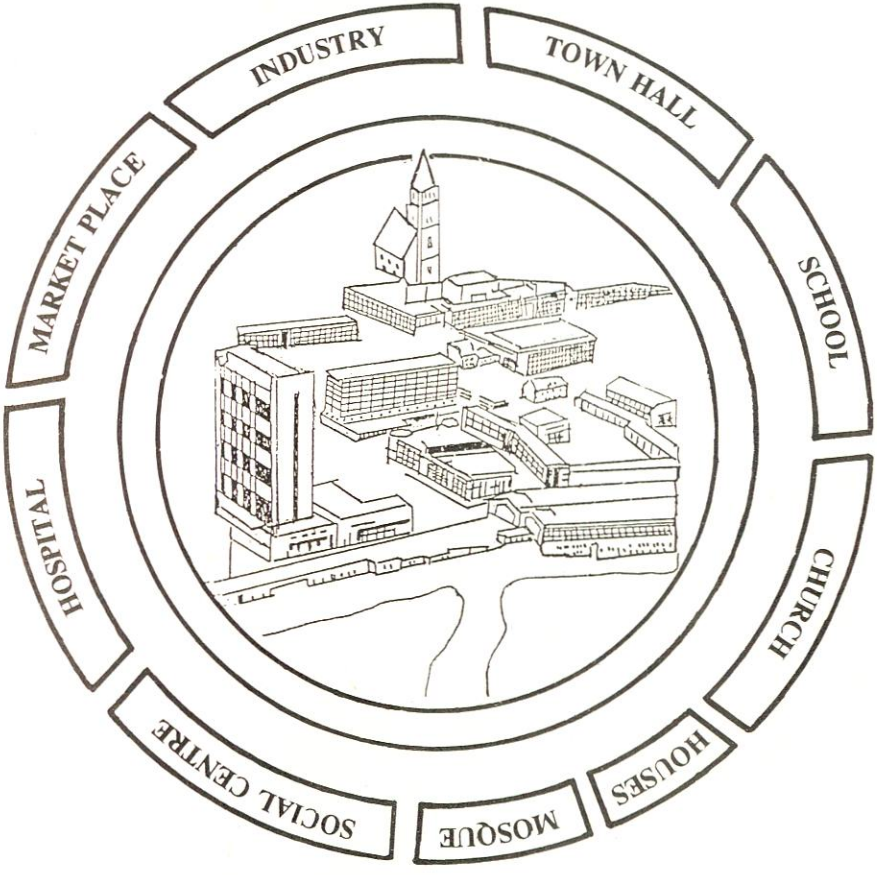

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URBAN MANAGEMENT

ISSUES, PROBLEMS AND TRENDS

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Issues, Problems and Trends

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PREFACE

The need for more publications in the area of Local Government in Tanzania is obvious. In this book authors give their readers a faithful picture of local government in Tanzania. Local government laws, staff regulations and other related legislations have been applied to highlight on various aspects of the Tanzanian local government system.

Tanzania had inherited the local government system from the British colonial rule. The inherited local government system did not last long. The government of Tanzania had decided to abolish local authorities. In 1984 there was a felt need to revive the abolished local government institutions in Tanzania. Enabling legislations were passed in 1982 to fill the vacuum left by the abandoned local government system.

This book is the first in the series of the IDM's Local Government publications. The publisher is the Department of Research, Information and Publication at the Institute of Development Management, Mzumbe. The book is an attempt to document the spirit and substance of Local authorities in Tanzania. It will provide an additional piece of information regarding local authorities. Local government legislations which aimed at setting paragon institutional structures in Tanzania seem to have some difficulties in interpretations among the practitioners. The book will serve as an aid to effective local government practice and understanding in Tanzania. Other readers may draw some lessons and apply them in their respective countries and environments.

Thanks are obviously due to many people who have enabled this volume to move from conception to reality. First and foremost, I am grateful to authors for allowing us to include and interpret their articles particularly in the introductions and conclusions. Second, the Institute of Development Management and the IDM's Book Fund for enabling us to publish this work through the financial support provided from review work through the complete publication.

I hope that this work will be an example for us all to write more about local authorities in the forthcoming local government series.

M.C. Milanzi

Mzumbe

June, 1996

INTRODUCTION

By

M. K. Rumulika

I

Urban management as an aspect of local government has been a major focus of study at the Institute of Development Management (IDM) Mzumbe. This is particularly since 1987 when the programmes taught at the Institute were restructured. Restructuring brought into existence studies for Advanced Diploma in Local Government Administration (ADLA), Advanced Diploma in Local Government Finance (ADLAF), Certificate in Local Government Administration (LGA) and Certificate in Local Government Finance (LGF). The major aim is to enable local government administration and management officers to cope with their responsibilities in the changing and developing world.

The papers presented in this volume seek to promote that aim by discussing urban management issues, problems and prospects in the Third World in general and Tanzania in particular. The work is interdisciplinary in approach. The writers, based in different disciplines, apply their respective specialties, analytical tools and varied experiences. This includes law, politics and international relations, public administration and health administration, business management, accountancy and public finance, economic and development planning.

There are twelve papers in all. The one by Rumulika serves as a general overview that provides an analytical framework for the issues, problems and prospects discussed. The papers by Massawe, Milanzi, Simime, Nsana, Ngowi and Chille develop the themes addressed in the overview. By and large the writers' conclusions concur or are mutually complementary.

II

Rumulika defines urban management issues in relation to urbanization as a process to promote better life in society. He argues that urban management fails to achieve this objective effectively because the authorities concerned misconceive the problems involved and consequently prescribe inappropriate strategies to solve them. The failure is also seen to be due to misapplication of technical know-how and other resources which are in short supply especially in planning and urban development.

More particularly Rumulika notes first the negative impact of misconceptualizing the ideas of "community" and "opportunity" in relation to promotion of freedom of development for all. Second, he points to the negative effect of the ill-advised attempt to use the "similar path theory" to explain Third World urbanization problems which are mistakenly thought to be analogous to those that characterized urbanization in the Western World. Third, he discredits the unqualified use of the traditional "rural-urban models" to explain Third World socio-economic change and development.

He thus advocates new perspectives in analysing urban management problems, namely the need to meet the actual pressures that call for theoretic and strategic innovativeness; the need to imbue urban centres with readiness to change beyond pre-capitalist economic systems; and the need to recognize how strategic is the tertiary sector activity for bettering the life prospects of the urban majority.

Rumulika envisages better prospects in making moves to jettison the prevailing trend of letting the interests of the better-off minority class determine the interpretation of community, opportunity and promotion of freedom and development.

Better prospects would also result from changing the prevailing priorities in the attempts to solve the pressing problems, from utilizing planning capacity for the appropriate management

of the physical environment and value sustainability, as well as from adopting political institutional structures that foster an appropriate blend of control, freedom, competence, cohesion and participation.

The salient themes that the other authors come to develop include urban population density, inadequate housing, unemployment, lawlessness, congestion and health hazards - addressed by Massawe, Milanzi and Simime; biased and inadequate investment decisions, planning development, distribution and use of resources, material and non-material, human and non-human, - tackled by Nsana, Simime, Chile and Ngowi.

III

For Massawe housing of the urban population is firstly an aspect of urban management that has proved to be a difficult problem to solve partly because of differences on how it should be conceptualized in the process of seeking its solution. He traces this in the different ways in which housing has been made an issue and the different reasons given for government intervention in the housing markets. He analyses the problem in a socio-political, economic and legal context to highlight the extent to which its solution is significant for better urban life.

Massawe's discussion of housing as a conceptual problem contrasts two schools of thought on how markets operate, namely the trade (credit) cycle model and the (right to) income distribution model. The first model claims that supply of houses is a function of those factors in the economy that lead to the availability of credit. These include capital costs, land supply, interest rates, and other. The second model asserts that solution of the housing problem depends on so changing the peoples locations and incomes in society as to generate varying demands for houses of various standards. Thus the first model would advocate government intervention to eliminate housing shortage by removing fluctuation

of prices and availability of income and by reducing the market imperfection caused by monopoly. And the second model would stand for redistribution of income and wealth, introduction of legal protection to would - be house owners and tenants, and provision of housing by non-profit organizations.

Massawe concludes that the real solution to the problem lies in addressing the advocation of the two schools simultaneously. He notes, however, that such an approach calls for a preliminary clearing of misconceptions about the meaning of housing, the nature of the housing problem in terms of consideration of standards for human dignity and decency, the need to protect housing from being exploited by political interests and the constraints on informal housing in the form of the positions of the inhabitants and the authorities scope, objectives, standards, land use, finance and the role of community development.

Milanzi and Massawe respectively discuss the experience of Tanzania in trying to solve the problem of urban housing. Both authors agree that in general housing in Tanzania was hampered by a colonial background and a colonial legacy biased in favour of the better-off minority of the population.

For Milanzi that is attested in attempts to discourage urbanization because of the mistaken assumption that it was a threat to development, which accounts for Tanzania's lack of a clearly stated and effective national urban development policy. It is also manifested by looking on urbanization as a strategy for facilitation of governance/domination, extraction and transport of resources. Hence the concentration on housing for civil servants, requiring local authorities to manage estates and town settlements without allocating them the power money and the time necessary to do that effectively. The powers of urban authorities are under the control of central government's Ministry of Lands Housing and Urban Development and the authorities function to the extent that powers are delegated to the Minister.

Massawe argues also that while attempts were made in post-independence Tanzania to direct urban housing towards the local population, housing continued to be biased in favour of high cost and high valuation of Westernized styles, construction and materials. Importation in this connection resulted in perpetuation of" a metropole-colony dependence," and attempts to localize building materials have not made headway yet.

Both Milanzi and Massawe corroborate their assertions on Tanzania's experience basing on evidence garnered from survey of the institutions established to tackle the housing problem. While Milanzi concentrates on analysing the behaviour of the Registrar of Buildings (RoB), the Tanzania Housing Bank (THB), the National Housing Corporation (NHC) and the Building Research Unit (BRU), Massawe includes also a study of Permanent Housing Finance Company (PHFC), Farmers Housing Development Fund (FHDF) and the Tanzania Investment Bank (TIB).

Milanzi argues that the performance of the institutions he analyzed has fallen short of what was expected. The failure has in the case of RoB been largely due to lack of economic infrastructure, price escalation, shortage of material and lack of skilled manpower. In the case of THB failure was partly due to slighting the profit motive in housing projects and partly due to lack of machinery for the evaluation of promising investment and enforcement of loan repayment. Regarding NHC failure was due to overambitious undertakings because of inadequate planning surveys and feasibility studies, using outdated housing codes, lack of machinery for coordination, and rising costs of housing.

Massawe agrees with all that and argues in addition that failure by NHC was also due to high cost of land and the intricacy of the procedures for assuring tenure. Also he points out that the proposition that government should provide housing for low-income groups proved non-feasible because the demand far exceeded available resources. Besides, what NHC considered low-cost housing differed from what was considered low-cost by the

low-income groups.

Both Milanzi and Massawe conclude that housing policy in Tanzania stands in need of revisiting in order to deserve being called policy for the majorities, a policy for low-income groups development.

Like Rumulika Milanzi also concludes that solution of the problem of urban housing lies in a deeper understanding of the problem and in devising appropriate strategies. It is pointed out that the Third World can learn from the experience of the West but must not depend on nor copy that experience. Hence the need to tap indigenous natural resources both human and non-human.

IV

Nsana explores the possibility of introducing an urban style of life by encouraging undertakings by micro-intermediary business. The latter is small business, informal sector petty trader, who links the city merchants with rural consumer producers and the rural peasant producers with the urban consumers who are also producers.

Nsana argues that the academicians and practitioners of the Third World countries have ill-advisedly slighted this approach which recognizes the significance of micro-intermediation to the role of bulk-building and bulk-breaking. He points out that the slighting of such an important function in the urban market has in effect neglected a type of division of labour that is apt to achieve socio-economic transformation by giving constructive employment to a class that would otherwise be parasitic and that would disrupt the development process.

According to this argument, recognition of micro-intermediation would spot the urban dweller who having some affiliations with rural life makes his/her living by linking the rural economy with the urban economy. This would divide labour in the process of marketing by differentiating concentrating middlemen (who promote bulk-building) from dispensing

middlemen (who promote bulk-breaking). It would also distinguish vertical specialization between levels of marketing from specialization according to types of products. This would not only be articulation of a profitable channel of employment; it would also conserve semi-skilled resources, cater for the poorer population and exercise people in constructive competition.

Nsana deplores the creation of internal trade barriers such as those that were short lived in the mid 1980s. These were depriving the urbana dwellers of necessary goods. It was just as well that the urban authorities soon learnt a lesson from shortages, and have come to support the increase of small business along urban streets that meet the needs of the poor majority.

V

One problem that has impaired so transforming urban life as to give it a modernistic character that reflects freedom and development, is the accretion of slums and shunty towns. Simime and Massawe discuss this problem: the former inasmuch as it is a challenge to urban health administration, and the latter insofar as it is a reflection of inequitous society.

Simime argues that squatters, urban slums and shunty towns are symptomatic of rampant unemployment, depravity and destructiveness. Squatters are related to unavailability of adequate housing for rural-urban migrants leading to their peripheralization. Shunty towns, on the other hand, are a result of the unhoused resorting to building huts on unused land as a way of evading rent altogether or paying a small rent commensurate with their poverty. In any case these phenomena bespeak failure to manage increasing population in urban areas.

Simime is in the opinion that the solution to this problem lies in reducing household occupancy rate through family planning, building types of houses the poor can afford, improving sanitation and providing recreation centers.

By and large Massawe concurs that the lack of such policies accounts for the persistence of the problem. He substantiates that by showing that up to 1969 policy makers in Tanzania had sought to stamp out squatters as a threat to law and order, by demolition. Having failed at that, new initiatives, were taken in 1972 to settle squatters through rustication, village projects and the so-called squatter area upgrading programme. Thus before 1978 the programme was affected by decentralization and abolition of local authorities, including urban councils, which resulted in projects lack of coordinating authority. After 1978 the reestablishment of the authorities restored a measure of coordination. All in all, however, the major advantage of this programme was provision of employment opportunities. But this has been hampered by disagreement regarding the status and priority to be enjoyed by the projects.

VI

The need for planned and consistent policy on housing is addressed by Massawe's analysing of the experience of Tanzania in the context of housing finance and housing institutions. He argues that with respect to the financing of housing Tanzania has experienced little success and has largely retrograded. Comparing the lending policy of THFC with that of its successor, the THB, he finds that the former was stringent while the latter was so broad as to render itself open to abusive interpretation regarding qualification for a loan and the conditions for loan repayment. Little wonder the THB's role of providing loans has been terminated as a measure to arrest the institution's bankruptcy. Massawe points out that even the role of the TIB is a duplication of managerial problem since its objective of financing industrial projects could as well be performed by the NBC.

Likiwise unplanned approach to solving the housing problem led to RoB's unplanned nationalization of buildings that ended in denationalization after failure to manage them profitably.

Failures by NHC, RoB and THB have justified second thoughts of going back to private financing of housing with companies building housing quarters that are more affordable by their respective employees.

This points to the need of basing planned action on adequate information. Simime elaborates on this need in relation to provision of health services. He advocates establishing a comprehensive information base as a prerequisite. And he argues that such a base must be a result of meaningfully systematizing the data about health service regarding the relevant variables, sources, uses and characteristics of information.

VII

The rationale of planning in urban management is discussed by Ngowi in relation to planned utilization of urban land as one of the scarce resources. He undertakes a method of conceptualizing land use that he considers likely to promote national prosperity in the sense of both achieving proper nutrition and assuring a good environment that can sustain urban growth and development. He highlights as threat to such an environment all the problems Rumulika indicated as besetting the cities and challenging urban authorities. They include urban population growth rate, deterioration of urban area facilities, among others, which Ngowi attributes to lack of anticipatory and rehabilitation policy and programme at the national level.

Ngowi argues that filling this lacuna calls for a rationale of land use planning which provides for health safety in terms of emotional and mental well-being, convenient location of facilities and efficient use of energy. Secondly, formulation of urban land use policies must have articulate goals of action and strategies for development, both short range and long range, for transformation of urban area. And he substantiates plan failures in these respects in the case of Tanzania by noting that the physical plans (master

plans) have been unrealistic. They lacked financial backing and were inflexible, which impaired short range, middle range and long range implementation.

VIII

As an attempt to unravel the shortfall of Tanzania's solution of urban problems at the financial level, Chille examines the country's local authorities techniques of investment appraisal and their role in capital budgeting processes. He argues that ideally the techniques and their roles of investment in relation to local authorities' functions should promote efficiency foster peace and ensure that value is obtained by the owner. He points out that the reason for the inability to realize value attainment is that the authorities themselves have not been valued. It has been difficult to identify the responsible owner, as it was thought that financial interest was not primary for the local authorities, and because the traditional techniques used had built-in defects. Chille further points out the need to apply cost-benefit analysis technique and that it had been discredited largely because of improper application in the private sector where it was constrained by external interests.

He concludes, however, that all in all investment appraisal in local authorities is hampered by being non-commercial and slightly risky and capital rationing, and that cost-benefit if properly used could serve as the most non-commercial appraisal of local authorities.

IX

Last but not least, Massawe discusses the role of law in the management of human settlements. He points to the extent to which law and the lawyer have promoted social change in Tanzania and the extent to which law could foster equitable urban development.

He argues in general that law should serve as a means for promotion of the ends of society whatever its values, but that in human settlements it must harmonize the conditions of life. As such it has to restrict the power based on private property in rural and urban development and enable the decision making process to articulate peoples' wishes.

Massawe points out that with respect to Tanzania's social change law has tended to be overridden by politics; there was no tradition of recourse to law for settlement of disputes; commitment to socialism emphasized social over legal justice and procedure. In a word he contends that law has not been used for social engineering, and points to areas of change where use of law would have promoted urban development.

CHAPTER ONE

SOME CONTEXTUAL ISSUES IN URBANIZATION AND URBAN MANAGEMENT

By
M. K. Rumulika

I

Diverse sources of information, including official releases from municipal authorities and intermittent columns in dailies, testify to the existence of many problems that confront those authorities. The mayor, the city manager, the city council and departmental heads who are the acknowledged actors in the authorities, deal with complex and interconnected problems. These include urban population density, urban poverty, inadequate housing, spiralling crime and unemployment rates, overcrowded transportation system and the like, which the authorities are meant to solve or mitigate.

Often successful solution or mitigation of the problems is impeded not only by lack or shortage of money, but also by lack of adequate, trained manpower [PMO(T), 1983]. Time and again the authorities have little else to depend upon but experience and common sense. And these do not necessarily guarantee effective and efficient performance. What passes for experience may turn out to be obsolescence and common sense may prove to be nonsense.

There is thus great need for the authorities to master the various technicalities of urban management and planning to enable them to attain their desired goals. The mastering of technicalities should also enable the authorities to cope with organizational problems such as bureaucratic cumbersomeness resulting from urban growth and the growing complexity of municipal government. The implication here is that in order to address their problems adequately, the authorities must have a clear

understanding of the nature of these problems. This will save a lot of the human and non-human resources often squandered in basing solutions on utopia, such as trying to create perfect cities or to solve all urban problems at once, with no order of priorities and without recognizing mutual causalities among problems. (Mass, 1974: 5-6; Downs, 1976).

The purpose of this paper is to identify some of the contextual issues in urbanization and urban management. Some of them arise from misconception of problems and their causes and the consequent presorption of inappropriate solutions. Others originate from mis-application of technical know-how to planning urban development. The paper will show the major pitfalls and suggest how to avoid them.

II

In order to understand the salient problems of urbanization and urban management and their appropriate solutions, one must be clear about the basic concepts involved. Urban management, the first basic concept, generally means two things. It is, on the one hand, a system of setting the objectives of towns and cities collectively and in cooperation. This system uses various resources and aims at bringing about a better environment for those institutions and for the people they are meant to serve. On the other hand, urban management is the special activity of coordinating the business of townsmen and city dwellers and departments. This activity creates and establishes within urban institutions an environment that is beneficial and conducive to effective and efficient achievement of institutional objectives. As such urban management involves planning, recruitment and control among other things.

How urban management is related to urbanization is the second basic concept one should be clear about. One's assignment is facilitated by regarding urbanization as a process whereby people take on or are imparted with the style and quality of life associated with settling and/or living in towns and cities. It is the adoption or creation of a life based on commerce and industry and characterized as modern, that is, attuned to the present and recent developments rather than to the past and traditional, which is associated with rural life. In this context urban management bespeaks a system of collectively and cooperatively setting the objectives of townsman and city dwellers and directing efforts to their achievement. It should use the available resources for the betterment of the environment that promotes modern life for the people. Urban management should thus coordinate their commercial and industrial organizations with a view to enabling them to achieve higher standards of life and prosperity. And this in turn calls for cooperative planning and control of implementation of plans.

These activities are not value-free. They presuppose standards of right conduct. Social morality underpins urban management. The latter emphasizes cooperation, rejects selfishness and seeks ideal community. (Harworth, 1963: 114-142). This humanistic understanding of urban management assumes the perfectibility of man. That is why urban management should aim at improving the life of towns people and city dwellers.

Nor does urban management mean merely seeking solution of the problems of lack or shortage of amenities such as decent facilities including houses, educational facilities, recreational facilities, sanitation, transportation and security. It does not mean only the elimination or easing of overcrowding in buses, congested streets, potholed avenues, rubbish heaps, inadequate sewers and the like. It means above all identifying the causes of the problems and devising ways of solving them that also safeguard the characteristic human values of freedom and development.

But practical recognition of these values in the process of urban management has often been impaired by misinterpretation and confusion of the concepts of community and opportunity. The search for community has been assumed to be an instinctive propensity of man. This has resulted in slighting the making of efforts aimed at identifying the values the sharing of which makes people conscious of being one cohesive entity that freely choose to live together and cooperate. Often freedom in conceived as an absolute value that necessarily conduces to progress. This again leads to neglecting the instituting of rules and controls to assure fair play and the likelihood of success for all in urban business life. The event has disastrous consequences to the weak. (Harworth, 1963: 13 - 28).

This is one reason why, contrary to expectation urban life both in the developed and underdeveloped worlds has a brutal rather than a humane face. A constructive conceptualization of community presupposes an acceptation that the basic goal to be pursued by urban institutional arrangements is to enable man not only to adapt himself to his environment, but also to transform it so that it can benefit him. No educational, industrial, transport, sanitary or any other service system will achieve community in urban life without accepting that basic value and pattern of action. Likewise in order for interpretation of opportunity to be conducive to the development of all the urbans, urban institutions (economic, political, social, scientific and cultural) must incorporate discipline. The opportunities which these institutions afford to the person who participates in them will promote general development only if he "accepts the responsibility associated with them". (Harworth, 1963: 42).

III

Apart from the misconstruing of the concepts of community and opportunity, however, urban management's promotion of freedom and development has also been undermined by inappropriate uses of analogy. Some analysts have assumed that the path trodden by the Western world provides the blue print for Third World Urbanization. (Hulton, 1972). The inadequacy of this "similar path" theory lies not in explaining the social, economic and political changes in the West. It lies in assuming that they can be superimposed upon the Third World. This unrealistic modernization theory bases on a twofold assumption.

First, that cities are "enclaves" of elites who live in luxury, using power and wealth inherited from colonial rule or created since independence. Second, that cities are "beach heads", centres of modernization which flows out to benefit the countryside and revitalize it out of stagnation. (McGee, 1971).

This theory is discernible in the ideological arguments of Frantz Fanon, (1963), Andre Gunder Frank, (1967) and Lin Piao, (1965). These ideologies would mobilize the Third World which they call the "world village" to fight against the capitalist world which they term the "world city" that exploited the world village and makes it decay along with an inevitable decaying of capitalism. They go on to predict that conflict in the Third World will lead to an urban revolution similar to that which engulfed the developed world.

A comparable misapplication of analogical generalization is couched in non-ideological argument. The latter sees the urban centres of the Third World as actually capitalist structures that have the capacity for growth. These structures embody the hope for economic growth similar to that which characterized the developed world, particularly the United States of America. In this view, the urban centres provide demonstration effects and technological diffusion which, when well managed, lead to

modernization of the countryside. (Hirschman, 1958; Friedman, 1968).

It can be observed that the basic weakness of the modernizational "similar path" theory consists partly in failing to recognize and take stock of historical realities. Its assumption of technological spread and effects from the advanced areas to the backward ones, for example, ignores the fact that effective spread is hindered by differences of levels of development between the different areas, by protectionism and by colonial and neo-colonial imperialism. Partly the weakness of the theory consists also in failing to recognize the fact that Third World urbanization has different historical conditions and has not been duplicating Western urbanization patterns. (Friedman & Wulff, 1976).

In the West urbanization was synonymous with having the majority of the population in urban centres. This meant major structural change, technological development and spread of benefits. In Western societies not only did urban population grow at high rates which were abetted by rural-urban migrations, but also there was a proportional shift of the population from agriculture to industry. The latter sector became more productive and induced technological development in the agricultural sector as well.

By contract, urbanization in the Third World is characterized by a relatively little percent of the population living in urban centres while the majority are to be found in the countryside - in agricultural villages. This urbanization has had minimal impact on structural changes, technological development and spread of socio-economic benefits to the majority of the populace. In this context mobilization of urban population can have little impact on the overall development of the country. The high rate of urban growth arising from high birth rate and a high rate of rural - urban migration is not accompanied by proportional shift from agricultural to industrial occupation. Land has continued to be used as the prime factor of production with no

significant rise in technological development and advancement of productivity.

The basic historical condition for this pattern of urbanization in the Third World is that after the colonial policies, neo-colonial and imperialist policies have continued to restrict this World's production to agriculture and the latter to primary, unprocessed or semi-processed commodities. Industrial activity has not been conducive to technological development and higher potential for involving the majority of the population in higher productivity. Those disadvantaged in agriculture have been attracted to industrial commercial and service sectors largely as unskilled workers. Thus in Third World countries urbanization has not been associated with industrial revolution which induced structural change and development in the West.

This divergence of Third World urbanization from Western urbanization calls for caution when attributing causality to urbanization. The quality and impact of urban areas and institutions on the rest of society derive from their nature as "subsystems" of total systems. As such an urban area can be equated with "a settlement unit" and not an independent variable to be expected to transform the entire system. Thus in the historical conditions of the Third World it is a mistake to attribute to urban areas the potential they do not possess towards transforming the rest of the country. In the Third World the whole country has been shaped and moulded by the penetration of disruptive external socio-economic and political systems.

Therefore, the urban area is not necessarily a change inducer in the Third World even if it was in the different circumstances of the developed countries. In the Third World the urban areas serve to indicate the societal disturbances that have taken place. Thus, to evaluate accurately their distinguishing characteristics and potential for promotion of freedom and development, one must investigate the conditions of underdevelopment which characterize the Third World countries

of which the urban areas are only a part in a whole. (McGee, 1971 : 13).

IV

Even then, one should note that the evaluation models of urbanization which have been devised to fit Western societies are unfit tools when applied to Third World urbanization. The rural-urban continuum models are a case in point. They ignore fundamental differences when they come to evaluate how the behaviour of rural-urban migrants influences urban life. Comparisons that disparage the rurals as gullible in contract to urban sophisticates and rogues are inadequate in the context of Third World societies. Precisely because in these societies inception of urban life is associated with systems of colonial exploitation and oppression in both town and country.

The rural people migrated into urban areas in order to meet the demands of colonial taxation. They met foreign townsmen with their prejudices and exploitative wage - labour system. Thus the issue of sophisticated indigenous initiators of towns, who increase naturally together with deviant characters as against naive and backward immigrants who come to swell their ranks, does not arise except in a minority of cases. And after the countries' independence, rurals come to town generally on kinship bases as they seek employment. Thus applied to Third World urbanization, the rural-urban continuum model is bound to be purely abstract and unable to explain reality. It loses its validity as a tool for investigating the causality of urban problems, since it has to be modified every time it meets a concrete case to be explained.

One must at the same time avoid single explanations in assessing Third World urbanization. Even the use of a model of the "colonial city" or the "post-independence city" must admit of historical variations indicative of the various impacts of the preconditioning systems (e.g. German, French, British, Dutch,

Portuguese).

Taking that in stride it can be argued that the fact that a significant per cent of urban population has a rural component implies two things. First, that the majority of the Third World cities are going through a period of ruralization which is blunting rather than sharpening the distinction between rural and urban. (McGee, 1971:53). Second, that "it is unlikely that these differences will ever sharpen as greatly as they were in the West, because the improvement in the technology and communication (extension of roads, education, radio and film) means that aspects of urban society can be extended into rural areas". (ibid.)

V

That being the state of affairs, two major perspectives are to be recognized by urban management activities for the promotion of freedom and development in the Third World. The first one is the pressure factor. What socio-political analysis has characterized as the revolution of rising expectations in the Third World is most in evidence in the urban areas. There is a high rate of political demand as mass participation increases awareness. Aspiration levels are increased through more education and politicization. The side effects of this include increased political discontent and protests punctuated by violence. (McGee, 1971:64;ibd. 1975).

The pressure thereof is abetted by the fact that while population growth is increasing fast, there has not been a corresponding economic growth capable of providing enough employment opportunities. There is thus a persistence of marginal levels of existence, unemployment, underemployment and overcrowding, as well as inadequate housing for the majorities.

The second perspective is that, notwithstanding the revolution of rising expectations and its not being satisfied, there is in general no revolutionary activity in the urban centres of the Third World. This is partly due to a persistence of pre-capitalist

or traditional economic systems which inhibit the undertaking of revolutionary change. These economic systems which are characterized by low productivity and underemployment provide a sense of employment to the population in the labour - intensive activities available in the tertiary service sectors. Labour is underutilized. The capital intensive sector has high productivity, but its employment possibilities are limited by labour destroying innovations. Government employment (bureaucracy) tends toward labour - intensive practices largely in the services industries sector where employment possibilities are greater while the returns are smaller. This leads to a state of "shared poverty". (Wertheim, 1964: 165 - 181) or "subsistence urbanization. (Breese, 1966).

Thirdly, due to tertiary sector employment of the majority of the urban population, high levels of population in the modern sector lead to an impoverished populace and an explosive lumpen proleratiat. (McGee, 1971: 75 - 77).

VI

How then, should one go about solving these problems through urban management with a view to promoting freedom and development? One finds that attempts to answer this question have been influenced by class interests and attitudes. It is the class of those who could afford higher and technical education and training, who took up the responsibility to device ways of solving urban problems through urban management and planning. And they invariably applied their analytical tools and technical know-how with class biases. (Mchan, 1979).

Planners have worked according to the desires of their employers, the better off people, who think of solving urban problems in terms of creating comfort for themselves. For example, making certain areas of concourse fashionable. They tend to forget the needs of the poor majority. And this has not only characterized the urbanization of the developed countries but

also that of the Third World countries. (Stretton, 1978). With respect to the latter, class bias during colonial days naturally sought to accommodate the colonial officers and the settlers' penchant to segregate themselves in "whites only" **(uzunguni)** mansions and gardens, in low-density areas. After independence and the departure of the colonial officers the indigenous political petty-bourgeoisie and bureaucratic bourgeoisie have stepped into their shoes and carried on the trend. Witness the mushrooming in Third World cities of fashionable high class hotels and snack-bars whose expensive services put them beyond the reach of every Tom, Dick and Harry. The planner plans for himself, his political supporters and the bourgeois class in general. He plans for the businessmen and civic leaders who sat on commissions. The plans reflect their vested interests, cultural values and biases. They are far from satisfying the urban community requirements. (Gans, 1969 : 368 - 370).

Another trend is that the planners who are supposed to render town and city life attractive, turn into unimaginative technocrats who fail to cater for the diverse and various needs of human life. This amounts to depriving the people of the freedom they need to plan their lives for themselves. (Pahl, 1972: 86; Hall, 1975: 78 - 80).

At times social planners suggest social arrangements that leave the real problems untouched - let alone solved. They for example advise renewal of the physical environment of the urban poor. But this does not eliminate the problem of poverty itself. For this problem "is largely the result of the distribution of power in society and this distribution is preserved by powerful interest groups and finds expression in spatial and physical terms in the city". (Pahl, 1972: 86).

The solution of such problems calls for a change of the priorities of planning policy. (DeChiara, 1975. In the first place in order to promote the values of freedom and development, planners must plan for <u>people</u>. In this connection, they must

inquire into the people's life styles, their wants and the problems they need to have solved. This means that planning must cater for the needs of the different components of the population planned for. The planner must look into their salient problems whether they be financial or familial or both, identifying the people who suffer the problem and planning how best to relieve them.

Thus, planning must be user-oriented. Its purpose is the people, not the planners. Secondly, planning ought to see to it that those who get fewest benefits in one sector should be compensated for it by getting most benefits from another sector. This should be the appropriate rule in planning the private and public sectors. Thirdly, the plan must primarily concern itself with the people's established needs of the present day rather than with probable future needs. (Gans, 1962, 1967, 1968)

Some of the priority goals to be planned for are explicit while others are implicit. The explicit ones include: economic growth rate; modern transport network; and a minimum standard of living which is above poverty line. The implicit ones include: more choice for the better-off and fewer constraints placed on the poorer sections of society. (Gans, 1968:90).

In this context the planner's duty is to influence urban policy in the right direction by objectively advising the elected and appointed officials and providing them with recommendations and technical information on current decisions. This plan should aim at promoting popular participation, to enable people not only to take part in making decisions about the physical environment, but also to take responsibility for the values implicit in planning decisions.

That is where apt institutional arrangement should come in. [Banfield (ed.), 1969]. Effective participation for efficient urban management is aptly associated with good division of powers. The latter is defined as "a governmental arrangement with the objective of distributing various segments of public authority in various ways for the purposes of assembling and restraining power for some

given ends". (Wood, 1959: 241). This principle is violated when for the sake of emphasizing administrative control freedom to participate meaningfully is curtailed; when government in urban areas does not possess sufficient competence of a generalized nature to make meaningful decisions and to develop a vigorous process; or lastly when there is accommodation of low levels of popular participation and disintegration of party structures. (Wood, 1959: 247 - 248).

VII

This paper set out to identify the major contextual issues in urbanization and urban management. Having provided an activity - based precizing definition of urbanization and urban management, the paper has pointed out that urban management is subject to a social morality that seeks to build ideal community based on cooperative improvement of the life of the urbans, in terms of values that are at once humanistic, material and spiritual. It has shown that in this context the major issues have been the misconceptualization of "community" and "opportunity" and their relationship with promotion of freedom and development for all.

Further contextual issues have been shown to arise from using the "similar path" theory to explain Third World urbanization problems as analogical to those that characterized Western urbanization, and as necessarily subject to model's of problem analysis and solution that assume circumstances similar to those of urbanization in Western societies. In this connection the paper has shown the inapplicability of the rural-urban continuum models of the West in explaining the Third World urban centres potential to induce structural change and development, bearing in mind their different historical conditions.

In view of all that, first, the paper has drawn attention to three major perspectives that should imbue urban management activities with a better insight into the best way to promote Third

World urbanization as a condition for fostering freedom and development. The perspectives comprise seeking solution for the pressures arising from the revolution of rising expectations that lead to marginal life for the majority; the lack of revolutionary activity that leads to "shared poverty" or "subsistence urbanization"; and tertiary sector employment which leads to the burgeoning of a dangerously irresponsible class.

Second, the paper has suggested that the solution of these problems lies squarely upon urban management's appropriate utilization of the planning capacity and political institutional structures in the urban areas. With respect to the former, there is a need for adoption of an order of priorities. Planning policy should abandon catering for minority class interests in favour of planning for the majority, for the people, for community and opportunity, for freedom and development properly so-called. Regarding proper political institutional structure, the hall-mark should establish a balance between control and freedom of participation, developing municipal government competence, and promoting cohesive party structures that foster popular participation.

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CHAPTER TWO

THE HOUSING PROBLEM:
A Conceptual Portrait of An Aspect of Urban Management

By
A. A. F. Massawe

Introductory Note

In this chapter, a broad examination is made of housing issues and the reasons for government interventions in housing markets. An attempt is made to set housing into a wide socio-political, economic and legal context because it is the author's view that "housing" as a subject area reflects all the strengths and weaknesses of a society.

As Barbara Ward rightly puts it, if a wealthy nation does leave any of its citizens in poor, unhealthy substandard housing, the issue is one of choice, not necessity. It means, according to her, that government and people alike have not given the provision of homes the attention and priority which, in justice, in humanity, in dignity and compassion, they require.[1] Housing therefore is not an "industry" which can be analyzed simply from an economic viewpoint. If housing is restricted in this way, it degenerates into a study of a commodity like "hotel rooms" which can be considered in terms of short-run equilibrium prices. If it is viewed too much from the legal side, it becomes little more than a catalogue of statutes, and their interpretation through case law. A sociological approach is equally one-sided as costs are neglected and the possibilities of satisfactorily enforcing good practices by legal methods are seldom considered.

Housing appears by its nature to be a subject for which an intra-disciplinary approach to study is essential. Before discussing the housing problem, it would be appropriate at this stage to look at housing and the different schools of thought.

Housing and the Two Schools of Thought

If it be sensible to refer to the housing problem it is because a shortage of dwelling space appears to be so inevitably associated with both economic growth and progress towards a more socially just society. The shortage which have arisen during periods of economic growth have been well documented[2] by economic historians and their magnitude and periodicity have been examined by economists[3] whose major interest was in trade cycles rather than housing. In more recent decades with the growth of government interventions in housing markets, the focus of interest has shifted from cyclical studies to an examination of the influence of income distributions and the operation of the filtering process.[4]

The earlier trade cycle studies tended to emphasize the physical aspects of supply; existing stocks and the annual flow of new construction occupied the centre of the stage while the very heterogeneous flows of population from one household unit to another and from one income category to another tended to be treated as a rather ill-defined back cloth to the more measurable changes in physical stocks. In contrast, income-distribution studies tend to treat the physical stock as a flexible resource which can be divided into a multitude of different dwellings of every varied standard, in accordance with the demands generated by the constantly changing locations and incomes of the population.[5]

These two approaches represent different concepts of the way in which housing markets operate and constantly reproduce shortages. Trade cycle models, and their modern equivalent the credit cycle, conceptualize "housing" as a physical entity very much like other tangible goods which are subject to the laws of demand and supply, and the major characteristic of the housing commodity is given as its high capital costs of production relative to almost all other consumer goods. An important secondary characteristic is the physical limitation on the supply of land, which reinforces imperfect market conditions and gives rise to the payment of monopoly rents. In these models, variables identifying

credit availability and rates of interest play a dominant role in determining supply costs and bringing supply and demand into equilibrium.

Given this concept of housing markets, it will be obvious that if credit is restricted for any reason, the supply of new houses can be expected to fall and the scale of existing at going prices to become more difficult. The availability of credit may be regarded as a barometer of the internal health of an economy and the external shocks to which nations are subject. Thus, if an economy has been experiencing a period of rapid economic growth which has led to rasing employment, profits and wages with a consequential deflection of goods from exports to home consumption, interest rates may rise in adjustment to a balance of payments deficit and thereby restrict house-building activities. Wars, which traditionally impose a deflection of credit availability as governments increase the quantum of national debt, also have immediate and constricting effects upon house construction.

Econometric studies of housing starts, interest rate movements and aggregate credit supplies have shown that there is a close association between credit availability and house starts. It is from these studies of housing markets that the links between increasing local economic activity can be observed, and increases in demand for dwellings via increases in wages and profits. Increases in demand cannot be expected to correspond exactly with the start of a trade cycle "upturn", since rising wages must be fully established and some migration occur before rising demand for more, and better, housing space begins to manifest itself in an increase in effective demand. When the moment arrives, builders respond by increasing house starts and incidentally increasing demands for labour in the expanding locality. With the passage of time, economic variables change; the development of new factories comes to a halt as supply outruns demand for the output of the manufacturing sector and/or interest rates rise to intolerable levels. At this stage in the trade cycle, the supply of new houses

will start to fall well before all the housing need generated by the original and migrant populations of the expanded locality has been met.

This gloomy picture of the way in which housing markets operate explains why the housing conditions of the urban working class deteriorated during the century following the industrial revolution. The growth of housing shortages was not due to a particularly low average rate of building, but to the fluctuations which occurred in the trade cycle. The downturn of a cycle caused bankruptcies amongst builders and houses could only be sold at reduced prices which could not cover the costs of construction.[6] In free market situations there was a tendency for peaks to occur simultaneously in the number of vacant properties and the number of households which were overcrowded.[7] The overcrowding was caused by the sudden drop in the incomes of wage earners and the high vacancy rates were a symptom of the imperfections of the market. The "stickiness" of rents has been discussed by Turvey[8] as an aspect of rent determination in profit-maximizing market situations; it is also important in connection with the very considerable imperfections introduced into housing markets by discrimination in favour of tenants able to produce references attesting to the rent-paying ability and other desirable social characteristics.[9]

Turning now to the second concept of housing markets, we start, not with a house as a physical structure of bricks and mortar, but with "housing" as a collection of intangible legal rights which give access to land and the buildings, or parts of buildings thereon. These rights of occupation are saleable and each individual in society has either an indirect or a direct natural right (a right by virtue of absolute physical necessity) to occupy some land however small. (An example of an indirect right is that which is available to children as a result of the duty falling on parents to support their offspring). The value of the security of a legal right to occupy a piece of land depends upon the income and wealth of

each purchaser and shortages are caused by unequal distribution of incomes, which in extreme conditions means that some people have no income, and others have barely enough for the smallest and most inadequate forms of shelter.

In this model of the major characteristics of housing markets, the cause of housing shortage is found not only in the maladministration of incomes and wealth, but also in legal ignorance. For the great mass of any national population, "law" and custom are hopelessly confused; illiterate people may migrate from ancient village settlements where each individual obtains shelter by well-established social usage to modern urban settlements in which custom no longer holds sway and the acquisition of legal forms of tenure are beyond their reach, not only because of poverty but also through illiteracy and general ignorance. The populations of shanty towns and squatters' enclaves in developing third world countries are examples of the great social problems which arise when property ownership and occupation rights are not available to a large substratum of society.

It will be clear that while these two concepts of the housing market are profoundly different, they explain the same phenomenon of housing shortage. In the "physical" concept, changing money incomes play an important role in determining changes in demand; in the right to occupation concept, it is recognized that income distributions change over the trade cycle and, at the crest of each cycle, the dispersion of incomes is more favourable than at any other time, and higher incomes and full employment generate effective demands for the subdivision of land and the construction of additional dwellings. The two schools of thought therefore use the same variables and reach much the same conclusions with respect to the analysis of markets. However, they differ considerably in terms of the policies they recommend for overcoming the shortages which are the outcome of their respective models. On the whole, the supporters of the physical model think that shortages may most readily be overcome by (a)

the removal of fluctuations in the price and availability of credit and (b) a reduction in market imper-factions such as monopolization of building materials, production, unionization and limitation of skilled manpower, and the reduction of barriers to the acquisition of land.

The "right to occupation" school stresses the importance of (a) re-distributing incomes and wealth, (b) the introduction of legal forms of protection (e.g. statutory statements of tenants' rights, rent controls, the establishment of a public health housing inspectorate), and (c) the provision of dwellings by non-profit making institutions.

Like so many pupils and academic controversies, these two views on the causes of housing shortages appear on close examination to be like the opposite sides of the same coin. If the whole is to be understood, both sides must be taken into account. In a sense, the "right to occupation" approach is superior to the "physical" approach, because it contains with the model the social objective of providing adequate housing)hence an adequate income and adequate tenancy laws) for everyone; the "physical" approach only explains one of several reasons why this objective has so far been unobtainable.

1. Definition of the term "Housing"

The magnitude of the housing problem in developing nations has generated a great deal of interest on the part of Governments for a comprehensive set of housing policy guidelines. However, there appears to be no general consensus on the meaning of the term "housing". The United Nations is giving Housing Policy Guidelines for Developing Countries has given to housing the meaning given to it by various international institutions.[10] It is "the residential environment, neighbourhood, micro-district or the physical structure that mankind uses for shelter and the environs of that structure, including all necessary services, facilities, equipment and devices needed for the physical health and social

well-being of the family and the individual".[11]

An **Ad Hoc** Expert Group convened in 1962 by the Secretary General at the request of the Economic and Social Council stated that "housing" is not 'shelter' or 'household facilities' alone, but comprises a number of facilities, services and utilities which link the individual and his family to the community, and the community to the region in which it grows and progresses".[12]

In 1970, another **Ad Hoc** Expert Group on social programming of housing in urban areas concluded that "In the fulfillment of social needs, housing plays, both a direct and indirect role, and both roles are decisive. In its direct role housing serves as the area where the individual becomes capable shelter and protection against hostile physical forces and disturbances. In its indirect role housing serves as the area where an abundant supply of social relationship and services are accessible, such as places of social intercourse, education, recreation, sports, social welfare and health protecting services, shopping and transportation".[13]

At the Interregional Seminar on the Social Aspects of Housing, held in 1975, it was reiterated that "the concept of housing is more than merely a physical shell. Housing encompasses all the ancillary services and community facilities which are necessary to human well-being. Therefore, community facilities, social amenities and services form an integral part of the housing concept and should receive equal or greater attention than the housing unit itself". What then is the "housing problem?"

2. Conventional Housing Problems

The "housing issue", "the housing question", "the housing problem": these terms and many more are bandied around freely by the providers of housing - the central government, local authorities and housing associations - and campaigners for improvements and reform alike. They indicate, perhaps, only one

thing: that despite all the concern and all the promises of recent years, there is still a housing issue/question/problem. Certainly, the mere fact that everybody uses the same terms should not be taken as an indication that there is a unity of view about the solutions needed, or, less ambitiously, about the paths towards those solutions.[14] To most people, the housing problem is that there are not enough houses to go round in the right place at the right cost in the right condition. That to most people is the extent of the problem, the question then being "how do we solve it?"[15] At first glance, it would seem obvious that this definition of the problem is what it is all about. George Haw,[16] for example, had this to say ...

> *For the first time, then, in the history of cities we seek skilled and sober workmen with good jobs, who are willing to pay even a high rent, failing utterly to find houses at any price, and finally sheltering their families behind workhouse walls, with an offer to bear the cost of their keep, rather than bring them under the contaminating influence of the common lodging-house.*

Obviously, the lack of houses in the right place is a problem, but the concept is incomplete. This is so because, equally, the constraining nature of the traditional political concepts is also a problem because it affects one's suggestions for solutions. There is also another whole classification of problems which is vitally important to any discussion of action designed to solve, either in part or in whole, housing problems. These could be grouped under the heading "quality of life", such as poverty and alienation. So I would like to divide the following discussion into three headings - (1) General housing problems, (2) Political/Policy Problems and, (3) Urban renewal problems. I treat urban renewal

problem separately because it embodies all the elements which will be discussed in the other two headings and it has evoked quite a controversy.

(a) **General Housing Problems:**

The housing problem should be considered as one aspect of the general problem of poverty.[17] And the proposition from which I start is that it is the duty of a civilized state to lay down certain minimum conditions in every department of life, below which it refuses to allow any of its free citizens to fall. The exact level at which the standards should be set is naturally different from country to country. It should be higher, of course, in those that are rich than in those that are poor. But everywhere, some system of standards should be set up, and the lapse below any one of them should be made the occasion of intervention by the State or public authorities. This should be so with housing. For this position a good defence can, in many instances, be made upon grounds of economy; for expenditure of State moneys, so arranged as to maintain the efficiency of the poor, may often be profitable expenditure. This is no more than the acceptance in fact of the compelling obligation of humanity. So by State intervention, I do not mean the use of criminal law but that the State should intervene and assist this man not to fall below the required minimum standards. If therefore we look at the housing problem as an aspect of poverty, we could conclude that nobody would like to be homeless, or to live in insanitary conditions if he could afford not to.

If this much be granted, the next step is to inquire into the general conception of a minimum standard in its special application to housing. This task is not so simple as it seems; for satisfactory housing accommodation is a complex conception, involving several elements. How do we measure sub-standard housing? Because housing quality encompasses both subjective (attitudinal) and objective dimensions, it follows that information used to assess

housing conditions ought to be multidimensional. The first has to do with structure and repair of individual houses. Dilapidated houses, houses that are not rain-proof, houses in which the sanitary arrangements are inadequate, houses so made that there is no proper means of ventilation, do constitute a housing problem. This has been better described by St. Clair David when talking of de Jesus, whose book he translated. He says:-

> *When it rained water came in the roof, rotting her one mattress and rusting the few pots and pans. There was a sack over the windows that she'd pull for privacy and late at night she would light a small kerosene lamp and cover her nose ... to take away some of the stench.*

So this is a housing problem consisting of poverty and bad housing conditions.

Another housing problem has to do with overcrowding of rooms. The overcrowding concept implies a standard which specifies the ideal number of occupants of a housing unit according to the space which is available. Hartman has this to say[19].

> *There is reason to believe that the effects of overcrowding on mental health in family life may be more than the effects of physically substandard conditions, and that we ought to devote more effort to ameliorating the housing plight of families overcrowded in physically separate units. Among the more serious effects of overcrowding are increased stress, poor development of a sense of individuality sexual conflict, interfamilial tensions and*

> *lack of adequate sleep, which contributes to poor work and school performance.*

This statement needs to be qualified however. Substantial cultural valuations exist with respect to housing and life space which people are socialized to expect. In some Asian cities, there is a great deal more tolerance for living in close proximity to others than exists in Western cities. Both mental health definitions and social relationships are largely culturally determined. The overcrowding concept, too, appears grounded in the individual culture. Culture, however, is real and cannot be changed in the short run.

To say that overcrowding standards are culture-bound, however, should not imply that we can safely ignore the adverse consequences of substandard housing within any culture. Therefore, overcrowding has to be prevented. To prevent this, whether the threatened overcrowding be due to too large a family or to too small a house or to the taking in of lodgers, direct legislation is necessary. In Sykes' words, what is required "can only be done on a sufficient scale by statutory definition of overcrowding of cubic space". He adds, giving his own view of what this definition should be - "nothing short of 400 cubic feet per head for adults will be satisfactory, although it may reluctantly be reduced to half of the amount for children under ten years".[20]

Of course policy will vary from country to country and will be determined by economic constraints and culture. However a policy on these general lines is possible and would be beneficial to the developing countries. Such a policy was in fact being pursued by the then London County Council by 1913 in respect of houses managed by them. They had a rule that, among their tenants, "the standard of two persons a room must not be exceeded by more than one child under three years". Annual inspection secures that a change shall be made when natural increase passes beyond these limits; and lodgers can only be taken in with the Council's

leave.[21]

When the above conditions are satisfied, there is still another problem. If one walks through an ordinary town today, it is obvious that the arrangement and external form of the houses leaves much to be desired. One sees, for instance, a great number of buildings frequently huddled together, stretching in long rows of dismal sameness, with narrow streets and no green spaces. Housing arrangements is not merely a matter of aesthetic sense of a few superior persons. It is a matter of the character and of the health of the people as a whole - a matter in a way even more significant than the internal arrangements of factories, because, it affects not the workers only but also their young children. Make your town sufficiently hideous, sufficiently congested, sufficiently void of open space and grass for children's play, and you go far to write, for character and for life, over the gate of it: "All hope abandon ye who enter here". This is because life will be very miserable for the children and they will not grow naturally.

A major part of today's housing problem is that even where people are adequately housed, they are desperately unhappy, they feel no sense of belonging.[22] This mostly caused by slum clearance or urban renewal which will be discussed below. Alienation, then, is as much a problem of housing today as are conditions; and those whose sole perspectives are concerned with conditions do nothing to get to grips with this problem.

When we look at the high flats, Jephcott,[23] tells us that, however administratively convenient, high flats are notoriously expensive. Another of the recognized social disabilities in the high flats is that it is excessively self-contained. It has none of the hand neutral areas, doorstep, yard or garden, which help people build up their dossiers on each other without necessarily exchanging a word. It is blind in that its windows afford no two-way link with the outside world. This turns the block and estate into eventless places, short of those goings-on of life that tempt people out of their homes, gives them shared interests and help them strike up

acquaintance should they wish to do so. The pattern of this new form of housing is alien to what psychologists say is necessary for the study proper growth of a small child. To quote Barbara Ward[24] -

> *There is the widespread revulsion against large, what one might almost call cataclysmic housing - the tower blocks and high rise barracks built up in areas razed clear of any past buildings or even associations.*

In fact, Lord Woolton had earlier said of them[25] that -

> *These houses were good and local authority was proud of them, but the population was miserable. We have learned much since then. New estates must not be confined to housing people. They must be communities within community-life. They must be places to live, places to work and places in which people can get their recreation.*

Even when houses are available and meet the required minimum standards, there still may be some who, if abandoned to their own unaided efforts, cannot afford to purchase that quantity and quality of housing accommodation which the general judgement of the country declares to be necessary minimum: they are unable, in fact, to offer enough rent to induce builders to provide them with respectable dwellings. Where this inability is absolute, then this should be the case for State action. Inability to afford the price of decent housing arises, at least in part; from the fact that the ill-housed workman's income, however well it may be expended, is insufficient to give command over the various sorts of minima which we deem it proper he should attain. This is the dominant difficulty with which housing reformers are faced. This

is a housing problem. And as Rowntree, B. Seehobm says[26] -

> *It is disastrous to the nation as a whole, that many of its workers, should be unable to pay for proper accommodation, nor can it ultimately benefit the employer.*

Critical is the fact that houses are large, complicated, durable and consequently expensive. No simple cheap method has been found to house people. As a result the amount of capital and resources embodied in a house is very large compared with its daily output of shelter. Houses tend to be extremely durable. Unless considerable care is taken with the planning, future generations will live with the results of current mistakes. Durability also means that the ratio of current production to the total existing stock is small. The large capital investment needed for new dwellings creates major difficulties for both governments and individuals. At the overall level since the amount of resources expended on residential construction is high, there is direct competition with many other types of vital investment. "At the family level, if in any period a household is required to pay currently any large share of the total capital cost of the building in order to obtain shelter, it may have very little income left for the necessary consumption of other goods. To make room in its budget for other goods considered more necessary or desirable, a household may choose housing which is sub-standard. As a result such families run the risk of both physical and mental ill-health.[27] Thus when assessing future needs the question is not merely whether new houses are of an adequate construction (which can be decided on the basis of a broad estimate of life), but also whether they provide sufficient space both within and outside for needs which can be expected to become effective demands in the foreseeable future. This question of future needs and standards is complex, but clearly it is one which, given the long life of houses, falls within the scope of government responsibility.[28]

These are what I would call the main or rather more conspicuous aspects of the conventional housing problem. There could be many more, depending on one's viewpoint or stand. But the point that I want to make is that even if all those conditions above are met, still our treatment of the subject will not have satisfied the requirements of the definition(s) of "housing" given at the beginning of the chapter. Housing must be planned in such a way that it meets human needs.[29] The house to be adequate, for example, will have to shelter the "terminal" facilities for the "transportations systems" by which the townsman receives his food, water, fuel, clothes and medicines and disposes his wastes.

(b) **Political/Policy Problems of Housing:**

It is not intended, in this treatment of the subject, to go into the political economy of housing as this will be touched upon throughout the discussion. I intend to state however that a general belief exists that despite the importance of housing, both the tools and the application of economic analyses in this sphere have lagged. Most countries have large, complex and expensive housing programmes and policies. A tremendous need exists for a better understanding of what these programmes are accomplishing or failing to accomplish. There is also a critical shortage of knowledge as to how to improve them.

Most housing policies have been built up on an **ad hoc** basis from decisions accumulated over a vast number of years. In some areas, rent controls adopted to meet the emergency conditions of World War I are still in use.[30]

It is necessary that every country should have a clear cut policy on housing. Indeed, there cannot be one policy for all countries. So the question is what policy or policies is it desirable to pursue in order that the minimum standard of housing accommodation, which we adopt in theory, may also be attained in practice? The answer that I can honestly give is that we should adopt policy that is relevant, at the right hour of the day, to many

forms of minimum standard and the beneficial influence of which is open to no dispute. Education, sympathy and guidance by the authorities may often enable the poor, without any additional expense, to greatly improve their lot.

(c) The Political Economy of Urban Renewal[31]

Urban renewal has been broadly defined as -

> *The total of all the public and private actions which must be taken to provide for the continued sound maintenance and development of the urban area.*

It has also been more narrowly defined as -

> *A comprehensive term referring to a combination of public and private activities to eliminate and prevent urban deterioration, blight and slums.*[32]

I think there are four aspects which seem to offer minimal elements of a definition of urban renewal:-

1. Urban renewal comprises three kinds of activity:
2. Renewal can be effective only if the three activities are conceived as parts of a combined operation, with the respective activities undertaken simultaneously, as may be appropriate in the various parts of the city or of the urban area.
3. Urban renewal is a part of a larger process, by which the human environment is continually transformed and social capital is accumulated in urban areas and other settled areas.
4. Urban renewal should be conceived as a comprehensive activity designed to counteract functional obsolescence of the urban structure as a whole and of parts and elements of

it, and to revitalize continually all elements and parts of the area.

The term should be reserved for an activity that offers valued objectives, an area-by-area tactic for dealing with the parts of the settlement and the idea of a co-ordinated process constituting a long term strategy.

What are the economics of urban renewal? Martin Bailey[33] says the economics of urban renewal has the following clear (and unexpected features): (1) There are two ways, equivalent in principle, to measure whether a proposed urban renewal project (or zoning restriction) is economically justified: it is justified if (a) the price of comparable property is higher in the area of preferred use or if (b) the sum of changes in property values at and around the boundary between uses will be positive if conversion is made toward the preferred use - due allowance being made for costs of conversion in both cases if renewal is contemplated. Another writer adds that an "inferior" type of land use, especially one that causes a nuisance to surrounding property(ies), should be allowed to expand whenever the price level of comparable properties within areas of that use is higher than the price level of comparable properties within areas of other uses provided that the intensity of the nuisance depends only on the distance from the boundary.

Therefore a project should be undertaken if it is expected to be "profitable".[34] This is an economic approach and hence narrow when compared with the definition above.

To a degree, slums provide a type of commodity that is desired by the poor households - low quality, low quantity housing. As a first approximation, slums represent an economically efficient way to produce this commodity. Elimination of slums by large scale demolition would interfere with warranted response of market. It would generate not benefits, but costs on balance, even if none of costs of elimination are considered.[35]

Slum elimination can be considered to produce gross benefits only if slums represent efficient market response. It has been argued that substantial externalities and "artificial", socially questionable incentives in the housing market tend to bring about the particular type of land use known as a slum in contradistinction to simply low cost housing. Therefore, the slum may not be an efficient market response at all. Moreover, the existence of a slum, however brought about, may engender important social costs to society at large. For these reasons the elimination of slums could well produce benefits. The desirability of eliminating them is measured, of course, by comparing these benefits with the real costs of bringing them about. The redevelopment type of project under the urban renewal programme is one way of eliminating slums.

However, there are alternative to re-development for eliminating the sources of inefficiency in slums. Such alternative policies would either prevent slums from forming, or help them to be transformed, or aid in mitigating whatever social ills they generate. Thus rehabilitation, spot clearance, code enforcement, credit and tax policies, and income supplements to the poor, may also contribute in producing benefits of this sort.

As early as 1937, George Orwell found disturbing evidence that slum clearance in English cities disrupted many cherished features of personal and communal life. He noted -[36]

> *When you walk through the smokedim slums of Manchester, you think that nothing is needed except to tear down these abominations and build decent housing in their place. But the trouble is that in destroying the slum you destroy other things as well.*

What should be done is that care should be taken that there should not be a divorce between problems and solutions for this

will lead to controversy. There has been considerable controversy over rehabilitation versus urban renewal. Much of the controversy appears to be due to different focusses of attention. When Lionel Needleman[37] drew attention to the weaknesses of a subsidy system which led to widespread demolition, he was stating little more than the ancient truth that every economic decision should be taken in the light of local circumstances and current factor prices. The subsidy system limited the range of choice open to local decision-makers largely because subsidies were given for "slum clearance". Local authorities therefore had an incentive to renew rather than to rehabilitate buildings.

It does not follow from this, however, that there is inherent conflict between rehabilitation and renewal: on the contrary, it suggests, as it has been pointed above, that both options should be used where appropriate and that "appropriateness" must be judged by both economic and social factors. The measurable economic factors are the influence of interest rates on decisions to invest in assets with varying life spans and the relative costs of renewal and rehabilitation. The social factors are less easily measured, and these will be discussed subsequently.

Social Effects of Urban Renewal

The renewal law, according to Charles Abrams,[38] has virtues as well as vices, and the vices exist largely because the measure is actually a half-measure. What the programme needs is amplification, not abolition, a complimentary housing programme to make it workable, and an enlargement of its basic concept to do what its name implies. What Abrams is saying is quite obvious, but that is not the question. The question is whether his exhortations have been followed. Much of the existing literature[39] highlights the permanently destructive effects housing and redevelopment schemes can have upon those communities affected by them. Long established patterns of friendship and familiarity between neighbours are upset; ties of families and kinship (which,

for many, still play an important part in solving the problems of daily life) are broken; sentiments of attachment and loyalty, local patriotism based upon family histories and personal experiences over a long period, and capacity to identify closely with both a neighbourhood and its people are shattered and are not easily, if at all, recreated.[40] Talking of experience in America, Herbert Gans[41] says that none of the slum-dwellers who were dispossessed in the process could afford to move into these new apartments. Local renewal agencies were supposed to relocate the dispossessed tenants in "standard" housing within their means before demolition began, but such vacant housing is scarce in most cities, and altogether unavailable in some. And since the agencies were under strong pressure to clear the land and get renewal projects going, the relocation of the tenants was impatiently, if not ruthlessly, handled. Moreover, those dispossessed tenants who found better housing usually had to pay more than they could afford. To compound the failure of urban renewal to help the poor, many clearance areas were chosen, not because they had the worst slums, but because they offered the best sites for luxury housing - housing which would have been built whether the urban renewal programme existed or not. Since public funds were used to clear the slums and make the land available to private builders at reduced costs, the low-income population was in effect subsidizing its own removal for the benefit of the wealthy. And because the policy had been to clear a district of all slums at once, entire neighbourhood have frequently been destroyed, uprooting people, closing down their institutions, running small businesses by hundreds, and scattering families and friends all over the city. By removing the structure of social and emotional support provided by the neighbourhood, and by forcing people to rebuild their lives separately and amid strangers elsewhere, slum clearance has often come at a serious psychological as well as financial cost to its supposed beneficiaries.

Taken as a whole urban renewal has not been very successful. The effect of urban renewal programme in the field of housing has been summed up by Martin Anderson[42] this way,

- more houses were destroyed than were built;
- those destroyed were predominantly low-rent houses;
- those built were predominantly high-rent homes;
- housing conditions were made worse for those whose housing conditions were least good;
- housing conditions were improved for whose housing condition were best.

With this gloomy picture, we should end the discussion by saying that there have been struggles by ordinary people to protect their communities. The debates on these issues and the increasing organization of local pressure groups against redical urban renewal programmes, have focussed attention on the vulnerability of urban structures to irreversible ecological damage and to the importance of regarding urban complexes as living organisms which should be gradually and sympathetically developed towards a more perfect state, and not subjected to violent surgery which destroys both the social and economic well-being of the inhabitants.

3. Problems and Constraints of Informal Housing:

A large proportion of the urban population in almost all developing countries lives in sub-standard housing, in areas which have ben termed squatter settlements, slums, spontaneous or unauthorized settlements. These terms describe a variety of different conditions with respect to standards of housing and services, lay-out, legal status and historical background. In this discussion, the term "informal housing areas" will be used in order to include all those urban areas that do not comply with one or more of the existing legal regulations on planning or development of residential areas.

Recent years have seen a considerable change in official and semi-official attitude towards the phenomenon of urban informal housing. There is increasing awareness that the growth of these housing areas may be expected to continue for some time to come[43] and attempts to curb this development by demolition policies only, seem to make matters worse.[44] Moreover, a large number of studies on squatter areas and other informal housing areas have emphasized their positive features.

The social scientists point out that often there exists a closely knit system of social relations in such areas; actually the very fact of their "illegality" may be considered an important force compelling the inhabitants to develop such systems. This implies a degree of social control and social organization that offers considerable potential, for instance for the mobilization of self-help groups.[46] Another aspect is that it is relatively easy for leaders of the area to mobilize political support, and powerful political pressure groups are often formed in informal housing areas.[47]

Also from an economic point of view, the informal housing areas cannot be considered merely as parasitical on the urban economy. They provide a range of job-opportunities, especially in the informal sector, and one of their main economic functions is the provision of cheap rental accommodation.

Indeed, in the present situation, a large proportion of the urban population independent on the informal housing areas for their housing needs, because they cannot afford to live elsewhere. And many of the owners of those houses are dependent on subletting for their income.

Even the physical development of many informal housing areas, especially the more traditional ones, is not always entirely deplorable. A regular layout is not an unusual feature (sometimes as a result of control of development by the leaders of the area) and, although there is considerable variation in the quality of the structures, this is not often cited by the inhabitants as the major problem of their living environment.[48] However, this does not

imply that these informal housing areas are beds of roses. They have their problems, and these are what we have to look at from both the inhabitants' and authorities' points of view.

(a) **Inhabitants' and Authorities' Positions:**

From the point of view of the inhabitants of these areas there is a clear problem of illegality. Because informal housing areas do not comply with all legal ordinances, they generally lack the usual urban services, such as good water, roads, electricity and social amenities, that cannot be provided by the people themselves. Another implication of this situation is the lack of legal security, for which reason no incentive is felt by the inhabitants to improve their houses or living environment.

But also from the perspective of the authorities it is desirable to bring the informal housing sector within the framework of legal institutions. This will allow an adequate developmental control to be exercised over a scarce item like urban land and it will make possible for the government to acquire revenue from land and business. Moreover, informal housing areas are often considered by authorities, as places rife with hazard to public health due to overcrowding and lack of services. A further important political consideration is that informal housing areas are considered a disgrace - an eyesore - and their development (or demolition) is seen as a matter of ensuring adequate living conditions for all citizens.

(b) **Scope for Development:**

Proceeding from the discussion above, it is clear that the crucial issues in the development of informal housing areas is the problem of their formalization, how to incorporate these areas into the legal framework. The decision on whether upgrading, redevelopment of an area or complete demolition and relocation of the population is undertaken depends on many factors, such as physical quality of the structure level and improvability of services, socio-economic

and political characteristics of the population. These factors have formed the basis of a number of informal housing areas.[49]

(c) **Objectives of Development:**

A first objective of development plans for informal housing areas is, obviously, to create adequate standards of living and housing. The official standpoint regarding adequacy of housing standards is laid down in the various building and planning by-laws and in the Public Health Act. Indeed, the formalization of such areas, in the sense mentioned above, means that they will have to comply with these legal regulations.

At the same time, it is essential to design a development strategy that aims at maintaining and even stimulating the positive features of these areas. Therefore, the development should be directed towards the income level and the priorities of the present inhabitants, i.e., the low-rent character should be maintained and income-opportunities (e.g. in the informal economic sector and income from subletting) should not be diminished.

Moreover, the inhabitants should be given the opportunity to take an active part in the improvement of their own living environment. By doing so, they can contribute to the maintenance of the existing community. Even though full cooperation of the inhabitants is unlikely in all cases of development, it should be realized that if all developmental input has to come from outside, there is good chance that the community will be disrupted and development plans will not be realized the way they were intended. In addition, the public funds available for low-cost-housing are limited. Therefore, measures should be taken to stimulate and assist private investment by the residents, both in terms of labour and capital. Although this approach has been strongly criticized elsewhere, by different writers,[50] I think this is the best approach. Such measures would be -

1 - to provide some security of tenure to the house-owners, both as an incentive for the individual

owners to invest in their houses.

2. - to develop a loan system that is accessible and suitable to the needs of the often diverse group of house-owners.

3. - To promote the realization of self-help potential through community development programme (which will be discussed below).

(d) **Building Standards and Materials:**

The first objective of development is to ensure adequate standards of housing for the inhabitants. **But what is adequate?** Since we are normally dealing with a poor population, it is clear that cheap/affordable housing is a prerequisite of adequate housing. Studies on housing preferences of inhabitants of these areas show that the price is crucial, and that the physical quality of the house itself is considered less important than the space around the house and the availability of services such as water, roads and street-lighting.[51] It is often asserted, however, that government building regulations do not allow people to build the cheap houses they want and that is the major constraint on appropriate development of these areas.

Housing construction materials represent about 65 percent of the total construction costs in developing countries. This is considerably higher than in developed countries. A variety of measures can be considered to increase the quantity and quality of locally produced materials and to contribute to local employment, as well as to decrease dependence on imported materials. The acceptance of lower standard in minimum housing programmes generally contribute to this end. Building material industries using labour-intensive techniques can be encouraged by such measures as technical assistance, and credit and demonstration projects.[52]

(e) **Urban Land Use:**

Urban land, land use and land availability are indiscluable from questions of urban housing, particularly in the Third World., It is here that the greatest numbers of people are living at the lowest income levels and in areas with some of the highest land values, so that only by comprehensive changes of priority will it be possible to effect the scales and changes required. If planning and housing policies are to compensate for rather than re-inforce urban poverty, such changes will also be required in terms of the provisions of essential services and facilities. The scale of change can however, only occur at the structural level and not at the local or individual level, since it is the structures themselves which are the impediments to progress. By way of example, there should be ways by which the government could acquire land and then allocate it to squatters. A provision for compulsory acquisition of land would be ideal. But even where this has been the case, the procedures for an individual getting access to the plot has not been easy as it should have been expected.[53] So the procedures should be made simple.[54] Where no provisions are made for compulsory acquisition of land, then the second ideal thing to have would be **land banking**.[55]

(f) **Housing Finance System:**

The majority of house-owners living in informal housing areas lack the financial resources to improve or rebuild their houses or to pay for the provision of an appropriate level of services. Hence, they are dependent on loans from either private or public services, and conditions for obtaining such loans can often become bottlenecks in development efforts. From the point of view of the prospective borrower, there are many barriers to overcome:

1. Lack of financial resources available to house-owner occupier means both a low monthly income and lack of savings. Thus the loan should cover nearly 100% of all the costs involved.
2. Income is often irregular, or difficult to demonstrate. This, of course, applies specifically to those employed in the informal sector. Many of the house-owners are old people who are supported by their children and have no income themselves apart from subletting. In general, the important contribution of rental income to the total income of the owners also implies that, during the period of reconstruction any repayment obligation is a heavy burden. A grace period during this time may be essential.
3. The (re)construction of the house will often, at least in part make use of temporary materials. Construction in this type of material cannot generally be financed by a loan. In this case, like in the requirements for security of tenure, more realistic regulations are essential.

(g) **The Role of Community Development:**

Experience shows that a failure of improvement projects is often not so much due to the lack of legal security or a sound loan system, but rather to the lack of co-ordination between authorities and inhabitants. In order to overcome such problems, community development programmes are essential. Their purpose is to 1. assist and stimulate self-help or mutual assistance groups and improve the co-operation between government bodies, leaders and inhabitants of informal housing areas;[56] and 2. maintain and strengthen the community feeling and indigenous leadership.

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CHAPTER THREE

URBAN HOUSING: A CHALLENGE TO URBAN AUTHORITIES IN TANZANIA

By
Montanus C. Milanzi

1.1 Introduction

Housing is intimately related to every community problem. A quarter of the population of the world is either absolutely homeless or lives in extremely inadequate conditions. In the United States the number of homeless is estimated at anywhere from 500000 to three million and growing. In Canada 20000 to 40000 people are said to live on the streets. The plight of the inner cities of the United Kingdom is now a national issue. All in all housing is however a major source of revenue for local authorities; and it is also the major reason for expenditure by local authorities. It is the pivot on which turn the location and character of community facilities and services, all of them expensive to install, expensive to maintain, and expensive to change [Meyerson M., et.al., 1962: 4]. It has the most direct and profound influence on town plans and, as Conzen (Introduction, 1960: i) observes, has contributed to spectacular expansion of built up areas than has any other class of land use. Housing and slums have remained among the most baffling and complicated problems of modern times.It is no exaggeration to say that, "..so far housing is concerned, the whole world has remained underdeveloped. From Harlem to the Congo and from Peru to Pakistan, the urban worker can buy a Cadillac more easily than a good house." [Abrams, 1964: 53]

The housing problem in many Third World countries is part of general developmental problems and should be seen as such. The seriousness of urban housing conditions largely results from a policy that encourages mass rural - urban migration to a few urban centres.

Africa is undergoing tremendous structural change and one of the most striking characteristics of this change is urbanization. The process of urbanization is all the more interesting because when compared with developed countries, and even the less developed countries of Asia and Latin America, Sub - Saharan Africa has relatively low urban density. Estimates made by Davis in 1968 indicated that approximately to percent of the population of Sub - Saharan Africa lived in urban centers of 100,000 or more persons. One important aspect of urbanization in Africa is that it is fairly recent. Most of the increase has occurred during the second half of this century. The rapid rate of growth of urban centers in Tanzania can be attributed to the rate of natural increase in population due to decline of mortality rates the improved health services and the decline in fertility rates; and secondly the high rural-urban migration. Tonnies provides the polar type constructs concerning this view. The romantic view of the rural life as described by Comte to constitute man's natural habitat; and the social transformation involved in the creation of industrial urban society in the form of a polar type dichotomy [Payne, 1977: 36].

Urbanization includes not only the concentration of people and their dwellings in a relatively small and organized space but also and more particularly the growth of towns. The term 'town' is used here in its conventional United Nations meaning, namely, any concentration of over 20,000 inhabitants.

The true nature and scale of the housing problems facing major developing country towns and cities are often poorly understood. At a time when unauthorized, peripheral settlements were being transformed through the enterprising, self help efforts of their residents, government officials viewed the settlements as eyesores and cancers fit only for eradication. Demographic, institutional and especially economic factors have given rise to changes in the production of urban housing.

The major factors that have made access to housing more difficult are continued high rates of population growth, the commercialization and growing tenurial regularization of land markets, the rising costs of imported building materials, constricted supply of mortgage financing, and reduced household purchasing power. Most of those problems have long been present, but some have been aggravated in recent years by economic changes and adoption of adjustment policies. The dependence on expensive, imported, advanced technologies results in comparatively few and often inappropriate, houses being constructed; the use of technologies absorbs a large portion of the housing budget [Allan Cain, et al., 1978: 3].

On the supply side, the rising real costs of land and building materials have also made access to housing more difficult. This predicament, in the field of housing, has also been observed by Jagmohan in developing countries of the world in spite of the cheap labour [**The Indian Journal of Public Administration**, Vol XIV No.3 July - September 1968: 700]. Shortages and speculative practices have helped drive up the prices of urban land, which has been regarded in many countries as an effective hedge against inflation.

Furthermore, the regularization and upgrading of many unauthorized settlements has converted both land and superstructures into commodities with increased exchange as well as use value. Lack of foreign currency reserves and tightening world credit conditions have constrained the importation of building material components and ingredients, thus helping to create domestic shortages and, together with the effects of currency devaluation, driving material prices up.

The worsened conditions of urban housing call for a reassessment of underlying premises and policy approaches to the sector. Clearly, for one, more attention needs to be given to those dysfunctional aspects of land, building materials, finance and institutional factors that negatively impinge on the housing process.

And policies based on self help approaches should also take into account the growing role that rental households play in making housing consolidation affordable, and recognize how that process helps meet residential needs. For instance, the percentage of population living in slums in Dar es Salaam in 1986 was at sixty [ILO, Mega City Survey, 1986: Table 5.18]

Public authorities such as local government, the Tanzania Housing Bank and the National Housing Corporation will need to become more enabling and flexible, if only for political reasons.

1.2 Urbanization in Tanzania - The National Context

Tanzania got its independence in December 1961 when it ceased to be a British trusteeship of Tanganyika. The country's urban population hardly reaches 15 percent of the total. The speed of urbanization in Tanzania today is not faster than normal, but the numbers involved are unprecedented [Harris, Courier, January - February 1992: 50]. Gugler (1988: 8) noted that this pace is fuelled by substantial rural-urban migration: many urban dwellers come from peasantry.

Urbanization in Tanzania is not a threat to the development or even the stability of this country but it is often assumed to be and many projections indicate that the majority of the Tanzanian population will be living in urban areas in the near future [Payne, 1977:22]. The 1988 Census Report indicates that the Mainland growth rate of population for the period 1978/88 of 2.8 per cent is lower than the previous inter-censal period; while Zanzibar growth rate has increased slightly to 3 per cent during the 1978/88 period. The lower urban growth rate in 1978-88 was experienced compared to 1967-78 period. The level of urbanisation for the period in the Tanzania Mainland and Zanzibar was at average annual growth rate of 8.87 and 3.85 per cent respectively.

The demographic research show that before 1850 no country was predominantly urban. As late as 1900 the globe had crossed that threshold. By 1920 about fourteen per cent of the

world population was urbanised, but by the year 2000 it is expected that more than fifty per cent of the world population to be urbanised. The United Nations Urban-Rural Projections from 1950 to 2000 in Tanzania is that the urban growth rate is at 7.5 per cent.

While policies have been very explicit and consistent in emphasizing rural development , there has been no similar clarity of or consistence in what could be regarded as a national urban development policy. There have been, of course, references to some urban development strategy in the five-year development plans and in occasional government and party statements. But a comprehensive policy comparable in vigour and commitment to that of the rural sector has been generally wanting. The address by Amon J.Nsekela, the then Chairman and Managing Director of the National Bank of Commerce, at the opening of a workshop on "The Role of Public Sector in Tanzania: Performance and Prospects." observed that Tanzania's economic performance has been poor over the past fifteen years in that there is a decline in both agricultural and industrial output which led to a failure on the part of the government to provide the basic needs to the society. He mentioned that the problems of shelter/housing resulted from the ineffective national housing policy leading to failure to provide dwellings of the desired standard [Workshop held at the Institute of Development Management, Mzumbe, which took place from 17-21 January 1983 to Review the Performance of Tanzania's Economy and Society since Arusha Declaration].

However, there were housing policies in Tanzania despite the fact that most of them were uncoordinated. Originally the National Housing Policy in Tanzania was aimed at providing housing for civil servants. Hence, the Public Works Department (PWD) constructed houses for that purpose and handed over the management of estates to Urban Local Authorities in some of the regional towns such as in Kirumba Estate Mwanza, and Mji Kuu Morogoro. After the nationalisation of industries the increase in

number of public servants pushed up the demand for housing estates to accommodate them. The government at the same time had abandoned the programmes of housing estates through the Public Works Department. The National Housing Corporation (NHC) was borne to meet the challenge.

It was earlier assumed that the management of housing estates under the local authorities and was given mandate to establish housing estates for hire purchase or for renting to individuals and corporations. Local authorities ceased to deal with housing estates for public servants except their own employees. The local government laws have however provisions to empower local authorities to undertake estates management. The problem in this regard is capital finance for the purpose. Local authorities could only avail themselves finance through borrowing upon approval by the Minister responsible for Local Government. Up to now no such finance has been given to any local authority despite the need for housing the influx of migrants from rural areas in search of employment in towns. This is also one of the causes for the sporadic increase in squatter settlement in the periphery of towns. Efforts to upgrade such settlements have met very little response from the community in squatter areas. The site and service programme sponsored by UNDP in Dar es Salaam failed to achieve its objectives due to people's reluctance to demolish their buildings and replace them with up to date structure. The reason was that the amount of compensation given could not meet the cost of construction of a new modern structure; besides, loans from financial institutions were hard to come by. Local authorities which accepted these programmes were financially incapable of financing part of the project. They had to depend on donor funds. Local authorities are however best placed to provide housing estate to accommodate the influx of immigrants.

The problem appears to hinge on technical competence in carrying out such programmes. Administration of housing estates seems to elude the efforts of local authorities. Besides funds from

national institutions set up to finance local authorities estate management project failed to materialise. Urban housing policy per se should aim at providing low cost and medium cost housing estates to accommodate the people in the low income group.

1.3 Salient Features of Tanzania Towns

Urbanization in Tanzania is a recent phenomenon and remains for this reason largely inhibited by its close social proximity with the rural world with which it stands in polar contact. Tanzania is essentially rural country; the growth of towns was not associated with industry as it was in Western Europe. Towns were developed as a result of the requirements of the industrial and mercantile towns of Western Europe. Tanzania's towns were neither workshops nor warehouses of the countryside but rather administrative outposts of the metropolis. They served as collecting centres for raw materials destined in Europe.

The earliest urban centres in Tanzania could be traced back to 1200 A.D. at Kilwa, where the Shirazi and Debuli are believed to have arrived from Benadir coast in Mogadishu. And arrival of Portuguese in East Africa for trade in gold, enhanced the development of trading centres and cities along the East African coast as far south as Madagascar. To date 93 percent of the Tanzania population live in rural areas [Omari, 1976: 1]. The remaining seven percent are the urban dwellers and not the "urban people" yet. They have their social network in rural areas through kinship ties, and investment in matters of housing and small clan plots [ibid].

Tanzania is one of the few states of Africa with numerous pre-colonial towns. They were political capitals and trading centres mostly along the Indian Ocean coast, some of great antiquity, such as Kilwa, Tanga, Bagamoyo, Dar es Salaam, Mikindani and Lindi. In the hinterland lie a number of trade centres mostly slave trade centres at Tabora and other areas. Urban settlements developed along the east coast of Africa and flourished on the basis of the

Indian Ocean Trade. Above all, these pre colonial urban centres were encouraged by early political development, local and long distance trade, the existence and encouragement of craft workers in wood, cloth and metal, availability of water and organization for defence. These were actually city states which declined in importance with the destruction or transformation of their common economic base. The few that remain, like once famous Kilwa, are now only minor settlements.

One of the most famous city states that grew up in those years was Kilwa. The remains of Kilwa up to this day bears witness to this. This city state and many other along the coast were built in mud and mangrove poles with the exception of important buildings such as mosques. A few of the rich individuals built houses of coral rag and lime cement with flat stone and concrete supported on wooden mangrove pole beams.

In Kilwa and Mombasa, Bagamoyo, Kaole there were many such houses with two or three storey high. The Husuni Kubwa at Kilwa is the best example. This building is the largest pre-colonial building in the east coast of Africa. Similar buildings existed at Gedi, Bagamoyo, Dar-es-Salaam and Lamu.

Besides the trade in gold, there developed slave and ivory trde. These were brought to the coast to be exchanged for foreign goods. In this way the coastal towns prospered. Travellers of the fourteenth century notblyd Ibn Batuta found Mogadishu, Kilwa, and Lamu prospering. The city state of Kilwa was even minting its own coins.

In Tanzania, only Zanzibar seems to have survived the tides of change due to two factors:

1. Its geographical location as an island in the Indian Ocean, booming with trade, enabled it to survive as a port.

2. Political and administrative importance as the capital of an empire, spanning from the eat coast of Africa to the gulf, after sultan said moved his capital there from Oman in 1840.

Zanzibar in particular was developed as a port of call to most traders on their way from Oman and the Far East in search of trade in gold and ivory. By 1699 Zanzibar was occupied by Oman and by 1840 Seyyid Said after murdering his brother in Oman and usurping power, extended his authority over the east coast and transferred his capital to Zanzibar. From there on his influence into the interior was felt as Arab and Swahili from Zanzibar and the coast were moved into the mainland in search of ivory and slaves.

Such trade influenced further developments of urban settlements in Tabora and Ujihi. The arrival of Christianity further strengthened the development of urban settlements. Tabora formerly known as Kazeh and Ujihi can be sighted as examples. The Missionaries established themselves in the urban settlement composed mostly of Arab traders from Oman.

O'connor has distinguished six types of African cities, with some cities combining in themselves feature which are characteristic of the two or more types. But in Tanzania, most of the big towns fit well into the characteristics of one particular type: the colonial city. The towns in Tanzania are the creations of colonising powers which often built them according to their own ideas and for their own purposes.

The European contact did little to alter this pattern, except the foundation of Mtwara, Mwanza and other few towns. With European occupation new settlements arose in Tanzania. Almost all were new kinds of towns by virtue of their separate quarters for Africans and non Africans whilst many had specialized functions. The colonial administrative centres were added such as Dodoma.

The major influence of colonial powers was on the growth of most towns in Tanzania. In 1980 there were over twenty urban centres. The largest had a population over 200,000 and the smallest had the population of 13,000 people. Urban growth centres of people ranging from 9,000 to 30,000 were mostly trading centres for the rural area, mostly agricultural. There are also urban centres that have developed around mines and in sisal and tea plantations.

Those colonial cities did not grow up spontaneously out of the social and economic interaction of the local communities. Rather they grew as planned cities from the start, and their development was directed according to deliberate plans and policies which were designed to serve specific purposes and interests of the colonial regimes.

Urban settlements were founded and developed essentially to play an important role in the process of colonial domination. New means of transport encouraged the development of towns such as Kigoma and Dar es Salaam. Capitals are foci of roads, rail and air transport services.

1.4 Location of Tanzanian Towns

Tanzania towns are conveniently located - with ports, railways, roads, air ports for easy access to and from the colonial power on the one hand, and reasonably easy access to the local population. There were ports used to dispatch the agricultural products and crude ores or important railway stops or termini and all these towns were characterised by the central contrast between the central, well planned modern parts formerly occupied by Whites and the peripheral suburbs where anarchy and dirt were rife.

1.5 Colonialists Interests

It is to develop one city/capital so, as to have colonial affairs administered and controlled from or through a single authority based in the capital. This deliberate colonial policy regarding

urban development in Tanzania has left a permanent feature even after independence. The city inherited as a state capital is also the largest, in most cases disproportionately large compared to the other towns in the country. For instance, Dar es Salaam population is ten times that of Mwanza, the second largest town in Tanzania.

The development of cities other than the capital owes nothing or very little to the country's colonial domination or administration.

The Germans made Dar es Salaam as their capital in 1891. The town was founded by Sultan Majid in 1865 in order to develop it specifically as a suitable port to handle the ocean direct trade. The colonial city was carefully planned, racially based: Europeans; spacious houses; Asians, commercial buildings and Blacks in the squatters.

At independence towns in Tanzania were developed due to industrialisation, expansion of government services and centralisation policy of Tanzania government which concentrated people in urban centres.

Like in all other developing countries, Tanzania is experiencing the problem of urbanization. The current annual rate of urbanization in Tanzania Mainland is 6.8 percent as against 1.8 percent in more developed countries. Moshi town itself according to economic survey of 1971/72 a growth rate of 5.2 percent has been experienced. By 1989-94 the urban growth is estimated to be 6.7 percent. The main cause for this is Rural-Urban migration which has been triggered by scarcity of arable land on the slopes of mount Kilimanjaro. The densely populated area around Moshi town is one of the economically most advanced areas in the region. The economic growth which has resulted from agricultural expansion has in turn, like in other developing countries, acted as a stimulus to other development. On this, one can say that it has caused urbanization to proceed too quickly to allow the development of the infrastructure and institutions to cope with the

transformation and like in other less developed countries economic opportunities in the town is pulling migration from rural areas; inasmuch as surrounding rural area is unable to sustain the increase in population.

1.6 Powers of Local Authorities in Urban Land Development Practice

Land Ordinance, 1923, Cap 113 declares all lands, whether occupied or unoccupied, to be public lands with all rights in the same vesting in the President who may dispose of them to occupiers by granting them rights of occupancy. The unlawful occupation of land is the concern of the Ministry of Lands, Housing and Urban Development; but illegal development and building on urban lands affect all towns. The local authorities have the following powers under the law.

The Town and Country Planning Ordinance, 1956, Cap 378 applies where land is developed without planning consent or contrary to conditions in any planning consent. Section 72 empowers the local authority to serve a notice on such developer requiring him to discontinue such development and effect alteration or pull down or remove the buildings within a specified time of not less than one month. Section 73 makes provision for appeal against the 'demolition order' to the Town and Country Planning Board established under the provisions of section 73.

Under section 74, the local authority may enter upon the land of any owner who has refused or neglected to comply with any notice served above or whose appeal to the Board has been dismissed, and take steps to affect compliance with the notice by altering the building or demolishing it. Under section 75, the local authority may recover all costs incurred in giving effect to the notice under Section 73 from the owner of the land as a civil debt which becomes an incumbrance in the land register or a charge upon such land. It is clear that this applies only to squatters on 'privately owned' land and not to squatters on public land. As is

known, local authorities as well as owners of private land have become powerless with squatters in urban areas.

Those powers of the urban authorities, however, are extremely inhibited by the extent of control which the central government/the Ministry of Lands, Housing and Urban Development exercises over their use.

Urban authority is a planning authority for its area of jurisdiction; but only after the minister declares the area to be a planning area under section 13 of the ordinance. In preparing urban development schemes, the urban councils do not sit and deliberate and then pass resolutions to that effect. Section 21 of the Ordinance provides that local planning authority "shall be deemed to have passed a formal resolution to prepare a general planning scheme" with effect from the date the Minister declares the area to be the planning area". And preparing those schemes is not a function, of the Local authority; it is the Minister's function, and a local authority can only perform it by way of delegation from the Minister. Thus when the Minister declares an area to be a planning area, its urban council thereby automatically becomes the planning authority therefore. It is then deemed to have resolved to prepare a scheme.

Planning schemes are therefore made by the Urban Development Planning Division of the Ministry and local planning authorities are merely required to enforce them. Local authorities ensure that all developments to land in its area of jurisdiction conform with the scheme.

The Urban Planning Committee deals with allocation of plots, approval of the master and land use plans, preparing laws related to urban land development and deals with all matters related to land within its jurisdiction.

The Townships Ordinance (Cap 101) provides the Building Rules which empowers the local authority to serve a notice and on failure to comply with it, enter and demolish the building. Failure to comply with the notice is also a breach of Rule 12, entitling the

local authority to invoke Rule 64 which makes this breach a criminal offence. The Township Rules (Rule 57) permit the local authority to institute legal proceedings in respect of any breach of any of the rules and may authorise any person to do so.

Above all, the Minister for Land, Housing and Urban Development has the power under The Townships Ordinance to declare any place in the Republic a township and may define its limits by rescind or vary such declaration. He may make rules for the health, order and good government of townships. This ordinance enables the local authorities to have powers to make their own by-laws.

There are other laws which local authorities need to know when dealing with urban housing in Tanzania: Land Acquisition Act, 1967, No 47, Trespass Ordinance, Cap. 290, the Townships (Removal of Undesirable Natives) Ordinance, Cap 104, 1944 and the Human Resources Deployment Act, No 6 1983.

2.0 Major Housing Institutions in Tanzania

2.1 Registrar of Buildings (ROB)

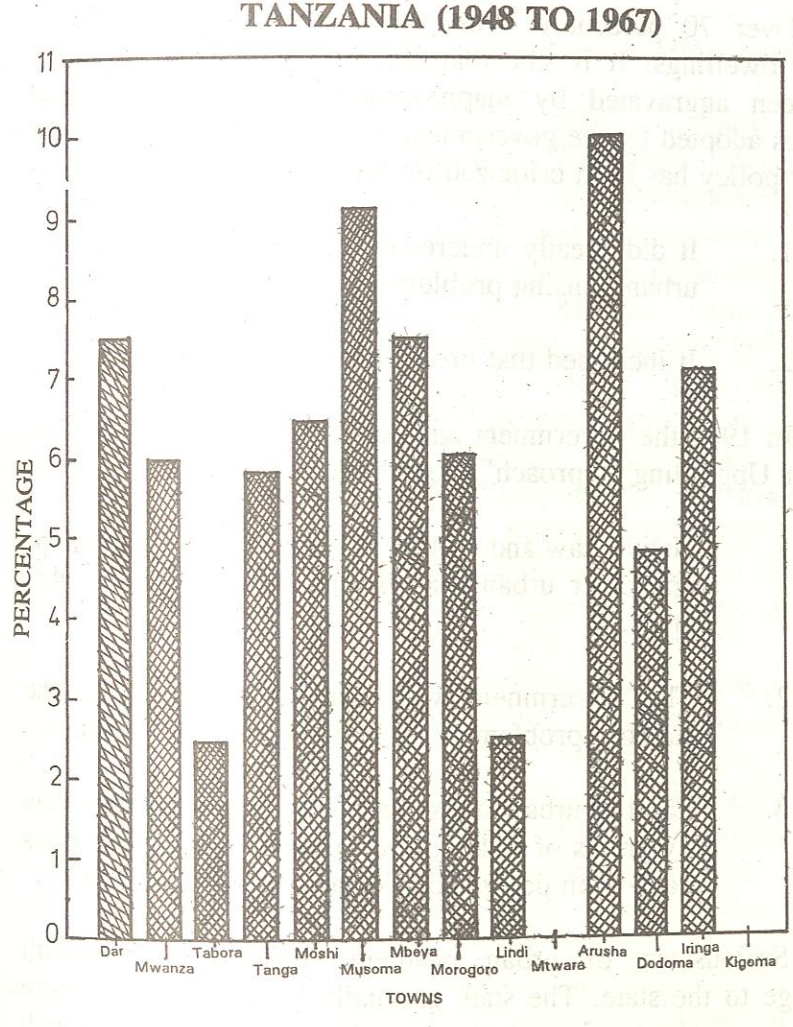
Housing has been limited to providing accommodation for itself and its senior officers, and sometimes establishing housing corporations like Registrar of Buildings whose main function was to collect rent from houses nationalized under the Acquisition of Buildings Act, 1971, No 13. Otherwise the provision of housing for the members of the public was categorically unknown.

The Registrar of Buildings when established looked after the buildings nationalized in 1971. It took care of the following Construction of residential houses in regional headquarters:

Residential houses in regional headquarters.
Construction of hostels [Dodoma]
Construction of commercial buildings.
Construction of residential houses at Kibaha.

The Registrar of Buildings has been dissolved and it functions, properties and liabilities are now owned by the National Housing Corporation.

The colonial government had built a few houses which were administered by local authorities; but after independence the government of the United republic gave them to the National Housing Corporation at its inception in 1962 Given a statutory mandate to provide housing, the corporation spent most of its early years' time and money clearing slums, mainly in Dar es Salaam, and therefore not easing much the already acute shortage of houses.



SOURCE: COMPUTED FROM COLLECTED DATA

Figure 1: ANNUAL GROWTH RATES OF TOWNS

Over 70 percent of Tanzania's urban population is in squatter dwellings. It is said that the present housing problems have been aggravated by inappropriate housing policies and strategies adopted by the government since 1960s. The slum and squatter policy has been criticized on the ground that:

1. It did greatly underestimate and over simplify the urban housing problem.

2. It increased that problem's size and complexity.

In 1972 the government adopted " Sites and Services and Squatter Upgrading Approach", according to which:

1. Native Law and custom is inapplicable in townships and other urban centers and only applies in tribal areas.

2. The government was anxious to eradicate the squatter problem in all major towns of Tanzania.

3. Land in urban areas can not be acquired other than by grants of rights of occupancy. Urban authorities have been delegated with powers to issue titles.

Seriousness of urban problems presented a difficult challenge to the state. The state gradually began assuming more and more powers of control over the use of land through parliamentary enactment, giving those powers to local authorities. Until now, to local authorities are the ones essentially vested with planning and environmental control powers.

2.2 The National Housing Corporation (NHC) Versus Urban Housing

The government of the United Republic of Tanzania finds very important to stimulate urban growth throughout the country. To support growth of other towns and the development of the rural areas it is necessary to have dynamic townships as centers for a geographical area. Such townships provide markets for the farmer, and they provide him/her with services from trade and transportation. Industrial development must be the backbone for these dynamic townships. Nine towns were located for concentrated urban development through industrial development.[Tanga, Arusha, Mwanza, Moshi, Dodoma, Mtwara, Morogoro, Mbeya and Tabora].The policy of nine towns growth poles was unsuccessful due to the following reasons:

First, lack of enough economic infrastructure in the towns outside Dar es Salaam that could attract investors to the nine towns.

Second, the policy was only pronounced in the plan but the institutions that would carry out the implementation were not specified.

The NHC was established in 1962 aiming at building residential houses to meet the rapidly increasing urban population; to minimise and eventually to eliminate the shortage of residential houses; to clear slums and to re-build modern residential houses which includes the improvement of unsuitable houses in urban areas. The corporation was allocated Shs.100 million to cover up to 25 percent of its projected capital requirements for the five years.

In urban areas the NHC concentrates its activity to provide housing for the lower income groups. People will build houses which cost in the range from Shs. 6,000/= to Shs. 11,000/=. The rent in these houses will not be higher than the workers can pay for. With the view to stimulate self-help efforts, and to make houses cheaper the NHC will also, for a larger number of houses,

make the site ready for building, and make the cement foundation on which the family itself, or a group of people jointly, can build the house themselves The government will give practical advise to these people.

The government will continue to build houses for government officers at places where no local housing otherwise is available. The government or parastatal organisations will only be allowed to build houses of the modest standard. No house may cost more than Shs. 75,000/= [The People's Plan for Progress, 1969: 60].

In the Second Five Year Plan, the National Housing Corporation planned to build 2000 houses annually - that is a total of 10,000 houses over the Plan period. Unfortunately not even fifty percent of this target was reached due to:

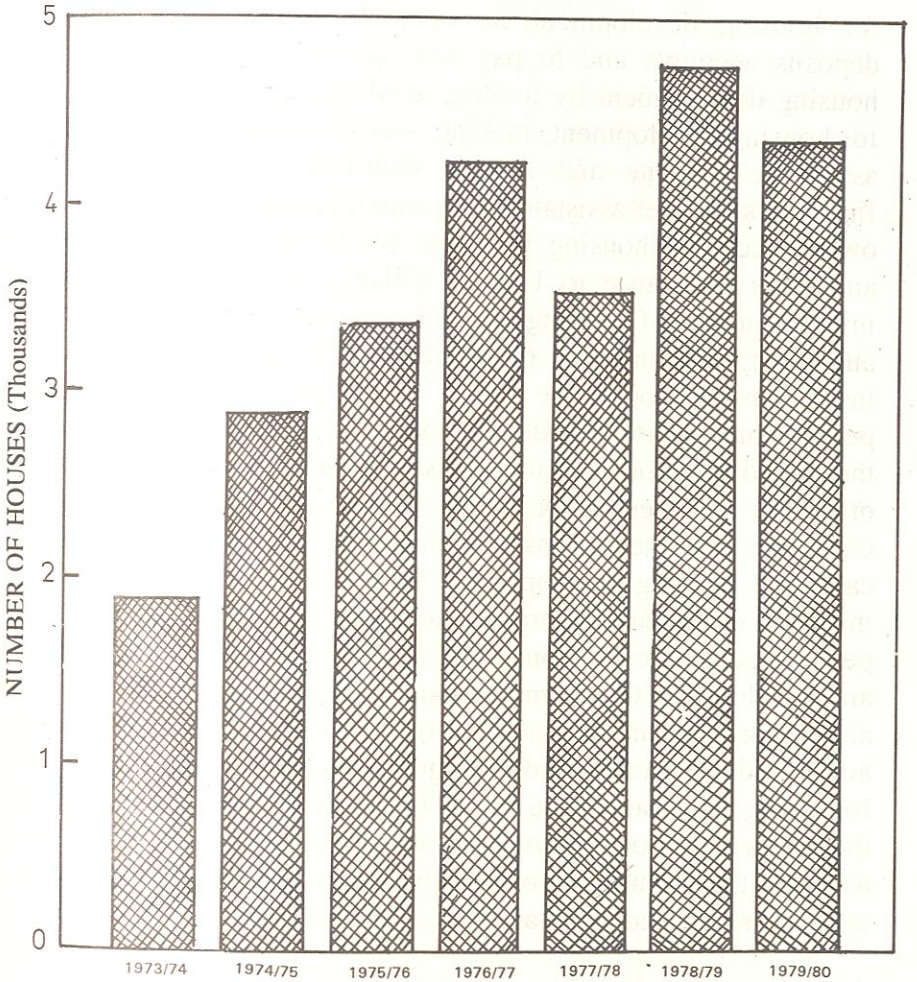
- Price escalation of building materials, and high construction costs.
- Lack of funds to compensate the increase in the prices of materials and construction costs. - Unsatisfactory supply of equipment for building house and necessary infrastructure.
- Lack of enough skilled personnel to manage the projects of the corporation efficiently. The result was the fall in the construction capacity.

2.3 Tanzania Housing Bank

The housing finance in Tanzania started in 1968 when the first Permanent Housing Company was established. Lending operations was only to the urban areas and the maximum ceiling was fixed at shillings 75,000 only.

The THB was established in 1972 by the Act of the Parliament No.34 and took over the assets and liabilities of the Permanent Housing Finance Company of Tanzania. In 1995 the bank was dissolved due to financial constraints encountered over the years.

1973/74 TO 1979/80



SOURCE: COMPUTED FROM COLLECTED DATA

Figure 2: HOUSES BUILT THROUGH THB LOAN

The THB aims at mobilizing local savings and external resources for housing development; to operate savings, time and term deposits accounts and to pay interest thereon; and to promote housing development by making available loan or equity finance for housing development, making available technical and financial assistance for site and service facilities, rendering technical, financial and other assistance for promotion and implementation of owner occupied housing schemes, rendering technical, financial and other assistance to Ujamaa villages in the preparation and implementation of building programs; rendering technical, financial and other assistance for the establishment and administration of institutions, cooperative and other organizations engaged permanently in housing development for benefit of the people of the united republic; making loans or guaranteeing loans made by other to any person or body of persons, corporate or non corporate, for the purpose of enabling such person or body to carry out housing development. To make loans, guarantee loans made by others and to provide technical and other assistance, to perform corporate and non corporate activities, for the construction and development of commercial and industrial premises. The THB also ensures the implementation of government policy of housing and building, and without prejudice to the generality of the foregoing, to promote the use of the local materials, to encourage the construction of type of houses best suited to local conditions, to foster the minimizing of building costs, prices at which houses may be issued and rents at which they may be let.

2.3.1 THB Lending Policy

Operational Principles of the THB lending Policy:

The THB pursued a lending policy of financing projects which are economically viable, socially desirable and technically feasible in urban and rural areas of Tanzania, rather than concerning itself with bankable projects and profit making investments. But performance leaves a lot to be desired as per amount of houses

built under its loan. THB amount of money provided as loan by the bank dwindles each year.

In making loans the bank was supposed to satisfy itself that adequate provisions for the enforcement of repayment of the loan and payment of interest existed. It should determine the type and values of any security or collateral use pledged by the borrower or an applicant for guarantee. And it should satisfy itself of the expected ability of the borrower to repay the loan without any hardship.

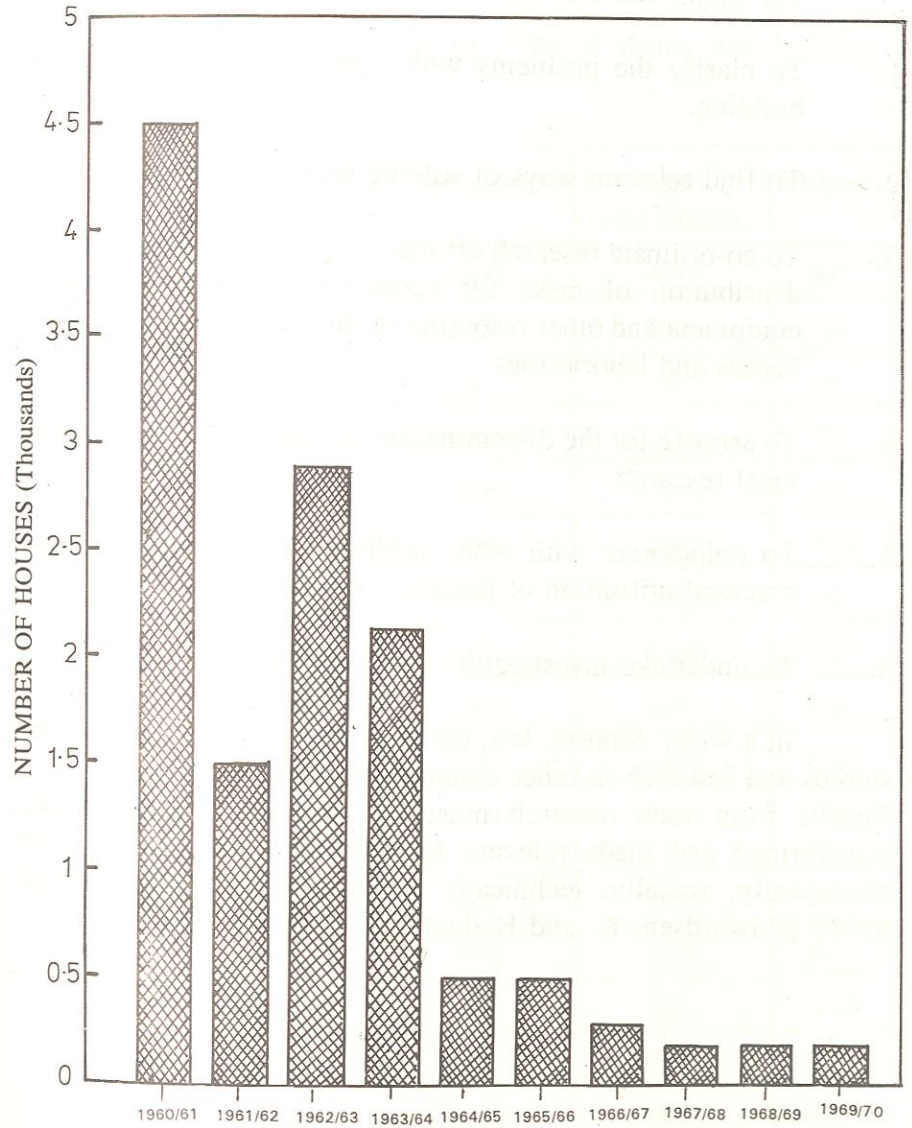
2.4 The National Housing and Building Research Unit [BRU]

The BRU was established in 1971 the Ministry of Lands, Housing and Urban Development. Its establishment was proposed by the Second Five Year Plan which was pre-occupied with housing in urban areas and made a particular reference to this:

> *Urban housing is a particularly difficulty area. In the rural areas a single dwelling made of local natural materials without plumbing, electricity or related facilities may be bearable but in the crowded conditions of the town, the same standards create slums with serious public health hazards and socially demoralizing consequences [Tanzania, Second Five Year Plan for Economic and Social Development, July 1969-June 1974, Vol I, 1969].*

The plan, however, did critically look at the whole housing problem and what the NHC had so far achieved. It came to the conclusion that the housing problem could not be solved in a period of five years as it had been envisaged. It was recognized, inter alia, that the building codes were already out of date and had to be revised to make them more realistic. It was also realised that a new policy machinery had to be created in the Ministry of Lands, Housing and Urban Development to co-ordinate the housing efforts of the various institutions that were involved in providing houses. It was stated that there was a need to put emphasis on low cost housing.

1980/81 TO 1989/90



SOURCE: COMPUTED FROM COLLECTED DATA

Figure 4: PRIVATE HOUSEHOLD BY TYPE OF HOUSES

The major tasks of BRU were to:

1. To clarify the problems within the field of housing and building.

2. To find relevant ways of solving problems involved.

3. To co-ordinate research efforts, so that there is appropriate distribution of tasks for economic utilisation of staff, equipment and other resources of different existing research bodies and laboratories.

4. To arrange for the dissemination in Tanzania of foreign and local research.

5. To collaborate with other institutions in order to ensure practical utilisation of research results.

6. To undertake investigation and research.

In a wider context, too, the Unit has to keep in touch with studies and research in other countries so that:-
Results from such research must, if necessary, be examined, transformed and made relevant to Tanzanian conditions - both climatically, socially, technically and according to the national policy [Edwardsen, K. and Hedgal, B., 1972].

2.5 Private/Individual Housing

Table 1: Private Household by Type of House and Number of Rooms in 1978

Town	Houses	Permanent	Semi Permanent	Others
Arusha	9255	3602	4541	907
Bukoba	2342	1214	958	121
DSM	83431	0	0	0
Dodoma	6107	2946	2574	376
Iringa	5113	1489	3341	191
Kigoma	5205	523	2668	1870
Lindi	3465	1057	2330	40
Mbeya	3056	1157	1624	213
Morogoro	7305	2301	3889	864
Moshi	7726	5347	2009	253
Mtwara/ Mikindani	5952	2171	3345	360
Musoma	3755	965	2466	249
Mwanza	9859	3994	5239	341
Tabora	5667	1433	3092	1010
Tanga	17580	6823	9370	1099
Zanzibar	16961	6619	9157	1014

Source: Census 1978.

Private housing in Tanzania is also important despite the fact that construction costs are very high and expensive for a private individual to build. During the Second Five Year Plan, it was recognized that a successful housing policy had to be launched on a broad front. Six tasks were spelled out.

1. Planning for the needs of a fast growing population;

2. Mobilizing savings for capital formation in housing;

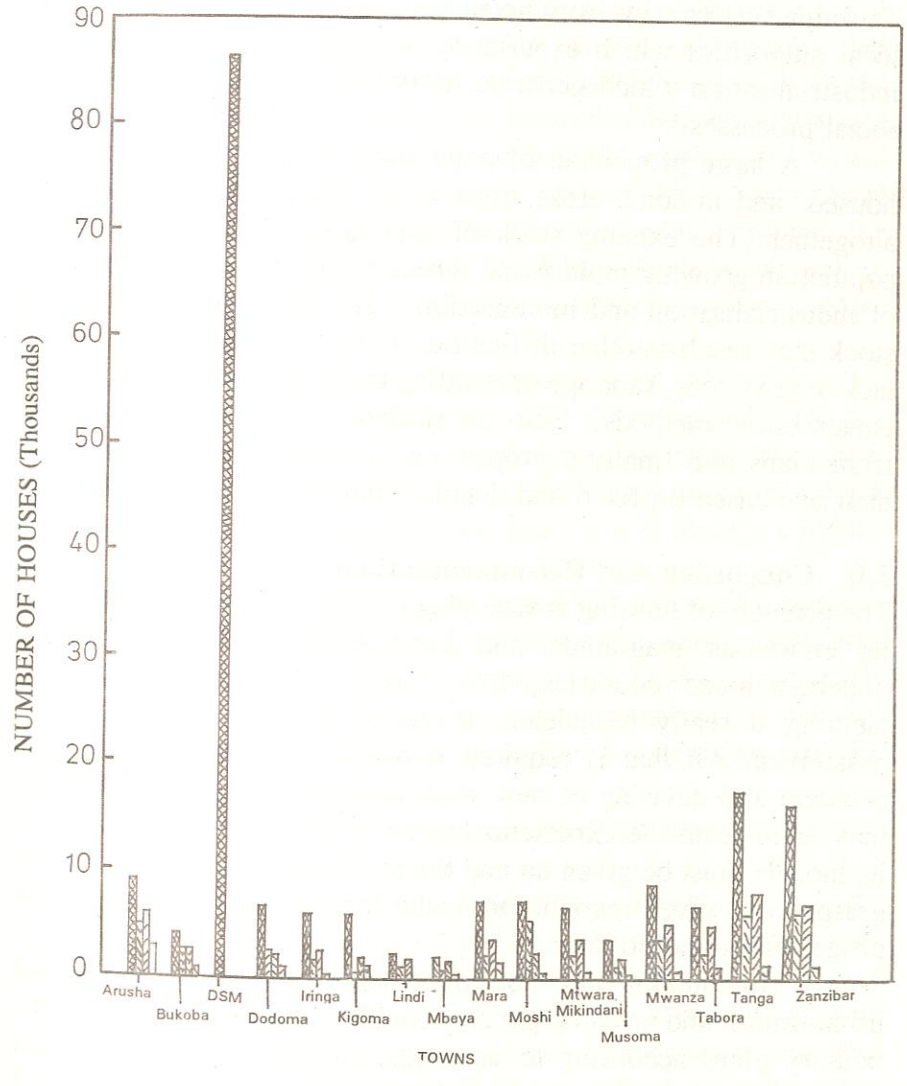
3. Developing an efficient building materials and construction industry;

4. Ensuring proper land use;

5. Mobilizing self-help housing efforts; and

6. Encouraging more durable rural settlements in "Ujamaa villages."

(ROOMS 1-4)



SOURCE: CENSUS REPORT 1978

Figure 3: HOUSES BUILT THROUGH THB LOAN

2.6 Housing Situation in Tanzania Today

Tanzania suffers a lot from housing problems especially the urban local authorities which experience rapid development and hence industrialisation which generate unforeseen problems in ongoing social processes.

A large proportion of population in the towns are poorly housed, and in some areas, such as in urban areas lack housing altogether. The existing stock of housing can not cope with the population growing rapidly and through natural increase and tides of industrialisation and immigration. The idea of increasing that stock may result in other difficulties and damping factors, such as lack of resources, shortage of building materials, ways of advanced construction methods, lack of skilled labour and specialized technicians and finally a proper and flexible management rather than one based on fixed and detailed master plan.

3.0 Conclusion and Recommendations

The problem of housing is worrying all countries of the world, but its enormous magnitude and bewildering complexity in the underdeveloped countries, like Tanzania, makes the task of tackling it really herculean. There is, however, no cause for pessimism. All that is required is deeper understanding of the problem and devising of new ways and means to tackle it. One may learn from the experience of the West but dependence upon its models must be given up and the basic fact of our poverty fully grasped and given recognition in the formulation of Third World programmes and policies.

This author has no doubt that the twin challenge of urbanization and abysmal poverty could be successfully met, if the country plans according to its needs and situation and does not follow away by what is being done in the affluent societies; if citizens/people exploit the country resources to the maximum and distribute them on more equitable and rational basis; if the country abandons costly schemes of housing and slum clearance and

encourages the development of the indigenous natural and human resources as far as possible to meet the needs of the nation; if young architects and engineers plan and build simple, yet beautiful, houses, if people show greater courage to deal with the vested interests and impart a clearer sense of direction and purpose to the country's administrative set up; and if the nation re - orient her national economic policies to correct the fundamental imbalances in society and "kill the microbes which produce the disease". Not only that, Tanzania could as well show the way to other developing countries in finding solutions, within its own resources and traditions.

On the 1978 re-introduction of local authorities the governments in urban areas had offered an opportunity for councilors and officers to shape the new authorities to serve their communities with greater efficiency, effectiveness and equity. Such opportunities do not come often because there is usually a hidden fear to admit mistakes.

It was expected that once the new structure was established, day to day political and administrative pressures would leave little time for fundamental change. Although the National Assembly realigned urban government powers and responsibilities, only the local authorities themselves could make the new structure work for the benefit of the community.

On the other hand, decentralization of government business in 1972 emphasized on national policy on rural development which adversely affected the running of urban business. But the re-introduction of local authorities has presented an opportunity that should have been formerly grasped. Although the advent of the new urban authorities came with numerous tasks most of them tried to spend their time in making policies rather than taking steps to solve problems they inherited. In its efforts to solve local problems, the urban authority should not confine itself to single role. Apart from housing the government should provide a substantial amount of subsidy for housing. It is an open secret that

general poverty of the people in Tanzania makes it difficult to provide for themselves low cost housing. On top of this the state of the economy does not make the provision of adequate housing for its population possible.

All these problems, therefore, call for a comprehensive approach to urban housing problems; but the urban authorities need ways or means of implementing this policy. The Ministry of Lands, Housing and Urban Development should help local authorities either through the central government or through the financial institutions by providing the subsidies to meeting the needs of local government to finance part of the housing costs. In order to solve the problem of urban housing radical/sporadic changes should be introduced in building regulations for housing. A new approach and outlook is required to solve these problems. Tanzania towns are faced with problems of squatter and rather spontaneous settlements. It is faced with the problem of substandard housing, inadequate social services, and poor infrastructures in all of its towns and cities. It is suggested that the role of the government in general and local governments in particular should be to facilitate the exercise of housing than being the direct producers of housing and housing finance. Therefore priorities in the housing finance sector are to ensure that viable housing institutions can be created and operate efficiently.

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CHAPTER FOUR

EVOLUTION OF A HOUSING POLICY IN TANZANIA

By
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Housing policy under the colonial administration was directed only towards maintaining racial and class distinctions. There was no attempt to improve the lot of the poorest (and by far the largest) segment of the population. Elaborate laws were enacted to regulate housing standards which, because of their economic and political bias, differentiated between the ruling elite and the masses and which, because of their strict and unflexible content, often frustrated the attempts of the later to provide themselves with reasonable housing. Therefore in urban areas one saw the class differences most strongly, and these were physically apparent in the standards of housing in the different quarters of the towns.[1] Such differential housing configurations were backed by administrative, economic and legal institutional controls, and for these reasons, the differences among the various sectors of the towns have persisted long after independence. It is not the intention of this paper to look at the history of housing policy in Tanzania. This is an attempt rather to look at how changes in housing policy have been initiated after independence, bearing in mind the fact that urban-elite orientation inherited from the colonial days had several residual effects on post-independence development of housing policy. It will be clear that even though housing policy after independence was re-directed towards the local population, the bias continued to favour high-cost housing and high valuation of westernized styles, construction methods and materials. The provision of imported materials and technology for urban housing perpetuated the metropole-colony dependence relationship on the international level. It cannot be said, however, that the independent government has been indifferent to these

problems. There have been attempts, for example, to rely on local building materials to satisfy local demands. But this attempt has not been successful.

However, the First Five Year Plan had concrete recommendations in respect of urban housing. The National Housing Corporation (NHC), a parastatal organization which was established in 1962[2] was allocated 100 million shillings to cover up to 25% of its projected capital requirements for the five years. NHC was entrusted with "improvement of housing throughout Tanganyika" so as to promote "good health, higher productivity and social and political stability".[3] NHC was also expected to raise 260 million shillings from private sources. The entire housing programme was geared towards providing about 27,800 houses during the period of the plan, 18,400 of which were to be minimum or low-cost houses, valued at Shs.7,000/= each. But the performance of NHC fell far short of expectations.

During the Second Five Year Plan, it was recognized that a successful housing policy had to be launched on a broad front. Six tasks were spelled out:[4]

1. planning for the needs of a fast growing population;
2. mobilizing savings for capital formation in housing;
3. developing an efficient building materials and construction industry;
4. ensuring proper land use;
5. mobilizing self-help housing efforts; and
6. encouraging more durable rural settlements in "ujamaa villages".

The Second Five Year Plan (SFYP) was pre-occupied with housing in urban areas and made a particular reference to this:-

> *Urban housing is a particularly difficult area. In the rural areas a single dwelling made of local natural materials without plumbing, electricity or related facilities may be*

bearable but in the crowded conditions of the town, the same standards create slums with serious public health hazards and socially demoralizing consequences.[5]

The plan, however, did critically look at the whole housing problem and what NHC had so far achieved. It came to the conclusion that the housing problem could not have been solved in a period of five years as it had been envisaged.[6] It was recognized, among other things, that the building codes were already out of date and had to be revised to make them more realistic. It was also realized that a new policy machinery had to be created in the Ministry of Lands, Housing and Urban Development to co-ordinate the housing efforts of the various Institutions that were involved in providing houses. It was also stated that there was need to put emphasis on low-cost housing -

The provision of cheap housing in urban areas and the improvements to be effected in the traditional houses and traditional building methods is partly a matter of research.[7]

In pursuit of this recommendation, 1971, the National Housing and Building Research Unit (BRU) was established in the Ministry of Lands, Housing and Urban Development. The major tasks of this unit have been outlined elsewhere.[8]

As far as urban housing is concerned, the land problem can be very serious. As Charles Abrams succinctly puts in:

Compounding the squatter problem in the cities of the underdeveloped countries is the problem of land speculation and high land prices ... In the less developed countries, on the other hand, the land price often

amounts to 60 per cent of the combined cost of the house and lot. Frequently the owners of strategically placed land will not sell at all, holding it for future sale at swollen prices when the demand soars. Moreover ... with the annual family income of less than 100 dollars a year, land at any price is beyond the family means.[9]

In Tanzania, this problem has been circumvented by making all land, "public land".[10] This was done in realization of the fact that the main goals of a policy on urban land must, especially in the less developed countries, be public control of land use and acceptance of public responsibility for the supply of land for all necessary uses in accordance with the plan adopted.[11] Although this could be true of Tanzania, I am not suggesting that it is an easy procedure to have access to land there. This has better been put by Professor McAuslan, who says:[12]

It should be said here that, contrary to the belief in the H.I.C. papers, countries where freehold or private ownership of land has been officially abolished are little different to those where private ownership of urban land is still permitted: official "foreign" laws still apply to land tenure and use, housing, building and rent control and are remote from the urban poor.

The procedure as to how one obtains security of tenure or even the plot to build on should be simplified and understandable to man. This is what is in squatter upgrading areas, where as it is discussed in Chapter Six, the application for land to build by

people in the overspill areas, is made and processed by the respective District Land Officer himself.

Bienefeld emphasizes[13] the need for the direct provision of housing by government as the most efficient and desirable policy. Faced with the so-called "dwelling deficit" and often encouraged by foreign or international agencies, many governments have embarked on the direct construction of houses and the development of residential estates. Although most of these are occupied by the middle income groups, there are frequent statements of intent to provide "low-cost housing" for the low-income group. In no country of the developing world, however, has a government been able to meet this objective.[14] In Tanzania, the government provision of housing has been reduced because the demand far exceeded the resources and within the financial constraints such a government policy appeared impossible.[15] A programme whose emphasis is on providing housing in Tanzania, as advocated by Glazer for America,[16] may not be feasible in a country where money is a scarce commodity.

In Tanzania government has adopted "Site and Service" schemes as a housing policy. It has come to mean the provision of plots, some services and the foundation and possibly the floor slab of a house so as to ensure that the eventual building will be relatively durable and an improvement over present dwellings. The present "site and service" schemes in Tanzania are sponsored by the World Bank.[17] These are discussed in Chapter Six, where doubt is cast as to whether this policy can continue, in the way it started, without international aid.

In January 1973, by an Act of Parliament, the Tanzania Housing Bank (THB) was established.[18] Its objects and functions were:

> *To mobilize local savings and external resources to be applied to housing development, including the servicing of building sites*

> *construction of houses and other buildings for residential or commercial occupation and for the provision of premises in rural as well as urban areas.*[19]

From the start, as was noted in Chapter Three, it pursued a lending policy of financing projects which are "economically viable, socially desirable and technically feasible in urban and rural areas of Tanzania", rather than simply concerning itself with bankable projects and profit-making investments.[20]

In order to provide housing for the people, the government nationalized all buildings worth Shs.100,000 and above.[21]

The government of Tanzania has as its policy to use local building materials in house construction. The capacity for the production of such materials has been greatly increased but production has declined over the years. This will be elaborated in Chapter Seven.

As Mabogunje and others put it, most governments established, maintain and administer a system of standards in the whole area of shelter provision, and particularly building construction. For the majority of people, who cannot avail themselves of governmental assistance in the provision of their accommodation, the set of standards operated by local authorities constitute the single most important obstacle to their settled existence in urban areas to which they have migrated.[22] The same view is made by Bienefeld who holds that building codes establishment is not a contribution to the solution of the housing problem at all.[23] If by "housing problem", Bienefeld means housing shortage, he is right. But "the housing problem" in Chapter One of this paper has been looked at from a wider perspective - which requires some sort of building codes to establish and ensure minimum standards. I think John Leaning has an acceptable solution when he calles for the simplification of the

present building codes, and Town Planning Laws.[24] This could be done by translating them into Swahili to make them understandable to the common man. Also the procedure, as it has been argued before, could be simplified, leaving it for the beneficiaries to perform or to comply with the bare minimum. In other words the salient features of the Statutes and Codes could be projected and presented in the simplest way possible. In Tanzania, the regulations which existed by 1973 were complex, and outdated.[25] This was realized by the government and a draft exists which simplify the regulations.[26] In fact in 1978, the Ministry of Lands, Housing and Urban Development produced a document with clear recommendations on how to reduce housing costs so that the low-income group may afford them. The document deals with many aspects related to low-cost housing in Tanzania and it is a massive paper and very elaborately shows that the government has the concern at least for housing of this type.[27]

In this chapter, we have looked not at the history of housing in Tanzania, but at the evolution of a housing policy. This policy evolved after independence. It has emerged that it stands in need of revisiting to enable it to earn the name of being policy for the development of the majority of the people - the low-income people.

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CHAPTER FIVE

THE ROLE OF BULK BUILDING AND BREAKING A CASE OF MICRO-INTERMEDIATION IN URBAN TANZANIA

By
B. J. N. Nsana

1. Introduction

Micro-enterprises comprise an important part of today's economy, and their successful operation is essential to the nation's economic health. The concept of micro-enterprises embraces a wide range of activities from small-scale manufacturing to services of all kind. These grass-root micro-enterprises provide the greatest opportunities for employment and may be the only viable intermediary of the basic goods required and sold by the small urban and rural consumer/producer.

Since the buyers usually buy non-durables in extremely small quantities sufficient for only one day or one meal, for example, single cups of sugar, half cups of cooking oil, quarter bread, single or even half smaller scale. This nature of production and selling requires equally small and numerous numbers and long lines of intermediaries.

The intermediary system essentially derives from the economies to be obtained from bulking very large numbers of small parcels. The economies are also realised in the case of imported and locally manufactured non durable merchandise. The intermediaries break the bulk and economize resources at all stages between the first seller and final buyer.

These merchandise are in very large quantities and need to be distributed over large areas to final consumer; who has to buy in extremely small quantities because of poverty. In the absence of intermediaries the consumers would have to buy in wholesale quantities, and they might have neither the financial resources nor

the storage facilities to do so. The intermediary intervenes, break bulk and makes the commodity available in small and affordable quantities. This is the message given by Adam Smith in the opening quote of this paper.

The activities of intermediaries thus enable consumers enjoy commodities which would otherwise be outside their reach. They also save working capital by bringing about a more effective geographical distribution of merchandise stocks than would be the case if consumers had to deal directly with the importing firms. Their operations result in a faster turnover of total stocks and therefore in a more intensive utilization of both the foreign and local working capital sustaining the local economy. They also assist the importing firms by maintaining contact with consumers and petty traders and as overtraining their requirements; their knowledge of local conditions equips them for these tasks.

However, the number and variety of intermediaries have been much criticized by official and un official observers. They are condemned as wasteful and are said to be responsible for wide distributive margins both in the sale of merchandise and the purchase of produce. These criticisms rest on a misunderstanding. So far from being wasteful, it is highly economic in saving and salvaging those resources which are particularly scarce (above all, real capital) by using the resources which are largely redundant and for which there is very little demand; and thus it is productive by an national criteria.

In the context of this paper, grassroots micro-enterprises should take the same title taken by the popular themes; small business, informal sector, petty traders etc. It takes on a specific obtention as it stresses the micro-intermediary who links the city merchant with the rural consumer/producer and the rural peasant producer with the urban consumer cum producer. If is built around the small urban/rural itinerant trader who carries on the role of bulking and breaking for both the urban and rural consumer cum producer.

He forms the first and basic link in the process of the produce as well as in the bulk breaking in the case of manufactures handled by the urban merchant. On occasion, he could also link the rural shopkeeper to the rural consumer, who buys on a micro-scale with occasional buying of certain produce. It draws from the current and popular area of "marketing channels and economic development" specifically emphasing the micro-intermediaries.

The area important to academics and practioners because it is an area which has been neglected by previous scholars whose main attention has been concentrated on the small businesses in manufacturing and electrical works. Hence the scanty documentation on small business covers a legion of enterprises. Manufacturing of household goods, farming tools, tailoring, shoe making and mending, transportation, carpentry, vehicle repair etc. Although important, the micro-intermediation side of small business has been neglected! This paper is specifically on the role of these.

2. The Concept of Small Business

Definition of small business particularly in the developing country context is rather confusing. It is particularly so in the African context where the American and scholarly definition hardly fits. This is due to the fact that, what is small to an American analyst, would appear a giant firm in African context. For the sake of analysis in this paper definitions of small business by two schools are adopted"

The American Small Business Act (SBA) 1953 provides that a small business is "One which is independently owned and operated and not dominant in its field of operation". The CT also authorizes the Small Business Administration (SBA) to use "Number of employees" and "Sales Volume" as guidelines in defining a small business. As of 1977, the SBA established the following upper limits in its lending programs for small firms;

Retailing	.. ..	$ 2m to $ 5m annual sales
Wholeselling	.. ..	$ 9.5m to $ 22m annual sales
Manufacturing	..	250 or fewer employees

(Broom, 1979, p. 3).

Sometimes qualitative standards are more practical for use in analyzing the managerial problems particular to small business. Perhaps the best outline of qualitative standards is that prepared by American Committee for Economic Development (CED).

According to the CED, any small business is characterized by at least two of the following key features:-

1. Management is independent. Usually the managers are also owners.
2. Capital is supplied and ownership is held by an individual or a small group.
3. The area of operations is mainly local. Workers and owners are in one home community.
4. The business is small when compared to the biggest units in the field.

This later definition, approximates the conceptual framework underlying the micro-intermediary focused upon in this paper. As some elements in the above outline are relevant to the micro-itinerant traders who plays sorely between the urban consumer and supplier and the rural consumer cum supplier.

He/she is mainly an urban dweller still with some affiliation with rural life. He/she makes his/her living by linking the rural economy with the urban economy. He builds bulk of the rural produce and breaks bulk of the urban import or manufactures. They are similar to the Jamaican "higglers" (Katzin, 1959). Through bulk breaking they perform the role of intermediating for the urban merchant.

3. Entrepreneurship and Micro-Enterprises

Much has been written on entrepreneurs and entrepreneurship in the literature concerning marketing and economic growth. It is a

variable customarily designated as a pertinent factor in economic development. Although there have been case studies of the emergency of entrepreneurship in several developing countries, generalizations on entrepreneurial roles and contributions have been rare, there is even some uncertainty as to the proper definition of the concept.

Entrepreneurs are classed by some primarily as innovators; others regard them as managers of enterprise, and bearers of risks; some place major emphasis on their functions as mobilizers and allocators of capital.

According to Schumpeter (1934), the entrepreneur is the prime mover in economic development, and his function is to innovate by doing new things or things that are already been done in a new way; or to carry out new combinations. Schumpeter expressed the view that the specific role of entrepreneurs is in the carrying out of innovations.

In one of his later studies, Schumpeter defines an entrepreneur as "an ideal man and man of action who posses the ability to inspire others, and who does not have boundaries of structured situations. He is a catalyst of change, able to carry out new combinations, instrumental in discovering new opportunities, which makes for the uniqueness of the entrepreneurial function".

There have been more recent definitions however; Carland et al (1984), define an entrepreneur as being "characterized principally by innovative behaviour and will employ strategic management practices in the business".

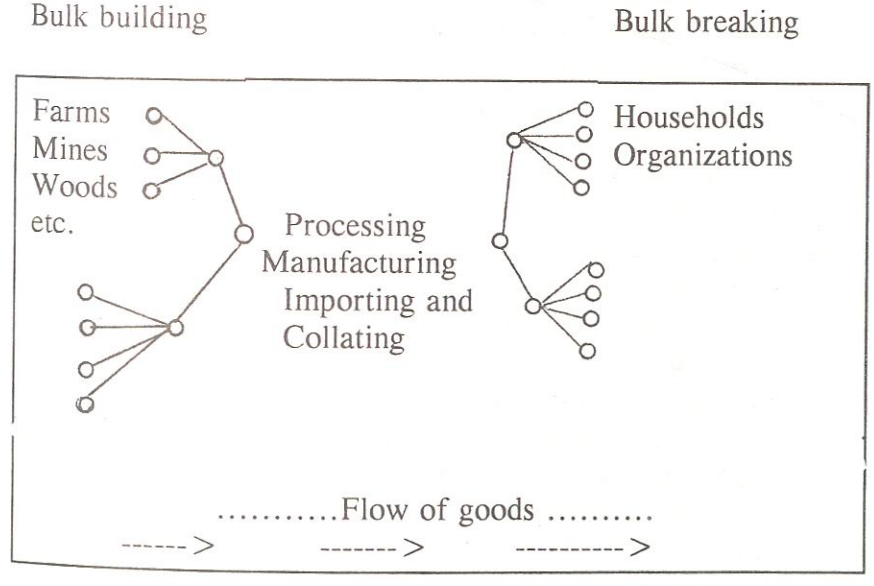
Dutching (1988), feels that the crucial art of thinking in terms of entrepreneurability involves identifying the variables responsible for the success in meeting the needs of the market, in manufacturing new product, in using new techniques in concentration of time, and feeling for the right timing. An entrepreneur is a person who has conceived a new business and keeps it as an on-going one. Rose (1977), defines an entrepreneur as that "individual who can correctly interpret the risk situation

and then determine policies which will minimize the risk involved, given a particular goal aspiration".

Other studies have classified entrepreneurs by their personality characteristics (McClellande and Winter 1982); such as achievement motivation, independence, focus of control, need for status, risk-taking preference tolerance for ambiguity etc.

Keeping all definitions in mind, it seems that the two most important functions that define an entrepreneur, are relevant to the focus group of this paper innovativeness and the risk-taking capacity to deal with uncertainty. The latter is much more relevant. It is argued later in this paper that the birth of entrepreneur is the micro-grass-root petty trader

4. The Concept of Bulking and Breaking



Bulking is an undertaking in which produce are gathered from distant place to be built into high assortments of products after processing and manufacturing.

It is the venture of small holder intermediary in Tanzania and other developing countries.

Obviously it would not be economic to move thousands of small bundles of produce separately over long distances; the commodity must first be assembled at a number of central points and then moved in bulk consignments.

Peasants generally take their produce to a buying point, which can be a local market or only other point established either by the peasants or the intermediary. These points and markets are normally seasonal or temporary in nature. Occasionally the trader/buyers move from one peasant to another collecting produce which are normally in very small quantities. It is not unusual to find as low quantities as five kilograms from one source.

In the case of export produce, an agent or small trader will purchase at the local market for transfer to a large intermediary in a major town (or a cooperative or marketing board). These will in turn move the produce in large lots to an export or import company at the port. It is similar for produce market for manufacturing or processing or assembly. The small trader purchases at the points, ships them to manufacturing, processing or assembling plants in major towns.

Corresponding to this on the side of distribution is bulk breaking. The breaking up of large consignments into smaller lots for distribution over wider area. Products most common in bulk breaking are cigarettes, soap, kerosene, cooking oil, matches, patent medicines, razorblades, cotton thread, cloth pieces, writing materials etc.

The assortment can be broadened to include shoes, hoes, bicycles, padlocks, kerosene lamps, radio batteries, depending on the market occasion.

The further away from the urban centres, the smaller the assortment of the intermediary. Since the transport problems are in some cases insurmountable in remote rural areas. It is unusual that a wholesaler or sub-wholesaler delivers goods by lorry to the intermediary. For remotely situated trader, it is his job to take the initiative of visiting the wholesaler and it is himself that should arrange for the transport of goods to his place, often by bus to some junction, then by portage to his place.

Even in cases where wholesaler might take the initiative to visit the traders far away in the rural areas, it might turn into a very frustrating venture indeed. There could be no way for the trader to transmit an order, even if he had the foresight to do so. The alternative solution of delivering according to predetermined schedule would probably fail due to the impossibility for the lorry driver to keep the schedule. Should the wholesaler arrive without notice, it would be no wonder that the trader has no enough cash in hand to make a purchase.

The expenses of having a lorry sent round are considerable, so the turnover must be high to meet the high overheads. On an average, a small trader might purchase for less than 10,000 shillings ($ 50) and the distance to the next trader might be between ten to twenty kms. In this way, many traders have to be called upon in order to get a reasonable turnover.

It is even frustrating to deal in perishables. Out of the large production of vegetables, fruits, fish, eggs and chicken. The bulk is produced and consumed within the household. What is not consumed within the household is sold by producers themselves or by numerous and even smaller traders through the local seasonal or early morning or evening markets. Due to the small amounts bought, the products are put to the risk of rotting or going bad in other ways. It is not surprising to see some one buying one quarter kilo of fish for the family's dish. Less than one kilo buying is common in such product lines as flour, rice, sugar, salt, cooking fats etc.

5. The Role of Division of Labour

The reason why the intermediaries exist is associated with the division of labour. There is a division of labour between those who actually produce the raw produce and those who process and distribute it.

The principle of division of labour accounts also for much of the detailed structure of marketing. It is responsible for the specialization between CONCENTRATING MIDDLEMEN, who are engaged in bulk-building activities and DISPERSING MIDDLEMEN, who are engaged in bulk-breaking, that is, in distribution. There is in addition specialization between buyers and sellers operating at export - import level at the whole sale, and at the retail or primary level. In other words there is VERTICAL specialization between different LEVELS of marketing. Besides this there is HORIZONTAL specialization according to the type of product.

The extent of specialization will depend on the size of the market. A retailer for instance, serving a small local market, is more likely to combine the two sides of marketing than a large firm operating at the exporting or importing level.

The application of division of labour among different levels of marketing means that there may be several successive intermediaries, or middlemen through whose loads the product passes. It is worth noting this in relation to the common criticism that an excessive number of middlemen will raise the price to the consumer and lower that to the producer.

The presumption following this analysis is that if an intermediary is able to survive, he must be doing a given task as cheaply as any one else could do it. If for instance secondary stage buyers could do the primary buying in addition to the second stage more cheaply than the primary buyers, they could put the latter out of business by offering producers a better price. Thus, the number of stages in marketing will also bear function of advantages of the division of labour. This is not to say that a

given number of middlemen will always be necessary. There have been important changes in the organization of marketing and distribution which have involved the cutting out of certain intermediaries. In other words, it does not mean that a new organization, like a cooperative, may not be developed which eliminates the need for as may intermediaries.

6. The Rational Behind the Micro-Traders

The kind of message we get from the above analysis so far is clear. There is an extensive demand for the services of micro-intermediaries both in bulk building of the produce and in the breaking bulk of imported and locally manufactured merchandise. Few other profitable channels of employment exist, because of the relative scarcity of technical skills, and above all capital, and not much skill or experience is required for the simpler intermediation operations. Moreover, women and children generally unoccupied, because in the towns at any rate, there are few households' duties; they are thus available to act as intermediaries even for low earnings.

The intermediaries are productive as they conserve real resources, especially capital, substituting for it semi-skilled and unskilled labour, which is abundant, stimulate production, and provide employment. If they were superfluous, and their services unnecessary, the customers would by-pass them to save the price of their services, that is, the profit margin of the intermediaries.

Small-scale intermediation is probably the principal way in which the poorest segments of the national population can acquire knowledge of commerce and of enterpreneurial knowledge of a kind which could be a great importance in creating or spreading economic development. Moreover, the nature of petty trade, when undertaken by a multiplicity of traders, involves sharp competition and rewards individual intelligence, energy and daring.

Whereas import - export enterprises in the cities and major towns as well as export commodity buyers' ports are often operated in the absence of substantial competition - some times even with prices fixed by government fiat, the small scale entrepreneurs must usually conduct their business under extreme pressure on many fronts. It might be argued that free market and perfect competition is realized more fully in the activities of petty traders; than it is in those of the owners of big companies and parastatal organizations.

Even the entrepreneurial school teachers us that the best birth of an entrepreneur is the micro-grass not petty trader, who evolves from the most remote economic unit to the largest state - metropolitan business! (Wague, 1989).

7. Conclusion

Micro-intermediation for the urban dwellers, important as it is, has been faced with hostility. The government has perused policies that are inimical to the expansion of these micro-traders. Not only do activities done by the sector not attractive to the Urban Authorities for support, there have been laws, rules and regulations that are downright hostile to their operations. The period up to the mid-80s experienced situations where there were internal barriers and check points meant for preventing the free movement of goods between demand and supply centers. There were arrests and fines for carrying farm produce from one area to another, or for carrying manufactures that were deemed essential from one urban center to another or from town to village. Only authorized government agents were to carry the goods! The victims of the arrests were the micro-traders who played between demand and supply centers.

However, both the Urban Authorities and the central government at large are currently see the importance of the intermediaries, and there have been some encouraging steps of their operations. There are some occasional harassments from

Urban Authorities on various pretexts such as littering of streets, but the general attitude has been supportive.

Which other intermediary would manage to sell as little as quarter kilo of sugar or salt, or one piece of soap, if not the "small gays" hawking the town streets? While these "guys" are important during times of plenty, they are even very important during times of great scarcities!.

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CHAPTER SIX

URBAN SLUMS AND SHANTY TOWNS: A CHALLENGE TO URBAN HEALTH ADMINISTRATION

By
A.G.B. Simime

Introduction

One outstanding fact of urbanisation in modern society is the creation of squatters in and around them. Whereas we admire the modern technologies of physical structures in high-rise government bureaus, company property buildings, hotels, high street roads and road side lights we tend to remain withdrawn from or ignore the inside of the outgrowths of these cities. Squatter settlements are without, overstressing, a real threat and challenge to all of us and more so to the urban administration.

This reader is about the problems that urban areas faces as a result of squatters. The burgeoning nature of squatter problems include conditions like unemployment, poverty, housing crime, roads, lighting, water supply prostitution, drunkenness, drug usage, suicide, accidents, wastes and waste disposal and a legion others. All these have a direct negative influence on the health of not only those living in slums and shanty towns but also those living close by as well as those in the villages.

Because of the diverse nature of these problems it is not possible for this discussion to deal with each one of them. It is intended that only a selected few will be dealt with in the light of their threat to the health and health status of the people.

Squatter Settlements

There are two types of squatter settlements, the slums and shanty towns. Many of their problems are similar. However, they can be distinguished by their location. Steward (1972) defined slums

as "areas where dwellings predominate which by reason of dilapidation, overcrowding, faulty arrangements or design, lack of ventilation, light or sanitation or any combination of these factors, are detrimental to safety, health or morals"[1].

A dwelling is dilapidated because either a previously decent house has deteriorated or the original construction was inadequate. The dwelling is below the generally accpeted minimum standard for housing. Such dwelling should either be extensively repaired or rebuilt and alternatively be town down.

Slums usually contain the oldest and frequently the most obsolete portion of the available housing stock and thus are located in the oldest parts of most cities[2]. Following this description slum areas are often found in the inner cities where originally sound buildings have deteriorated or fallen into disrepair. The original residents will have moved away from them giving room to new occupants, the squatters, either free of charge or at small rental charges or relatively good slums.

Squatter settlements of this kind are governed by certain prerequisites. The first one is the peripheral expansion by new housing of the now slum areas. That is the development of new quality housing outside the slums providing the availability of alternative suitable housing for the original occupants. The second factor is the actual outwide migration of former residents into these new developments. Then, of course, the availability of prospective squatters. These can be the unhoused urban residents or the rural urban migrants who may not ind adequate housing or cant afford the available stock of housing because it is too expensive.

Shanty Towns

A shanty town is a squatter settlement on an empty piece of land usually outside town. It is town or part of the town consisting of small shacks of crude construction. A shanty town consists of houses or shacks built by inhabitants or owners of materials readily at hand, of scrap materials, on land previously unoccupied usually

on the edge of a city. The inhabitants are not always immigrants from other areas but typically a large proportion of them are. According to Marshall[3], peripheral shanty towns spring up on land that is not being used for one reason or another. The occupant may simply set up a hut as a squatter, may pay a small rent to the owner of the land or in the case of some better organised groups, refugees for instance, may often obtain recognition from the government of the right of occupancy.

The Oxford English Dictionary[4] defines a squatter as a settler having no formal or legal title to the land occupied by him, especially, one such occupying land in a district not yet surveyed or apportioned by the government. Following this reason it is infrequent to find empty and unsurveyed land inside a city or town. It is possible to find this squatting in the inner parts of cities, usually limited to small shacks on scattered vacant lots. Squatting in the inner parts of cities is often in empty houses which have deteriorated. These are usually called slums.

Urban slums and shanty towns are relative, not absolute terms. In decribing them the physical conditions and housing standards are emphasized. In terms of physical conditions and housing standard sit is important to keep in mind the comparative nature of their definitions. They are judged physically according to the general living conditions of a country[5]. In this way they are different from place to place within the same country.

Causes of Squatter Settlements

Squatting in urban areas is the consequence of a number of factors.

First it is the result of the natural increase in the population already living in urban areas. This increase creates some difference between the total number of people living in the urban area and the existing total stock of living quarters. In most countries natural increase is not a major force toward urban squatting.

The second cause is the large number of people migrating from rural to urban areas. Migration is the result of two factors, the push and the pull factors. The push factor comes from the deteriorating conditions in rural areas forcing people to seek a livelihood in towns[6]. In some places there is a low land population ratio or inequalities in land holdings may exist and force people to migrate. Forced labour in rural areas, as was the case during colonialism, also acts as a push factor. The growth of Dar-es-Salaam in the 1930s is said to have been the result of migration to avoid forced labour. Seasonality of agriculture coupled with the unpredictable nature of weather works towards rural urban migration. Because the livelihood of people is dependent on agriculture the factors do not favour high agricultural harvests and incomes. Also exhaustion of natural resources necessitates such migration.

The pull factor is exerted by the towns to attract rural migrants because of desired and increasing opportunities. Opportunities for getting paid employment is high in urban areas even though migrants expect to remain unemployed for some time. There are also opportunities for spending the money earned. Jobs are not easily available to absorb the great number of immigrants and some of the do not have the right qualifications. So it is the hope rather than the firm prospect of employment that attracts an increasing number of immigrants to the urban areas[8]. For young people it could be the mere lure of city life that pulls them to migrate from rural to urban areas.

The housing situation in urban areas is another reason for the existence o squatters. There is an overall shortage of housing against the increasing urban population. Although in some instances the housing position may be adequate there may still be a shortage of accommodation at rents which can be afforded by people in lower paid employment who eventually become squatters. Some families may become squatters because they have had to give up their accommodation for reasons such as loss of a

job, illness, incapacity, desertion or death of the wage earner[9].

Education is another cause encouraging rural urban migration. People with education, even those with just a few years' schooling (like standard seven leavers in Tanzania) and without better job prospects than the uneducated move to towns more often. The type of education given is often inappropriate for most jobs available. these also add to the number of population living in slums and shanty towns.

Characteristics of Squatters

The conspicuous characteristic of both slums and shanty towns is the state of the houses. In the slums houses are dilapidated and beyond repair. The roofs have rotten and are leaking, the walls suffer cracks and some may have allen down as a result of decay. As a whole the physical structures are in a bad shape.

The water taps are dry and the popes in the spout because of rotting from old age and lack of replacement by new ones. Because of lack of proper sewarage system any water from leaking pipes and rains collect and remain to decay in potholes in and around the slums.

Toilet facilities have stoped functioning. They are either broken, blocked and leaked. In many cases they will be empting their contents in the pathways between the slums.

In shanty towns the houses may not be very old. But these places may lack any regulated plot demarcation and housing standards are usually uncontrolled. Because of this, buildings are of poorly arranged structures and design. The shacks lack appropriate windows to either allow in enough light and ventilation or to prevent dust room entering them. Many of these buildings are occupied before they are complete.

In slums and shanty towns dwellings do not provide housing that is decent, safe and sanitary. They are usually filthy and vermin infested and as a result of massing together of buildings, they are fire hazards. Squatters are associated with both

lack of facilities, poor facilities and communal services. For instance, shortage of water, electric lights and sanitary facilities are common. Where water taps exist they are shared by too many people who may have to carry the water some long distance.

Another obvious sign of squatter areas inside and around the cities is the high occupancy rates of households. There are three factors to the problem. One factor is the direct consequence of the influx of people into the cities. Most of the immigrants do not in their own accommodation. Because many of them usually have some acquaintance with those who first went into urban areas, they look or them and stay with them before they can find their own dwellings. Also it may be because they can not afford to pay rent for the available houses for lack of income at the time immediately after arrival there.

The second reason is the fact that the birth rates are very high in these areas. In many societies, including African ones, fertility rates are high in low social and economic groups. It is these groups of people who are found in the squatter villages in and around the urban areas.

The third reason is that there is at any time a deficit in the availability of housing stock. Population increase through rural urban migation and natural increase is faster than the rate at which housing schemes can afford to absorb. In this way high household occupancy rates are likely to persist for a long time in the future.

There is either no, refuse and sewage disposal system or if they exists they are not proper and adequate. The pathways between the shacks which are narrow are used for sullage and refuse disposal. At the same time they are used as recreation spaces for children. There are no planned spaces for this purpose. There are no planned spaces for this purpose. And so the danger posed to the children is enormous.

Health Problems

Urban slums and shanty towns are a health hazard. They are a health risk to all, that is, the squatter dwellers, urban population close by and the rural population as squatters returning there may take infectious diseases with them.

Many health problems have to do with diseases of poor hygiene and sanitation. Diseases falling under this category are either water-borne, water-washed or water-related. Lack of water for personal hygiene may result in the increased transmission of water-washed diseases. These include diarrhoea and dysentery, skin infections and eye illnesses like trachoma[10]. They are transmitted by either the faecal-oral route due to lack of washing of hands, eating utencils and some food-stuffs (e.g. vegetables) or by lack of personal hygiene like washing the face, eyes and body.

Water borne diseases are plenty to find in these areas. They are a result of using dirty water. The water contains the disease organisms. Such diseases are typhoid, cholera, amoebiasis and hepatitis as well as pliomylitis[11].

The other group of diseases under hygiene and sanitation is the water-related ones. They include malaria and schistosomiasis. Water that accumulates and remains in untreated stagnancies forms a breeding ground for the disease vectors. No mosquito spraying is done and long grass is allowed to grow in and around the banks of the ponds so that mosquitoes breed in them, infest areas near by and because squatters do not use nets malaria attacks are common. Bilhazia also breeds in the ponds and infest children who play into them.

One serious problem of poor families in squatter settlements is that of abnormal nutrition and undernutrition. It is related to energy-protein deficiency resulting in marasmus and kwashiorkor. The urban poor are found in slums and shanty towns. They are economically inneficient, that is, they lack enough resources to buy a market busket of goods or food essential for a minimally dicent level of feeding or subsistence. They have no income because

they are unemployed. Those who are employed have very little income from this sector because their employment is on temporary basis or on a piece-rate condition. Other infectious diseases related to poverty are also common.

Health problems related to social environment are not uncommon. They include among others, prostitution, drunkenness and drug usage. They are a result of proper and decent alternative occupational activities to keep them busy through the day. There are other problems related to lack of proper use of time. Squatting provides an environment which allows crime. Crime is higher in these parts of the urban areas than anywhere else. Juvenile deliquents are common. There are also many illegitimacies and family maladjustments. Fires are equally a threat to the health of these people[12].

Tackling Squatter Problems

A number of options are available to urban authorities toward solving these problems.

One option is to regard squatter settlements as illegal and to do away with them by demolishing slums and shanty towns. This was the case for Tanzania in the late sixtees. The option implies that residents have to be sent back to the villages where they came from. This is obviously the easiest move to make. But success will be difficult unless the factors that made them drift into urban areas have been removed in the first place. It means that the push factors that have been discussed earlier on must be done away with otherwise they will, very likely, set up another shanty town somewhere else in the city or enter other slums.

The other option is that slums and shanty towns can be ignored. In this case nothing is done about them. In Tanzania this may not be the policy. But the way things are it would appear as if this is what is being done. This would be the explanation for the appauling nature of the squatter settlements.

Another option is to move the residents to new and better dwellings. This involves extensive housing schemes (which most authorities may not be able to do). But if the new dwellings are expensive people will fail to afford them and will fall back to slums and shanty towns. Small but decent and cheap houses are preferable to any other else. People may also not accept the idea of moving into new areas located far from town and with less facilities than those in towns.

In a way these options do not provide permanent solutions to the problems of squatter settlements. We need those options that will offer solutions on a permanent basis. Urban authorities have to improve the environment by introducing basic changes that can have significant effects on the health of these areas. Most important of these changes are water supply and sanitation, refuse, sullage and excreta disposal as discussed below.

Improving the Environment: Urban governments ought to introduce changes that will improve these areas. Very basic change will have significant effects on the well being of the squatters. Urban authorities may not be able to provide new housing for the ever increasing squatter population. But the following are some of the important things that can be done.

Household Occupancy: The household occupancy rate must be reduced. This can be done by containing the growth in size of the occupiers of the slums and shanty town dwellings. One option of doing it is to change not only the knowledge and attitude but also the practice in child spacing. Family planning programmes are badly needed in these areas than probably anywhere else in the urbans. The problem of malnutrition as a result of hair-spliting the meagre resources of the household income will at last be overcome.

Housing Standards: Houses must be improved in terms of standards. All houses being built must be planned, approved by urban authorities and their construction supervised to see to it that they meet the required standards of adequate housing. Such houses should have spaceous rooms and windows to allow in enough light, ultra-violet radiation and cross-ventilation. Most people will not be able to build a house of their town. In most developing countries building materials are scarce and quite expensive. This makes it difficult for people with no or low income to afford them. Also the housing loan system may be very cumbersome and expensive as is the case in Tanzania.

It is important therefore for the authorities to take the responsibility of rehabilitating the slums and engaging in long term housing schemes to increase the low-income and low-rent housing stock.

Water and Basic Sanitation

The supply of adequate and safe water together with some basic sanitation are amongst basic health measures. Authorities should engage in programmes to provide for these requirements the objectives of which should be to prevent communicable diseases associated with drinking water and lack of sanitation.

At the central level there is a well defined National Water and sanitation programme. The objectives of the programme are, first, to provide safe and clean water to everyone as close as possible to their homes and for every household to have a suitable latrine and to use it[13]. Tanzania formulated a 20 year Water Supply Programme in 1971 with a general objective of providing every person with clean, portable and adequate water within 400 metres of each household by the end of 1991. This programme was given a boost when the International Drinking Water Supply and Sanitation Decade (1981-1990) was launched in the country[14].

However, in the programme implementation process emphasis has been more rural. Shanty towns occupy the interfaces

between urban and rural areas and in this way they seem to all outside both urban and rural area. Let urban authorities take the water programmes to these poor areas.

A Low Cost Sanitation Programme has also been underway as a component of the Water Supply Programme. The objectives of the programme were to encourage and assist each household to construct a suitable and durable latrine, to introduce sanitation projects along with water supply programmes and to educate people on matters related to environmental health[15]. Again slums and shanty towns suffer gross neglect.

Health Services

The health status of squatter dwellers is the poorest of all urban population. They have no easy access to health services especially at night. In these areas there are no permanent clinics. Actually, clinics are likely to be well utilised in these areas and most of the methods and concepts of Primary Health Care can be appropriately applied. Urban Health Authorities have to look for ways of raising the health status of these people. The only way they can do it is by increasing accessibility and providing cheap but not makeshift health services. Primary Health Care (PHC) is the solution and the major thrust should be in the eight elements of PHC which include: educating the squatters concerning prevailing health problems and methods of preventing and controlling them; promotion of ood supply and adequate nutrition, maternal and child health care, including family planning; immunisation against communicable diseases; prevention and control of locally endemic diseases; provision of essential drugs; appropriate treatment o common diseases and injuries which implies setting up clinics in those areas and staffing them; and providing as discussed above, adequate supply of safe water and basic sanitation.

Sewerage and Sewage Disposal

When using water, individuals produce quantities of liquid wastes and poluted water. The collection of these wastes and their disposal as well as their treatment where necessary is essential if land, air and water resources are to be conserved and individual and community health protected. Thus the provision o sewerage systems and their management and control, are key tasks to be undertaken by urban authorities. There is need to construct a sewerage system to which all dwellings would be connected surface water drainage system should also be built to drain water from houseroofs, roadsides and so on. Ponds for waste disposal should also be built.

Recreation

Recreation grounds are important for the health of the people and particularly for children. Because they are specially designed places for physical activities they are safe for physical activities they are safe for children who would otherwise have to play in the dirty narrow paths between the equally poor and dirty dwellings. It is highly recommended that urban authorities should built such grounds and equip them with appropriate facilities or various sports occupational. Health authorities could then easily organise health education here with other social workers.

Integrated Development Programme

Health problems of urban slums and shanty towns must not be dealt with in isolation of other problems. If this is done no permanent solution will be reached. It is important to remember and accept the fact that health is a function of a number of factors including among others, income, housing, education, water food and the whole environment. Unfortunately, none of these factors fall directly under the health authorities of urban administration. It is recommended that all the social sectors, as well as others related to health, must work together to achieve intergrated effort

toward squatter problems. So health, housing, social welfare, water, police, public works and many others should coordinate their efforts so that squatter problems are dealt with on the whole. In the present structure problems are being solved piece-meal. If this is left to continue the problems will not only remain but grow in size and complexity.

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CHAPTER SEVEN

SQUATTING AND URBAN POLICIES

By
A.A.F. Massawe

1. The Meaning and Nature of Squatting

The legal definition of squatting has been given as follows:

> *What is a squatter? He is one who, without any colour of right, enters on an unoccupied house or land, intending to stay there as long as he can. He may seek to justify or excuse his conduct. He may say that he was homeless and that this house or land was standing empty, doing nothing. But this plea is of no avail in law.* - [McPhail v. Persons Unknown, 1973 W.L.R.71].

Squatting is an ancient practice, and has occured at some stage, in different forms, throughout the world. There are two types of squatting: on land and in empty buildings. As much as one tenth of the global population is housed in urban squatting communities. Almost all the major cities of Asia, Africa and South America have vast squatter settlements on the outskirts. Migrants flood to the cities from the countryside in search of work and initially sleep outside or find somewhere with relevatives or friends. The only way they can get reasonably permanent roofs over their heads is by building shacks for themselves on unused land at the edge of the city.

Some authoritiarian governments, like South Africa, Chile and Indonesia, have at times destroyed such settlements without providing alternatives. But in most coutries the vast number of squatters and the lack of alternatives have compelled reluctant

authorities to recognise squatter settlements and to help provide water supplies, electricity and drains. The squatters then continue gradually to improve their house and slowly the settlements become an established part of the city[1].

Squatting in empty houses has recently been taking place throughout Western Europe. The availability of empty property is obviously a prerequisite of this type of squatting, and homelessness and intolerable living conditions are the main stimuli.

For the most part in the cities of the developing nations today, the growth pattern is much the same, in principle, as that of the great cities of the last millennium; the difference is that today the scale of urban population involved is so immense, and their numbers are increasing at a rate seemingly beyond our comprehension. The combination of high urban growth rates, inappropriate policies and inequalities in distribution of resources, has created situations in which a large proportion of urban populations are unable to afford conventional "minimum" dwellings. Whilst estimates must be regarded as tentative, a recent World Bank Survey[2] of six selected cities indicated that this proportion varied between one - and two-thirds of the total population in each city. When these limitations are added to the fact that much of the housing which is available to low-income groups is either of an unsuitable type or is too far from employment areas to be tolerable, the numbers of people effectively excluded from housing programmes can readily be imagined. Throughout the expanding cities, such people have been thrown onto their own resources and forced to generate alternative methods of financing, organizing and building housing settlements. The nature and implications of these alternatives have been the subject of an increasing literature during the past few years.

The pioneering studies of Turner and Mangin[3] tend to focus attention upon the distinction between the dynamic, organized nature of the large squatter invasions on the periphery of major large cities, and compared them to the centrally located slums of

high density hutments or tenements. Earlier, Turner[4] addressed himself largely to upper or middle class Peruvians or foreigners and sought to show that whilst the inner city housing had no future, the peri-urban squatter settlement would develop, although slowly, into a typical working class suburb[5]. Mangin came to the same conclusion when discussing the work of squatters in Lima[6]:

> *The difference in morale between squatter settlement dwellers and slum dwellers in Lima is impressive to even casual visitors and seems to me to be largely due to the fact that the squatter settlements were formed by organized invasions, have internal community organizations with elections and reward talent, initiative and courage.*

The highly organized and resourceful squatters discussed by Turner and Mangin in subsequent studies[7] represent major achievements of popularization in housing and planning. The effect of communal autonomy did much to give the squatters a confidence and strength that enables them to become a functioning part of the same society that oppressed them[8].

2. Attitude Towards Squatters

Squatting has not been viewed in a positive light by those in power. Instead, it has been seen as a threat to "law and order" and the democratic process, and above all to the sacred rights of private property. Public authorities have always attacked squatting, seeing it as a "problem" to be stamped out, rather than as a symptom of the housing crisis. While tolerating it for pragmatic reasons, governments or councils have consistently tried to discourage it. Houses have been boarded up, gutted or even domolished to prevent people using them[9]. They deplore the unplanned, somewhat disorganized character of these areas.

In Tanzania, for example, as we shall see in the discussion below, the Government regarded squatter dwellings as illegal or even non-existent. Up to 1969, in Tanzania, orders had been issued to prevent squatting, to demolish the houses and to move the occupants[10]. This attitude has changed in Tanzania and also globally. The reason is that squatters are not only there, but highly visible, and they engage in political struggle[11]. Also there existed widespread fear among local and foreign elites that squatters were "hotbeds of radicalism" and "powderkegs of revolution", and this ghost needed to be laid. The research that was done tended to allay these fears[12]. It helped to tranquilize anxieties by concluding that squatters' aspirations were much like those of another people - a job, security, a place in the sun, a decent and productive life, social esteem and some of the material prerequisites of urban living[13]. Because acting alone, an individual could not attain all these, he joined with others to achieve some limited good - a piece of land for himself, a house, a school. He learned from experience. If you wish to be heard, you must act collectively.

With this background information, we are now in a position to look at squatting in Tanzania. As contrasted with other third world countries, like Lima and Peru, there is very little authoritative literature on squatters in Tanzania. Although an attempt will be made to look at the history of squatting in Tanzania, emphasis will be on policies and their implementation.

3. The Origin/History of Squatting in Tanzania

Until 1894, African customary laws governed the system of land tenure in Tanzania Mainland (by then Tanganyika). This system of land tenure gave a negative of any particular locality the right to build a house within his community subject to the agreement of the community as represented by the chief, headman or elders. All land belonged to the community or clan collectively. Land could be acquired by individual members of a clan by succession

or by cultivation of a plot allocated by the head of the family. Land so acquired belonged to the owner and his heirs unless or until abandoned, when his right to it is lost. The idea of buying and selling land was unkown until it was introduced by Arab settlers. In 1894, the German colonial administration set in. While recognising African customary law, they began to alienate land for the purposes of settling their own people and this they did by granting freeholds. The German freeholds, however, contained a resumption clause (permitting the government to regain its rights over the land). In 1920, the British, under mandate from the League of Nations, assumed control over the then Tanganyika.

During the trusteeship period, further freeholds were granted and the German ones were recognised. During this period, the Governor was empowered by the Lands Ordinance of 1923 to grant Rights of Occupancy for 99 years at will or from year to year whichever he deemed to be in the general interest. Only as late as 1960 was a provision made whereby alienation of land from customary law or from "nature" to "non-nature" occupancy would be subject to prior approval of the Native Authority. However, under the Land Ordinance of 1923, any African lawfully using or occupying land in accordance with customary law had a right of occupancy to the land even though he had no documentary title issued to him, except in urban areas.

Under the British Administration, the practice grew in urban areas that upon the creation and extension of City, Municipal or Township boundaries, urban land was alienated from tribal or customary land tenure. The effect of creating urban areas was to detribalise land and any African within these areas who wanted to stay on in the same manner and location as before, received compensation for having to comply with the Town Planning Laws. This however, made him a squatter. So this is the origin of many of the village-like squatter areas within Dar-es-Salaam City boundaries, such as Manzese and Buguruni. There have been attempts by Government administrators to enforce the

removal of customary law occupancy within urban areas. As recently as 1969, the then Minister for Lands reiterated the Government's position on urban land as follows[14]:

(1) Native law and custom is inapplicable in townships and other urban centres and only applies in tribal areas.

(2) The government is anxious to eradicate the squatters problem in all major Tanzanian towns.

(3) Land in urban areas cannot be acquired other than by grants of rights of occupancy.

So we see that as recently as 1969, the policy in Tanzania was to demolish squatter settlements. Just as squatter areas are universally viewed as a "problem", until 1969, slum clearance and re-development were being put forward as the solution to the problem. Consultants first proposed the idea of extensive clearance in the 1967 Darplan. This was reinforced by a German Study Team in 1961-68 who produced a report on Slum Clearance in Dar-es-Salaam. Acting on this report, the West German Government undertook to provide aid for a clearance and renewal programme in Buguruni Area in Dar-es-Salaam.

A policy of slum clearance and redevelopment in Tanzania was incorporated in the First Five Year Plan (1964-69), and the National Housing Corporation was given the task of slum and squatter clearance and re-development of such areas to high standards. According to the slum clearance programme, the National Housing Corporation was scheduled to build 1,000 dwelling units in Dar-es-Salaam, per annum, of which almost 70% would have been under the slum clearance programme. One of the objectives of the programme was to demolish the worst houses in the city and other areas and replace them with modern buildings.

During the First Five Year Plan (1964-69), the National Housing Corporation Constructed 4,678 houses in Dar-es-Salaam, of which 4,292 were low-cost houses and 186 were medium-cost houses. Under the Second Five Year Plan (1969-74), National

Housing Corporation built 5,000 low-cost houses in Dar-es-Salaam, 60% of which were under slum clearance[15]. Other towns like Morogoro, Mtwara and Singida were also covered under the programme although to a smaller degree.

By the end of 1969, it was decided to stop slum clearance for two main reasons:-

(1) the high cost of the programme;

(2) the net addition to housing stock was very small.

Most specifically, the slum and squatter clearance programme undertaken over the period under Section 4(c) of the Land Acquisition Act, 1967 imposed high social costs in terms of social disruption and displacement of established families and neighbours. It also imposed large economic costs on the State in terms of the high compensation given to owners of demolished properties and crops, and displaced many small family businesses and petty-trade, thus reducing employment opportunities and family incomes. In addition, the programme imposed high transportation costs (monetary and time spent travelling) on families relocated ar away from their work-places and the city centre. Indeed, the programme resulted in a reduction of the low-rental housing stock affordable by low-income families. For Dar-es-Salaam in particular, slum and squatter clearance not only increased overcrowding in existing slums and squatter housing, but it also touched the fringe of the problem as well as shifting it from one place to another. And their numbers rather than diminish, did increase[16].

Curiously enough, despite all the attempts by Government to restrict squatter settlement, the results have actually tended to favour their increase. When Government has offered compensation to people to encourage them to move, a class of professional squatters did immediately arise - people who build houses illegally in order to get compensation. According to both Kalaba[17] and Leaning[18], the programme encouraged more and more people to squat, especially on land planned and ripe for

development. Many areas were invaded and residential structures were quickly erected over-night, or in several days.

Fortunately, as of 1970, compensation is now no longer paid to such people. In 1972, the government decided to abandon 'squatter area demolition' and provided in its place "Squatter area upgrading Programmes". This move as we have seen above, was no prompted by humanitarian motives but by the two reasons outlined above coupled with international advice, especially the World Bank[19]. So in the following section, I will deal with squatter: upgrading in Tanzania. Squatter upgrading programmes have some similarities to sites and services provisions but they are not one and the same thing. It is for this reason that it has been decided to treat sites and services programmes in a subsequent chapter.

4. Squatter Area Upgrading Programme in Tanzania

Tanzania has been operating a squatter area upgrading programme or the last then years. This development follows the Government decision of 1972 not to further pursue "squatter area demolition" but to provide in its place "squatter area upgrading programme". Some of the sallient features of the Tanzania Project include:

(a) Mixing of both squatter area upgrading programmes with Sites and Services and Surveyed Plots Programmes.

(b) Implementing the programme as a "National Programme" covering several towns in any one given phase.

In this discussion, concentration will be on those features which have a bearing on squatter area upgrading. Also an attempt will be made to discuss the subject in two distinct situations:

(a) Management before the re-establishment of Urban Councils in July, 1978[21], and

(b) Management after the re-establishment of the Urban

Councils.

4.1 Management Before July 1978

1. In 1972, a decision was made to establish a Sites and services and Squatter Area Upgrading Unit in the Ministry of Lands, Housing and Urban Development. The Unit was assigned the task of planning, financing and, implementing the programme.

While the Project Unit was being established, the Government undertook a Nationwide decentralization programme. Since the management of the programme by a Central Ministry, with the decentralization, some powers as regards the programme, had to be transferred to Regional Administration. Accordingly, projects were divided between "National Projects" which were the responsibilities of the Central Ministry, and "Regional Projects" whose planning, financing and implementation was the responsibility of Regional Administration. Guidelines were provided with regard to Regional and/or District Administration's involvement in National Programmes which affected their areas of jurisdiction.

A second feature of the decentralization programme was the abolition o the local authorities including Urban Councils. Regional Authorities were therefore assigned the responsibilities of implementing both Rural and Urban Programmes within their areas of jurisdiction.

Administratively, Regional and District Authorities are answerable to the Government through the Office of the Prime Minister. Under the decentralization programme, it meant the Central Ministries had to decentralize and place their representatives at the Regional and District levels.

All policy issues concerning technical matters or the Central Ministries themselves are routed by the Regional and District Development Directors to the Regional and District Representatives.

2. With reference to Squatter area Upgrading Programmes, the following has been the line of operation:

(a) Within the guidelines of the short and long term Development Plans, the Project Unit in the Ministry of Lands conducts feasibility studies and formulates a project. The project so formulated is submitted to the Cabinet for approval.

(b) The Project Unit seeks funds internally or externally for financing the Programme. While this is going on, the Project Unit undertakes discussions with the Regional Authorities in the selected towns. The discussions will mainly entail implementation arrangements. Implementation arrangements will include scheduling so as to allow the Regional Authorities to plan for servicing and maintenance.

(c) The Planning Section of the Project Unit in collaboration with the Regional Town Planning Offices prepare layouts for the selected squatter upgrading areas. The layout makes provision for the supply of infrastructure and community facilities. Simultaneously, layouts for the overspill areas are prepared. In addition to involving the residents of the communities in activities llike "walking the infrastructure lines", the planners have to comprise the idea of providing a reasonable level of infrastructure with the minimum demolition of existing houses.

(d) The layouts prepared are submitted to the Director of Urban Planning in the Ministry of Lands for approval. After approval, they are submitted back to the Regional Development Committees for second approval.

(e) The approved layouts are presented for detailed engineering designs, an assignment which so far has been undertaken by Consulting Engineers. In addition to providing drawing and details necessary for constructionk purposes, consultants prepare strip maps indicating clearly the houses to be demolished. Draft Engineering designs are scrutinized in the Engineering section of the Project Unit and submitted to Regional Engineers for comments to be incorporated in the final engineering designs. At this stage, electricity supply drawings are submitted to the headquarters of the National Power Company for comments and approval. Utilising strip maps provided by the Consulting Engineers, valuers from the Valuation Unit in the Ministry of Lands undertake valuations of all properties that will have to be demolished to provide for planned infrastructure and community facilities. Valuation reports are submitted to the accounts office of the Project Unit for payments by way of compensation.

(f) On the basis of the approved layouts, the Land Survey team in the Project Unit undertakes cadastral surveys for the overspill areas. A list of the displaced people who have to be resettled in the overspill area is prepared and submitted to the District Land Officer who prepares "Letters of offer" for the new plots. This exercise is undertaken in collaboration with the Estate Management Section of the Project Unit. The latter also prepares "Certificates of Title" in collaboration with the Lands Division of the Ministry of Lands.

(g) On the basis of approved final engineering designs, the Engineering Consultants in consultation with the Central Tender Board (a Department of the Treasury) arrange for tendering process for construction of infrastructure. The Engineering Consultations together with the Engineering Section of the Project Unit undertake the supervision of the construction. Regional Engineers whose jurisdiction covers the towns involved, do attend the regular Site meetings. Constructed infrastructure is handed over to Regional Authorities for running and maintenance.

(h) The planning and architecture section of the Project Unit prepares architectural drawings for Community facilities. These drawings are then submitted to Regional Authorities and the Ministry of Works for approval. The Ministry of Works tenders for construction, and together with the Engineering and the Architecture sections of the Project unit, undertakes supervision of construction. Operation and maintenance of the Community facilities is the responsibility o Regional Authorities.

(i) The re-settled people submit house plans for the new houses (in the overspill area) to area authorities for approval.

(j) Occasionally, the Project Unit, through its Community Development Section provides transport facilities for the displaced. The few artisans in the Section also provide technical assistance in the form of advice on manufacture of locally available building materials, e.g. soil-cement bricks; and assistance on actual house construction. This exercise is done in collaboration with the Building Research Division of the Ministry of Lands. The

Community Development Section through the Local Party Machinery assists in the establishment of Housing Co-operatives and self-help activities.

(k) The Tanzania Housing Bank provides loans for new houses in the overspill areas and House Improvement Loans in the upgraded areas. Recovery of the loans is through a salary check-off system for those who are employed, and direct payments to the Bank for those who are not employed in the formal sector. The Bank also operates building materials depots for Project beneficiaries.

(l) The Community Development and Planning and Architecture Sections of the Project Unit together with Engineering Consultants undertake a mapping and house registration exercise for the upgraded areas. The registration is used by the Internal Revenue Offices of the Treasury to effect cost recoveries (Land Rent and Services charges). The same are also intended to provide a basis for future provision of house ownership documents.

2.4.2 Project Management - July 1978 and After

In July, 1978, the Government re-established Urban Councils. These are headed by City, Municipal or Town Directors. Although the Township Authorities may be required to take part in Regional Develop meetings, they are in fact autonomous.

Urban Councils are answerable to the Government through the office of the Minister of State in the Prime Minister's Office responsible for Urban Councils.

In matters relating to Projects, the Project Unit or the Ministry of Lands corresponds directly with the City, Municipal or Town Directors.

Most of the functions in Urban areas that were the responsibility of the Regional Authorities have now become the functions of the Urban Councils. Such functions include inter alia.

(a) The Project Unit prepared layouts for squatter upgrading areas in collaboration with town planning offices in the Urban Councils. After approval by the Director of Urban Planning, the layouts are submitted for final approval by the Urban Planning Committee.

(b) The allocation of plots for re-settlement is now a function of the Urban Planning Committees. Similarly, the Engineering Department in the Councils approved house plans for those being resettled.

(c) Approval of drawings for Community facilities prepared by the Project Unit is now a function of the Council Planning, Engineering and Health Departments. Tendering for and supervision of construction is still a function of the Ministry of Works.

(d) Operation and maintenance of community facilities and infrastructure is a function of the Engineering, Education and Health Departments of the Urban Councils.

(e) The Internal Revenue Officers of the Treasury still retain the responsibility of collecting Rents and Services Charges.

4.3 Co-ordination

In order to ensure that all interested parties are aware of developments with regard to Project implementation, the following have been/are being undertaken:

(a) Regular Management Meetings between the Project Manager and heads of lthe sections in the Project

Unit. Further meetings involving all the staf in the Unit are occasionally convened.

(b) Weekly meetings between the Project Manager, heads of sections and consultants.

(c) The Project Manager attends meetings of Heads of Departments which are chaired by the Minister, but usually be the Principal Secretary. Such sittings discuss all development projects under the Ministry.

(d) Project staff from the headquarters frequently visit Project towns for discussion with Local Authorities on project implementation. The Project staff occasionally attend Sites meetings which bring together the contractors, consultants and representatives of Regional Authorities.

(e) Project Monitoring and Implementation Unit of the Ministry of Economic Planning conduct meetings of selected National Development Projects. At such meetings, squatter upgrading projects are discussed in the context of overall National Development.

(f) Since the Project is funded by the World Bank, there are occasional visits by World Bank Supervision Missions. During such visits, meetings are held with all concerned agencies and authorities with regard to Project implementation.

(g) Minutes and any written materials produced in any of the above-mentioned meetings are circulated and are used as follow-up materials by all concerned parties.

4.4 Evaluation of the Programme

The system of Project management discussed above has the following advantages:-

(a) Since there is a nationwide shortage of qualified personnel, the Projet Unit has remained with more

than one third of the key positions unfilled - the gap has been filled through utilization of skills existing in other agencies.

My view is, if the Project Unit was self-sufficient in all skills, it is likely that some of the staff would have been underutilized at certain stages of project implementation unless such assignments were issued out on shorterm basis.

(b) Since the Project is a National Project, the Unit has a better chance of presenting problems of implementation to higher authorities for action. For a locally managed project, it would require going through several stages before it reaches discussion at the National level.

(c) Regional and Council Administration Offices are currently very poorly staffed to manage additional projects other than those prepared by them at local level. So the Project Unit is an essential tool for them in implementing the projects.

(d) The Project Unit manages to have a complete overview of the National requirements for the projects, so allowing for fair and equitable distribution of them over the towns in the country.

The arrangements described however, has shown some elements of weakness, among which are the following:-

(a) The Project Unit, which is currently located in Dar-es-Salaam is too far from the areas concerned. As a result, Project Staff tend to be more aware of project implementation in Dar-es-Salaam than other (inland) towns.

(b) The Project Unit can only communicate with Local and Regional Authorities through letters and visits. These have proven inadequate. Local authorities do not get sufficient briefing on the project. Initially,

this had the effect of frustrating Projects, as the Local Authorities viewed the projects as being "those of the Project Unit".

(c) The Project Unit relied on "informal representation" at the local level. Such situations met with individuals who did not regard the project as their priority in their jurisdiction or who did just misrepresent the principles of the Project, thus giving it a false start. It is hoped that with the amalgamation ofl the Project Unit with the Housing Development Division the situation will change. The Regional Housing Development Officers will perform the role of Regional Project Co-ordinators.

It should be noted at this stage, in view of what has been discussed, that squatter upgrading is not only the infrastructure and community facilities - but a process of development. The provision of these facilities together with legal recognition of squatter settlements and extension of house improvement loans should serve as instruments for bringing about socio-economic transformation of the people in these settlements[22].

In order to achieve this process of development, squatter area upgrading projects have to be participatory in nature. In order to allow for Community participation in decision makding and problem solving, the Project implementation agencies have to work with squatter area residents and not for them. The residents therefore have to be prepared well so as to participate meaningfully through all the stages of Project implementation. Implementing agencies therefore have to be as near the squatter upgrading areas as possible[23].

The Project Management arrangements for the Tanzanian Squatter Upgrading Project does not effectively allow the implementation of the process discussed above. The structure for the process already exists. Urban Councils with relevant Departments and Committees already exist and Party machinery

for mobilizing the people exists down to the Ward level. The Urban Councils and Party machinery qualiy for being nearest to the people. It is the question of involving the people. It is doubtful whether the residents fully discuss the upgrading process.

Whatever the shortcomings of the Project Management process, what has been discussed above shows clearly that the Government has a clear policy and political will to improve the living conditions of the squatters. The question is whether it has the resources both financial and human to push this programme far and fast enough. As we shall see, when we discuss Sites and Services Schemes, most of the funds and technical assistance comes from the World Bank[25]. Be that as it may, the goodl thing about policy on squatter settlements in Tanzania, is that squatter's lalnd holdings have been legalized by giving them long leases and at the same time removing the stigma of "temporary classification" from squatter houses. Emphasis has been placed on rehabilitating existing dwellings rather than tearing them down and replacing them with new buildings. This is the approach which minimizes over-all costs associated with housing rehabilitation. Rehabilitation of existing dwellings, as a policy, is also less likely to disrupt the original cohesion of neighbourhoods - an intangible cost not to be ignored. Also the giving of security of tenure to the squatters is very important as it is a frank incentive for them to make lasting improvements in the construction of their dwellings and related services and community facilities.

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CHAPTER EIGHT

INFORMATION BASE FOR URBAN HEALTH MANAGEMENT

By
A. G. B. Simime

Introduction

The provision of health services has to be planned. The future will always be worse if there has been no planning and better if planning has been done. Planning is necessary because changes are, or will be, taking place which will make the future different from the present. The plans must be good plans. Bad plans are as good as not planning. Good plans must be as strategic and comprehensive as possible. Such planning will be based upon available information about all factors that, in one way or another, do affect the health of the people, the type of care to be provided, the amount of the services and the quality of services. Strategic planning integrates into the process the determination of mission, identification and requisition of the necessary resources and the policy formulation as a whole. A comprehensive plan will include all or at least as many variables as possible that have a bearing on health and health related services. Such plans will reflect inter alia things like the population to be served, the need for the services and the demand both for health and for health services.

Good plans are not simple to make. They need a comprehensive information base which in most cases and in many countries is non-existent. A comprehensive information should be able to give only information necessary for making strategic and comprehensive plans, that is, good plans. Good plans are those that are able to meet both the need and the demand both for health and for health services. Of course there is a lot of information available in every country one may thing of. But the information that is available may not be what is wanted. Whilst it could be

what we want it sometimes may not be what is needed. The information needed is not easy to obtain. So the plans we make basing on such available information are always not the right ones, do not meet the needs of people for health services and their demand for health and the costs for such plans are not justified.

Any urban health system must have good plans in order to provide services that are needed whether or not demanded. Services that will be provided will have to be monitored to see how they function. Wastages, gaps and duplications must be avoided whenever and wherever necessary. To be able to do this calls for the establishment and proper maintenance of a comprehensive urban health information system (HIS).

Some Working Definition

Meanings of the words (that) we use are in people. It is quite possible that different people may attach different meanings to some words. It may be sensible then to start this discussion with some conceptual definitions of some of the terms to be subsequently used.

A SYSTEM, in its simplest form, is a set of components. The components are either directly or indirectly, related in a causal network. Chacko, (1979) defines a system as an entity, the component elements of which perform within specified limits both individually and collectively, functions which further the objectives of the system as a whole. Important to understand is that all the parts together form the system so that the whole is always greater than the mathematical sum of the parts. The causal relationship between the parts is such that each part contributes resources to other parts and draws resources from them. In their dysfunctional manner, however, the parts may contribute problems to each other hindering the furtherance of the objectives of the system. It is needful that the system be able to identify and correct or prevent dysfunctionarism of the parts so that each of them facilitates the positive performance of other parts and of the whole system.

Data and information are related. Information starts with data. Data are the raw materials of producing information. Data could be looked at as groups of symbols representing quantities, actions or things in different forms. They could be alphabetic, numeric or specific terms like %, /, <, and so on. Sometimes these symbols may have meanings, sometimes they may not bring any sense if they are taken for granted. For instance, if it is reported that a particular urban hospital has a death rate of 20% per year we know what it means. We may be shocked by the rate, but we may otherwise be complacent about it. In both cases we may be right or wrong. The report lacks a lot of other data like the number of patients admitted, the causes for admissions, the causes of the deaths and so on. A comparison could put the report in a better perspective. So if something is known about the same type of data for the previous year or years the better.

To be meaningful data must be transformed into some sensible fashion, that is, into meaningful information. Lucey (1981), sees information as data that have been processed into meaningful form. It is of real or perceived value in current or prospective decisions and actions. An information system is any system which converts the data collected from routine transactions into information which directly aids the manager's decision ability (Bently). In other terms it is the life blood of the organization. No organization can survive without it. In the same token no urban system can effectively survive without it.

Health Information System

Health services are a group of services brought to bear upon the health of the people. The services do not function alone, each in its own closed system. They supplement each other. They need management to hold them together as an entity, as a system, to ensure that they function with maximum efficiency and within the available resources. This calls for communication between the various services or units of services about their respective tasks

and about the actions which one type of services or one unit of services desires to generate in another so that the objectives for health can be achieved. The consequences of services must be understood so that the best overall strategy may be chosen to separate or integrate them to achieve both effectiveness and efficiency. All these things are dependent for their rationality on a good health information system.

Alderson, (1974), defines a health information system as a "mechanism for the collection, processing and transmission of information required for organizing and operating health services, and also for reserach and training". Health information is information about the health of the people and what the people themselves, the government and other parties are doing about it. It describes a number of things including the population and some epidemiology, that is the diseases and their causes, their incidences and prevalences, as well as the availability, effectiveness and efficiency of curative and preventive measures. Also it is organized data about resources, activities and events related to health services. The ultimate goal of the health information system is the creation and construction of a comprehensive and accessible information base adapted to the requirements of the patients, doctors, nurses, managers, allied health personnel, evaluators and other parties interested in health and health related matters.

Objectives of Health Information System

The objectives of a health information system can be identified as follows:

(1) To provide the managers involved in operating the health services with relevant information (Alderson op. cit.). This information is essential for the identification of major health problems and for designing appropriate service programmes to solve them.

(2) To provide the decision makers with information that will be used in formulating relevant urban health policies.

(3) To open up a continuous dialogue between the producers, the users and the financiers of a qualitative and quantitative information as an integral part of a systematic effort to provide, improve and adjust health services to suit the changing time, changing pattern of diseases and changing needs of the urban people.

(4) To provide at periodic intervals data that will show the general performance of the health services being provided (Alderson, op. cit.).

(5) To assist the urban planners to study and critically appraise the functioning of health services in the light of the need, demand, workload, their effectiveness and efficiency.

(6) To contribute to a wider and more timely dissemination of information to the producers, donors and consumers of the health services. Available and accessible data can easily be retrieved when required.

(7) To generate and provide data for comparison of the health services of an urban area over time and with those of other urban areas for purposes of improving them.

(8) Enables the health planners and the managers of health services to argue qualitatively and quantitatively to defend their budgets or to ask for finances.

2. Comprehensive Health Information System

Any comprehensive health information system should have the following classes of information:

- Demographic
- Environmental
- Morbidity and Mortality
- Health Care Needs
- Health Resources and Facilities
- Medical Care Utilisation
- Indices of Outcome of Care
- Health Care Policy.

Demographic

Demographic information should be maintained, providing enough statistical description of the human population. First it should describe the population size, that is the total number of people in the incumbent urban area at a particular given time. It is important to know the growth rate of the population and the reasons contributing to such growth.

The size of the population should be followed by information about the composition of the population. This is going to divide the population according to two major categories. First, into the male, female dichotomy. It must show the number of people in each sex and if possible their ratio. Then the population should be considered in its age groups. This should also be done for each sex group.

The concentration areas of the population in each urban area should be noted. The reasons if any, for such distribution had better be known.

One would also like to know the different occupations people engage in and the income from these occupations. If the income of the different people are known then it is possible to come up with a socio-economic grouping of the population which is also important.

Demographic factors, such as those mentioned above, contribute a lot to the planning and management of health services.

Environmental factors have a bearing on health. These should form part of the information base. They include, among others, housing, water, and basic sanitation.

It is important for urban governments to maintain an inventory of the stock of houses available. This can then be compared with the size of the population. The standard of the houses must not be overlooked. So houses must be classified according to specified standards in terms of size, arehitectural specifications as well as their age. It should be possible to determine and keep a record of the average size of occupancy per house.

Water is one of the basic needs of humankind. This must be available to every person in good and safe supply. Information about water should be able to show the amount and sources of clean and dependable water in each area. In addition the average distance of the families from the source of water should be shown.

Information must include facilities for disposal of excreta and other wastes. Their types, quantity and quality should also be carefully analyzed.

Morbidity and Mortality

The planning and evaluation of health activities and facilities require some knowledge of the extent of morbidity and mortality in the population. Morbidity statistics are data on the type of diseases and the frequencies at which they attack the people. Morbidity statistics are important in controlling diseases and maintaining surveillance of the quality of health care and the degree of utilisatio of health facilities. Morbidity data are indicators of the need for health services and the likely demand for them.

Mortality data, along with morbidity data create a good picture of the health status of the population. Mortality statistics

indicate the number of deaths and the causes for the deaths. The normal expression here is mortality rate implying the frequency of deaths.

Health Care Needs

The health information system (HIS) should include information about the existing need for health care services. Need is defined as demand or want which in the opinion of a helath profession requires health attention. The need for health care exists whenever and wherever an individual is in a position where he can benefit from the application of some health care.

Information on the need for health services is always difficult to get. The information system should design ways with which to recognize and understand the various forms of health need. Such needs can be classified into four classes:

Normative Need, that is want which the health professional defines as need in any given situation. This implies reference to a norm or standard of wellbeing.

Felt Need, that is want. Felt need or want may be requiring or may not be requiring health attention. Need for cosmestics, for instance, is a mere want and not requiring medical attention. A felt need may not be recognized by a responsible authority until it has been expressed.

Comparative Need, it is need which is judged by studying the characteristics of the population in receipt of health services. People with similar characteristics but not in receipt of health services are said to be in need for them.

Expressed Need, this is felt need turned into action. The action creates demand for health services. Expressed need or demand can be met or unmet. A met demand is one which has been

satisfied and an unment demand is one which has not been met. Information for unmet need or demand can be collected from waiting lists for services or waiting patients. Morbidity statistics can help as a starting point in collecting information about the need for health care services.

Health Resources and Facilities

Information about all resources has to be collected and compared against these required. The system should provide enough data about the size of health manpower, their different categories and manpower densities in terms of manpower/population ratios and geographical concentration. Information should provide data on sex and age distribution of health staff. In most cases manpower distribution will follow the geographical dispersion or concentration of health facilities. This should be complemented by information on trends in manpower performance.

Information should also be able to give the number of health manpower required relative to both theneed and demand for health services. A rough estimate of the annual increase of manpower through graduation from educational and training institutions and transfers is important. Of course the annual manpower loss should not be gnored. Manpower inventories should include all sectors, that is, government, council, parastatal, mission, private and traditional.

Information about the financial position of the urban health services is necessary. This should be considered together with the sources of funding and the limitations of each source. Expenditure by health sector, geographical division of an urban area and health facility should be established and maintained. The system should provide information on the proportion of urban aggregate income allocated to the health sector and how the same portion is used between the primary, secondary and tertiary care of health services. This is one way of assessing the strength of the health sector in relation to other sectors of the urban economy competing

for the same resources.

Data on the various existing categories of health establishments should be assembled by major groupings, by type of activities performed and by main administrative sub-divisions of the area. Classification by their economic magnitude is also important. This shows their annual running costs as well as their capital investment.

Health Care Utilization

Information should include current patterns of utilization of various types of services. Data assembled here will include: the number of patient visits to health facilities and health providers, the number of admissions and discharges, the number of patients on the waiting lists, the length of time the patients remain waiting for services because of the first-come-first-served principle. These are necessary information inputs in planning, operating and evaluating health services. They will help in deciding the location of the services to avoid under-utilization. Also data on immunisation activities reflect the degree of utilization of some health care services.

Indices of Outcome of Care

Data on the outcome of care are difficult to get. But these are important because the use of resources and health services will be meaningless if not related to the outcome of care. The information system will have to device means of acquiring useful indicators of the outcome of care. General indications will have, for example, data on complication rates, recurrence rates, readmission rates or some data on prevalence and incidence of diseases. To avoid confusion and ambiguity the information system should device indices for individual programmes of care. For instance, in child nutrition programmes, authropometric measures like, arm circumferences, gain f weight, weight for age, weight for height are indices of outcome of care. Indices of care are important in

evaluating the performance of care.

Policy Information

Relevant socio-economic development policies and national health policies must be available. Other pieces of information as discussed above will be meaningless without relation to such overall policies. A statement of urban health policy should prefarably be available for each authority. It should reflect the major national directional policy for health.

3. **Sources of Information**

(1) There are quite a number of sources which may be used to obtain the required data. It is unfortunate, however, that there is no one best source to provide all the data needed to manage a comprehensive HIS. This means that a combination of as many sources as possible must be tried to collect data for a sound HIS. The following are, but some of the sources often used in gathering information.

(2) **The National Population Census**. The United Nations (1958) defines a census of population as the total process of collecting, compiling and publishing demographic, economic and social data pertaining, at a specified time or times, to all persons in a country or delimited territory such as an urban area. It involves enumerating every person. Through census other things established include basic socio-economic characteristics, where the people lives and how they are affected by processes of social and biological change. This exercise is expensive and so it can not be carried out continuously. Many countries collect census data on ten-yearly basis. Urban government may use these census reports to obtain population data for their respective territories.

(3) **Sample Surveys.** This is the collection of information relating to only a specified part of all the population. The sample survey is a more recent innovation following the development of sampling theory. The method is simpler and cheaper than total population canvas. Where scarcity of resources and personnel and other factors present some obstacles to complete population canvas sample surveys form the main source of demographic data. Periodic sample surveys are usually conducted in between population census to obtain additional demographic data and keep up with the changes. Although sample surveys are timely, economic and of higher quality, they can not replace the census in supplying demographic data. Urban governments are advised to carry out such surveys as often as possible.

(4) **Vital Registration.** These are data that are collected continuously. The most important sources are data collected from the legal compulsion system. They include the registration of births, deaths, marriages and even divorces. Others data on continuous registration are those on migration, both inwards and outwards the country. In many countries this source is unreliable. Many births and deaths are not institutionalized. These events are not registered. The same account is valid for marriages and divorces. Vital registration needs the cooperation between hospitals and the registrar of births and deaths, churches and the registrar of marriages and imigration officers and appropriate urban government authorities.

(5) **Routine Health Records.** The source provides data that show the health activities in terms of out-patients, in-patients and other out-reach services. Information included here will be: the number of hospital out-patient

attendances, the number of hospital admissions and discharges, average daily number of in-patients, average length of stay, average bed occupancy rate and turnover interval as well as the number of deaths. The information can be improved by classifying it by type of hospital and by type of disease. From the out-reach point of view specific projects provide data on say Expanded Programme on Immunization, Essential Drugs Programme, Maternal and Child Health Programmes. Routine monthly reports also provide data about health facilities, manpower and equipment as well as expenditure.

(6) **Epidemiological Studies.** These are studies of diseases, their etiology and their distribution among defined population entities. Unlike clinical observations which determine decisions about individuals, usually ill, epidemiological observations determine decisions about groups. Here diagnosis addresses groups as well as their environment. Comparisons are made between different groups to establish comparative need. The epidemiological approach assesses the health needs of the groups or communities in the light of all situational variables with the intention of helping planners and providers of services decide which ones are a priority given not only the scarcity of resources but also the risks posed by the problems.

(7) **Disease Registers.** Certain diseases are of significant importance to a country. Their prevallence and incidence must be understood. The outcome of both their prevallence and incidence must also be well understood. Such diseases are usually reported to a central unit in a Ministry. The unit will maintain a disease register where all reported cases are entered. The same should be reported to urban administration.

(8) **Research**. Knowledge of health; diseases and various methods of disease prevention, treatment and rehabilitation is an important resource in the management of urban health services much of this knowledge is gained from experience. This type of knowledge must be tested by modern scientific methods.

Much of the knowledge however, is better gained from delibarate scientific research such as socio-medical, biomedical and health systems research. Specific research areas may include **traditonal medicine** for studying botanical substances used by traditional healers and ethnocultural factors relating to the acceptance and practice of traditional medicine. **Epidemiological research** is conducted in order to obtain baseline morbidity and motality rates for planning and evaluating health services. There is also research into **appropriate management of diseases**, both curative and preventive. For curative services research is carried out in order to discover new techniques of curing prevalent diseases. For preventive services research is geared toward sociological studies to throw light on traditional and cultural practices which are detrimental to health and those which promote good health care delivery. Research into environmental sanitation is conducted to develop appropriate technology to deal with different environmental hazards. Moreover, operational research activities into the health care delivery system which will facilitate effective delivery of health services at minimum cost and valuable body of knowledtge to the management of health services.

Information may not always be readily available. Sometimes that which is available from experience may not have scientific backing. Information from research is much more scientific than that based on experience alone.

(9) **Consultancy**. Experts are a good source of information. In most cases they will have engaged in large scale research. Where information does not exist they could either be called over or their consultancy reports used.

4. The Use of Information

The role of information need not be overemphasized. Its role spreads over planning, implementing, monitoring and evaluating the health services (these do not limit the use of health information),

(1) Planning is essentially deciding about what the future should be like. Decisions must be as rational as possible. To be rational the decision must be as rational as possible. To be rational the decision must be based on the past, the present and projected future facts. The basic prerequisite is adequate information about these time dimensions and should include all elements discussed under classes of information. The national goal of Health for All by the Year 2000 through Primary health Care will not be achieved without a comprehensive information system. primary health care in towns needs it.

(2) The progress towards set goals and objectives need monitoring. Monitoring in the health sector, as it is in other sectors, is ineviatable for a number of reasons. We want to know where we are in relation to the plan of operation and where we stand in relation to the levels of provision of care. We also want to monitor the changing pattern of diseases overtime so that the plans are adjusted accordingly. The pattern of diseases follows the changing social and economic styles of life which must be reflected in the health information system.

(3) The information system will provide data for validating and evaluating health services. Health service programmes must not only be effective but efficient. Validation is

concerned with obtaining information about the achievement of the programmes' specified objectives and the resolution of the health programmes the programmes intended to solve. Evaluation concerns itself with assessing the overall cost benefit pertaining to the health programmes. To be able to do this the HIS must first device specific indicators of exellence.

(4) Information on performance can have a motivating effect on health staff. This calls for assessment results to be fedback to the staff and units providing urban health services. If there is not feedback no improvement can be made. Knowledge about job performance will either give job satisfaction creating and raising work morale or will be disappointing. Disappointment does not necessarily discourage effort. People are motivated towards achieving goals and getting commensurate rewards or praise. This makes them proud. Disappointing results will signal the need for more effort to accomplish tasks. But some encouragement should accompany any such poor feedback suggesting ways of improving performance. HIS provides the mechanism for this.

On the other hand, clarity of goals, objectives and targets of urban health programmes, institutions and the whole health system is central in engineering and enhansing work performance. For instance, formal job specifications and job descriptions spelling out job requirements and roles of each functionary in urban health services help towards better performance of the health services. It is the role of HIS to provide these.

5. Characteristics of Information

Not every information is good information. As a result not all information will help toward making good plans. There is need for everyone involved in information processes to understand and

appreciate the following important characteristics of it, viz. validity, reliability, sensitivity, specificity and timeliness.

(1) The information has to be valid. That is it must be showing the correct picture of health matters. It must be showing what is actually happining in health and health related activities, of an urban area.

(2) Data and information collected must, when processed and analyzed, produce the same results at different periods of time. That is, must be reliable.

(3) Information must be sensitive to changes in the health environment. In other words, it must respond to changes affecting health. It should not be a replication of old and obsolete situations. This calls for continuous and on-going information collection.

(4) The changes that are taking place from time to time are many. Not all of them, however, play a role in affecting health business. Specificity requires that information should be sensitive only to changes that have some impact on health and health activities. It is imperative, therefore, to have a sound understanding of the 'causal relationship' of the different changes to health. The changes that are influential upon health are the ones the urban health information system should sow.

(5) There is a saying that goes: 'Better Late Then Never'. Many of us operate under this rule. But in decision making this may be 'fatal'. Information must be readily available where and when required. Because there are a lot of inter-dependences, the systems approach to operation is of crucial importance. Delays by one element of the system may lead to collapse of the system. Timing is a key to success in prevention, promotion, cure and correction. Information collection by 'fire-brigade' is not good. Collection, processing, analyzing and reporting or dissemination should be programmed and timely.

6. The Need for a Policy Statement

There is no explicit policy with respect to information. Nevertheless, there is a recognition that information is required for the smooth running of government.

The Statistical Ordinance of 1961 provides that the president will appoint a government statistician to perform statistical functions which include, among others, health statistics. The statistician may in turn appoint authorized officers to do the same (UNCF - 1985).

Further development of statistics is given high priority in the Union Plan starting 1981/82. To ensure a sound basis for planning for social and economic development a few strategies were articulated including, among others;

6.1 Government Ministries and Parastatal Organizations will be requested to establish data banks related to their sectors. This should be part of routine n order to make data and information accessible.

6.2 Statistical officers in Dar es Salaam and Zanzibar will be requested to continue advising ministries and institutions on important data to be collected (UNCF - 1985).

Drawing from this broad directional policy, urban governments shold make local policies with respect to information to be collected and maintained. Such policies should require the various organizations and individuals whose activities are either directly or indirectly related to health to collect and maintain the information.

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CHAPTER NINE

HOUSING FINANCE AND INSTITUTIONS IN TANZANIA

By
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1. Housing Finance

In Tanzania, the growth of financial institutions to provide funds for residential construction has been slow and erratic and it is only after independence that a planned and consistent policy emerged. This uneven development was mainly due to the shortage of effective demand for housing finance on an economic basis. This problem was also accentuated by the colonial government's policy of providing free government housing to senior civil servants.[1] Since it has been asserted above that policy on housing finance took shape after independence, we shall start our discussion from 1972 when the Tanzania Housing Bank was created. As we have seen in Chapter Four, Tanzania Housing Bank (THB) was established under the Tanzania Housing bank Act, 1972[2] with the following objects and functions -

> *To mobilise local savings and external resources to be applied to housing development, including the servicing of building sites construction of houses and other buildings for residential or commercial occupation and generally for the provision of premises in rural as well as urban areas.*[3]

Prior to the formation of the Bank, there existed a housing finance company known as the Permanent Housing Finance Company of Tanzania (PHFCT).[4] When the THB commenced operations on 1st January, 1973, it took over the assets and

liabilities of the PHFCT.[5] All instruments[6] to which the PHFCT was a party continued in full force and effect as if the THB were substituted for the PHFCT and all the rights and liabilities of the PHFCT under every such instrument became vested in the THB.[7] When the Bank was formed, its authorized share capital was 100 million shillings.[8] The guiding principle in THB's lending policy is that "it shall finance only projects which are economically viable, socially desirable and technically feasible".[9] I agree with Fimbo,[10] that this principle is extremely broad. It gives the THB opportunity to channel most of its funds into medium and high cost luxury housing projects on the pretext that these are economically viable. It is not true, therefore, as Mascarenhas puts it that from the start the Bank pursued the guiding principle.[11] Without empirical research, Kalfan, makes the same mistake by saying that "the bank favours low cost housing projects of non-employed ... thereby assisting larger numbers of people ...".[12] It is true however, as Kalfan argues, that the administration of loans through co-operatives is cheaper, and the risk of default minimized. The figure below shows the distribution of Tanzania Housing Bank's individual loans by income group, 1979.

Table 7: Distribution of Tanzania Housing Bank's

Individual Loans by Income Group, 1979

Income Shillings	Level per Annual	Number of Houses	Percentage Committed
0-	1,999	0	0%
2-	3,999	5	0.1%
4-	5,999	335	7.6%
6-	7,999	488	11.0%
8-	9,999	486	11.0%
10-	19,999	1,373	31.0%
20-	29,999	755	17.0%
30-	39,999	521	11.8%
40-	49,999	322	7.3%
50- & above		146	3.2%
Total		**4,433**	**100.0%**

Source: Tanzania Housing Bank, *Annual Records*, Dar es Salaam 1980.

It is clear from the figure above that most THB's house loans still go to middle and high income earners. While this argument holds true, one could raise the question whether the position could have desirably been different in a country where the middle and high income group's housing needs are not taken care of by nother institution.

However, there are significant differences between THB the former PHFCT at policy evel. As a matter of policy, PHFCT gave mortgage loans for medium and high cost residential housing in few urban centres only. The THB finances almost every type of building activity. It offers house repair loans, roofing loans, building loans for low, medium and high cost residential houses, loans for commercial premises such as office blocks, godowns, warehouses and industrial estates, among others. However, like the PHFCT, the THB demands security from the borrower.[13] The borrower must satisfy the Bank that he has a good title to the land he intends to develop. He may be holding a "deemed" or customary right of occupancy or he may be a holder of a right of occupancy or he may be a holder of a right of occupancy granted under the Land Ordinance, Cap. 113. The right of occupancy woud be morgaged to the THB. Also the THB must satisfy itself that the borrower will be able to repay the loan without undue hrdship.[14] Therefore loans are granted according to the annual income of the borrower. To qualify for a housing loan of Shs. 12,000, for example, one must have an annual income of Shs. 5,726/41 while only a person who earns more than Shs. 15,325/= per would qualify for a loan of Shs.36,000/=. The THB also requires that the borrower should contribute a minimum of 5% to the cost of the project either in cash, materials or labour in order to demonstrate that "he has a seriousness of purpose".[15]

The loans offered by the THB fall into three main categories. The first are soft loans - which are for residential housing purposes whose value ranges from Shs. 1,000/= to Shs. 35,000/= per dwelling unit. They are repayable within a period of up to 15 years and carry an interest rate of 5 per centum per annum. The second are other housing loans, also for residential housing proects. They range from Shs. 35,001/= to Shs. 80,000/= per dwelling unit. The repayment period is up to 25 years anbd carry an interest rate of 8.5 per centum per annum. The third category of THB loans is the commercial loan which is

meant for commercial activities such as construction and purchase of office blocks, godowns, warehouses, or the manufacture of building materials. Repayment period is normally ten years and the interest rate charged is 9 per centum per annum. From Table 7 above, it is clear that the iddle and high income group is favoured more than the low in come group. But this does not mean that the THB has not been doing something for them.

As Table 8 below indicates THB loan commitments to the low-income group has been increasing. Between 1974 and 1975, for example, the amount loaned to the group nearly doubled. It is admitted that there was also a dramatic rise in the medium cost housing - a growth which may give a wrong idea of development. Yet I would argue that without the growth of this sector, the THB would soon lack the means to make further loans for low cost housing. I am not however saying that the THB policies and lending procedures are not onerous to this group. Because of its lending policies and repayment conditions, the THB housing loan facilities have benefited mainly the middle and high-income groups instead of helping the low-income population. In particular, THB's lending terms require systematic repayment in a specified time period, regular employment, regular income or savings from steady employment or business, and certificate of title over land or plot (for urban areas). They also require a large down-paymet of 5-10% of the total cost of the house to be paid by the owner. Prospective THB customers also have to pay a valuation fee to THB and a mortgage fee to the Tanzania Legal Corporation which prepares the mortgages. The fees together range from Shs.850/= to Shs.2,000/= per THB loan depending on the size of the loan. Loans for low-income housing with an upper ceiling of Shs.35,000/= per loan are charged 5-6% interest per annum. These interest rates are generally too high for low-income groups. With a high demand for loans and the fact that it is a commercial institution, it is logical that THB should prefer to lend to least-risk borrowers who are usually middle and high-income earners with

steady employment. In which case therefore, the conventional housing finance mechanism in Tanzania has failed to provide for the housing needs of the low-income families who form the majority of the population. But as it has been highlighted in Chapter Six when discussing about Sites and Services Schemes in Tanzania, the THB has relaxed some of its rules when dealing with the residents of these areas.

Closely linked with the THB, is the Workers and Farmers' Housing Development Fund which was established by Act No. 20 of 1974. This fund is administered by the THB. Some portion of the fund is to be used for provision of loans to housing societies and the National Housing Corporation for construction by them of low-cost housing (including site and service schemes) in Dodoma. The balance is to be used, firstly, for the provision of loans to employmnent based housing societies and secondly, for financing of low-cost house improvement or construction schemes undertaken by Ujamaa Villages or Co-operative Societies.

Table 8: Loan Commitments of THB in 1973-1975

Category of Borrower		Units			Shillings in Million		
		1973	1974	1975	1973	1974	1975
Low Cost Housing							
1.	National Housing Corportion	214	113	-	4.2	3.3	-
2.	Housing Co-operatives	444	222	306	3.4	2.2	3.7
3.	Parastatals, DDC's	50	87	20	0.9	1.4	0.6
4.	Individuals	20	261	797	0.3	5.5	18.7
	Sub-Total	728	683	1121	8.8	12.4	23.0
Medium Cost Housing							
1.	National Housing Corporation	565	422	876	22.5	5.0	51.6
2.	Registrar of Building	132	102	102	5.3	3.0	2.5
3.	Parastatals, DDC's	20	251	158	0.7	11.5	8.2
4.	Individuals	150	353	497	4.9	15.9	27.0
	Sub-Total	867	1128	1633	33.4	35.4	89.3
Others							
	Commercial Loans	-	-		12.6	12.7	13.3
TOTAL		**1595**	**1811**	**2754**	**54.8**	**60.5**	**125.6**

Source: Tanzania Housing Bank - **Report and Accounts**, 1974 and 1975, Dar es Salaam, 1976.

The financing of the fund was by way of levy. Each month, each specified employer (that is, any employr who employs ten or more employees during the whole or part of the month in question) had to pay a housing levy of two per centum of the gross emoluments paid in that month by such employer to all the employees employed by him during that month. By-laws governing the administration of the fund were made in 1974. They fixed special lending rules for the fund. Loans from the fund are of two types. The first is from Shs. 1,000/= to Shs. 25,000/= at an interest rae of 5 per centum per annum. Up to April, 1976, the practicve was that workers in government, parastatals and private companies were granted maximum loans of Shs.5,000/= each to enable them to buy building materials. The loan was repayable in five years at interest rate of 5 per centum per annu. The worker did not get the loan directly from the THB, he got it through his employer. The employer was granted a loan not exceeding Shs.500,000/= for this purpose. This practice was discontinued because of allegations that the loans were being misused.

Having looked at the Tanzania Housing Bank, it may be desirable to explore whether the government could not involve other financial institutions in the country to provide housing finance.

The Tanzania Investment Bank (TIB) which mainly finances industrial projects could also be made to provide loans for houses. The same thing could be done by the National Bank of Commerce (NBC) which gives short-term credit to institutions, business firms and business persons. Although these two institutions can finance and construct staff housing fot their own workers, they are not under law allowed to lend money to individuals or institutions for house construction or improvement nor are they allowed to finance or build houses for rental or sale to individuals or public institutions. The same thing could be said of the National Insurance Company (NIC which was established in 1963, and

controlled Shs. 55.58 million as net premia for all classes of business in 1973). This figure rose to Shs.174.70 million by the end of 1975.[16] This is a big fund which could be used to finance housing especially of its members, especially when one takes into account the fact that for life assurance alone, the total value of the premia by the end of 1979 rose to Shs.93 million.[17] The National Provident Fund which was established in 1965 had in the financial year June 1979 - June 1980 received contributions worth Shs.150 million. Again this is a potentially large source of finance for housing for NPF membes which would increase social security.

It could be said that Tanzania has many formal financial institutions which could be used to finance housing development. Their resources pulled together could be adequate to finance most of current and future construction work without too much recourse to external borrowing. Of course this would hold true if housing was the only major pre-occupation of the nation and if simpler building techniques are employed.

Looking at the whole performance of the THB, one could level serious criticisms against it. It has been said, for example, that it has not adequately met the housing needs of the low income group. Against this argument, it could be said that at the moment these people do not need conventional houses. Their needs could be better met in the sites and services schemes where they can be helped to improve their own housing conditions **in situ**. By saying so I am not making a class distinction between people but I am trying to say that the Tanzania government's policy to force people of different income groups to live together has bad effects, in that it may discourage the low-income group to build. The policy should be left open for people to decide where they want to build and live. In his paper, Fimbo says he has exposed "the class interest served by the THB in its ordinary operations".[19] He is of the view that the "petty bourgeoisie" have been better served by the THB. Whether he has successfully managed to do so stands to doubt as he has not been able to tell us who would have

provided for housing needs of this group he calls "petty bourgeoisie". There is no other institution, public or private to do that. If no loans were given to them for building houses, then, they would have sought other means, corruption taking the leading role, to get the money to build. It should be appreciated that Tanzania is not yet a socialist state despite its attempts to bring about equitable distribution of wealth and so petty bourgeoisie do still exist. However, if in this group, Fimbo includes the civil servants, then is blatantly wrong in his analysis. He must be unaware that in order to reduce the gap between the different income groups, the government has tried to restrain wage increases for better paid workers and raised producer prices for key cash crops. Since 1969, rents paid by the public sector employees living in public owned housing have been determined on the basis of their incomes rather than the characteristics of the units. As a result of pricing, income and taxation policies, the estimated differential in consumption expenditure between the highest and lowest paid public sector employee has b een reduced from 0 to 1 at independence (1961) to 13 to 1 today.[20] In a country like Tanzania, which is among the 25 poorest nations in the world,[21] it is very unhelpful to come out with very rigid proposals. It is worse still to approach the whole housing issue in Tanzania ffrom an ideological standpoint. In his paper for example, Fimbo has this to say -

> *... in the event of a worker succeeding to build a low cost house, he becomes a property owner, the owner of his dwelling. The right of occupancy over the plot on which the house stands is a form of private property. As owner he becomes chained to the house of its life. In this way, the worker's mobility is reduced".*

But earlier in his paper he has been arguing that the needs of the low-income group have not been adequately met b y THB. He supports his thesis above by a quotation from Engel on the

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Housing Question -

> *Give them their own houses, chain them once again to the soil and you break their power of resistance to the machinations of the factory owners.*[22]

Had he read further he would have seen these words by Engel -

> *But the house is prevented from becoming capital precisely by the fact that the worker lives in it himself, just as a coat ceases to be capital the moment I buy it from the tailor and put in one.*[23]

The best answer to people's housing needs is to have them participate in decision-making and say what they want and how they want it done. For example, there was a practice in Tanzania, which was stopped in 1976, whereby employers could give loans of Shs.5,000/= to their employees, repayable in five years at an interest rate of 5% per annum. I do not agree with Fimbo that this amount was insufficient to buy building materials. This loan, it should be noted, was not for house construct6ion but for house improvement - to enable one to buy things like windows for his house. Taking into account the time when these loans were being given out, one could have built a nice mud house in a squatter settlement, however legally undesirable that might have been, or he could have built a house in the village. The term house is used here to include both conventional and traditional houses. What I am actually saying is that any housing policy to be effective and meaningful, in Tanzania, where resources are a rare commodity, the beneficiaries of that policy should be involved in its formulation and implementation, and no academic pen can by itself provide an answer to the housing problem.

2. Housing Institutions

National Housing Corporation (NHC)

The National Housing Corporation (NHC) was established in 1962 by an Act of Parliament.[24] Its main functions were:-

(1) to lend or grant money to a local authority for the purpose of an approved housing scheme to be undertaken by the Local Authority;

(2) subject to the provisions of sections 6 and 10, to make loans or guarantee loans made to any person or body of persons, corporate or un-incorporate, for the purpose of enabling such person or body to acquire land and construct thereon approved houses or other buildings or to carry out approved housing schemes; and

(3) to construct houses or other buildings and carry out housing schemes.[25]

Following its establishment in 1972, the Tanzania Housing Bank (THB) assumed the first two functions of NHC. Since then, NHC has concentrated mainly on the construction of residential units.

The first major programme of the NHC, concentrating in Dar es Salaam on the initiative of President Nyerere, involved clearing some of the old "slums" on the periphery of the central business district (in Magomeni especially), and replacing them with new single-storey houses which were rented to the previous owners. The First Five Year Plan (1964-1969), introduced a policy of clearance and re-development of slums and squatter settlements in Tanzania, and the National Housing Corporation was given the task of slum and squatter clearance and re-development of such areas to high standards. During this period, about 70% of the 5,705 "low-cost" houses built by the corporation came under the Dar es Salaam slum clearance scheme.[26] During the five year period, the corporation received some £ 3.47 million from the Government, and was able to raise an additional £ 970,000 from the Federal Republic of Germany, which also provided technical aid.[27] The total £ 4.44 million, was only about 25 per cent of the targeted figure in the "Plan", most of the shortfall resulting from the failure of NHC to attract more overseas capital. NHC

confined itself almost exclusively to urban areas. Nevetheless they did construct very model dwellings, and even some regular units outside the urban centres.[28]

By the end of 1969 it was decided to stop slum clearance for two main reasons:-

(1) the high cost of the programme;

(2) the net addition to housing stock was very small.

More specifically, the slum and squatter clearance programme undertaken over that period imposed high social costs in terms of social disruption and displacement of established families and neighbours. It also imposed large economic costs on the state in terms of the high compensation given to owners of demolished properties and crops, and displaced many small family businesses and petty trade, thus reducing employment opportunities and family incomes. Indeed, the programme resulted in a reduction of the low-rental housing stock affordable by low-income families.

During the first "Plan", the total programme of housing provision by NHC was about 27,800[29] houses. Out of the total, 18,400 were to be minimum quality houses, valued at Shs.7,000/= each. But the performance of NHC fell far short of expectations, and it expended most of its energies in urban ares, especially Dar es Salaam. Out of the total of 27,800 houses planned, only 6,327 were actually built: 4,678 in Dar es Salaam, 1,405 in other towns and only 234 in rural areas.[30]

While the Second Five Year Plan, (1969-1974), considered that "the absolute achievement of the National Housing Corporation had been very considerable", it had to admit that the net stock addition of less than 400 units per year "just touched the fringe of the housing problem".[31] But even when slum clearance was halted in the late 1960's, the corporation found it increasingly difficult to obtain funds. While during this period (1969-1974) the NHC did build accomodation for other parastatal organizations, as well as for the middle income market through loans from the then

Permanent Housing Finance Corporation of Tanzania (PHFCT), the bulk of its work is in low-cost housing, financed directly by annual Treasury grants. These diminished considerably from high figure of £ 1,070,000 during 1970-71 to the relatively minor annual grant of £125,000 during 1972-4 period.

This dimunition in funds for the NHC is a reflection of a number of factors:-

(1) the treasury's dissatisfaction over poor financial controls and rent collection;

(2) the corporation's failure to keep costs low enough, and

(3) new development priotities which did reduce the funds available for urban areas since the second plan was accepted.[32] The ruling party's biennial conference of 1971, for example, emphasized the need to develop water, health and educational facilities in rural areas.

As against a targeted figure of 2,000 houses per year, the NHC was able to build only 138 low-cost units throughout the country during 1972-3, or about 7 per cent of its original goal.

A reason can be advanced for the NHC's failure to collect rent especially during the First Five Year Plan. Many former owners of the "slum" houses rent out some or all of their new rooms, while they were lax in paying the fixed rent of T£4-5 per month to the NHC. The reasons were largely economic". Before slum clearance, most of the landlords obtained bulk of their income from renting rooms in traditional houses; but when they were saddled with payments to the corporation for the new buildings, and could charge no more in rent for the rooms. They could scarcely get by on a much smaller margin of profit. The result was heavy arrears in rent owed to the NHC. The corporation could legally have divested them of their houses. Such an attempt might have political repercussions as many of these landlords were influential in TANU (the then ruling party).

To meet the second challenge - the corporation's failure to keep costs low enough - the corporation did introduce redesign of housing as to lower prices. This was a switch from a six-room "Swahili type" to cheaper but smaller houses designed for a single family. The six-room "swahili type" of houses were usually occupied by anything from three to five families or individuals. Such arrangements meant that monthly rental payment for family were usually around thirty shillings and thus brought this housing within the means of even the minimum wage earners. The new policy which eliminated the six-room house and concentrated on cheaper ones, laid out for one family occupation, did in fact succeed in eliminating the lowest cost accommodation and thus had the opposite effect of that intended.[33]

Partly in recognition of this fact and as the ultimate effort to make improved housing available to the lowest income groups in significant numbers, the National Housing Corporation decided to put down site and service developments including a kitchen and latrine block and a foundation and concrete slab for the house - the rest of which was to be built by the purchaser.

The National Housing Corporation continues to construct housing for rental but no longer for tenant-purchase or slum clearance programmes. However, it is not clear whether the slum clearance programme for Buguruni in Dar es Salaam will continue as the first phase, which was started several years ago, had not been completed even as late as September, 1981.

The NHC, though in existence since 1962, has been beset by many problems. It has performed well below the target. In the period 1969-1974, for example, the target for NHC was 2,000 units per year, yet the average was only 860 per year. However, to its credit, out of the 13,000 units produced since 1962 to 1974, over 90% are for the low income group.[34] But I say this with caution because low-cost housing operated by large institutions bears no relation at all to what is considered "low cost" by low income group. As Stren rightly puts it, what consitutes a "low-

cost" house has never been clearly defined either for or by NHC.[35]

The Registrar of Buildings (ROB)

In April 1971, the Government of Tanzania announced that it was taking over all rented buildings with the value of £ 5,000 and over.[36] An office of the Registrar of Buildings was created to administer the 2,900 properties acquired, whose estimated value was about £ 32.5 million.[37] Arrangements whereby the owners would be compensated were announced in 1973.[38] The Registrar of Buildings has also gone into the construction of residential accommodation. Most of the residential accommodation provided by the Registrar of Buildings have been medium and high cost units in a few regional headquarters (towns) geared to a different group of consumes from that aimed to be served by the National Housing Corporation. Therefore, there is a division of responsibilities in housing provision between ROB and NHC. However, there is a likelihood that ROB will involve itself in the construction of low-cost housing. A recent study[39] prepared for the Registrar of Buildings by Carl Bro Tanzania Limited in collaboration with Skaarup & Jespersen of Copenhagen has shown that the average annual need for residential accommodation in 20 towns of Mainland Tanzania is 18,900 units up to 1983. The report went on to say that, out of the 18,900 units, 16,632 would be low-cost, 1,512 medium-cost and 756 high-cost.

Evaluation

Conventional public housing schemes by the National Housing Corporation, the Registrar of Buildings and Tanzania Housing Bank have had limited success in solving the housing problems y low-income families. Similarly, public schemes which aim at producing final products in the form of finished building benefit mainly middle and high-income families with steady employment or income. Because of their high cost and so high rents, dwelling units built by public institutions are out of reach of the majority of

the population. Almost ali the low-cost houses and flats built by NHC in the 1960's in Dar es Salaam which were intended for low-income families are now occupied by middle and high-income earners,[40] because they can afford to pay the rents. This applies equally to all other towns where NHC has built low-cost housing. Other major disadvantages of finished public housing are:-

(1) Preparation for and execution of projects take several years. For instance, phase 1 of the slum clearance and re-development scheme of Buguruni area in Dar es Salaam was started more than 6 years ago by NHC and is not yet complete (or was not complete by September, 1981). Consequently the long delays tend to add to the total cost of construction as building costs fluctuate considerably from year to year.

(2) Public housing schemes tend to be more import-intensive in the use of materials, machinery and equipment and skilled labour.

(3) The type of housing produced is always very expensive to construct and maintain and so only a few rich people can afford to pay the economic rents.

(4) The houses and flats constructed tend to create monotonous estates because of the use of type designs which are not always modified to suit spatial variations in living conditions and human needs, or climate.

(5) Once such public housing is built it is not easily extendable and cannot be adapted over time to meet changing family needs and sizes, unless one is prepared to incur high costs.

What follows in the following two chapters is an examination of how Tanzania has attempted to provide housing nto the low-income groups through means other than the conventional housing schemes, which, as we have seen in the preceding discussion, have not been quite a success.

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CHAPTER TEN

URBAN LAND USE PLANNING: POLICY ISSUES FOR CONSIDERATION

By
D.Y.K. Ngowi

Land is a valuable resource. The way we decide to use this valuable resource will determine our nation's prosperity, not only in terms of feeding ourselves properly but also in terms of enjoying a decent and likeable environment. This paper focuses on a method of conceptualizing urban land use planning policy issues. Its premise hinges on two observations. First, the rapid rate of urban population growth in Tanzania necessitates the establishment of the urban national policy which can ensure efficient provision of urban requisites such as acceptable sewage systems, transportation networks, proper location of all urban land uses and so on. Second, the current deterioration of urban area facilities such as roads requires a rehabilitation programme rooted within a policy framework which can anticipate future urban growth and development. As such, this paper begins by providing the rationale for land use planning. Land use policy formulation is taken up next followed by some remarks on the limitations of urban land use plans.

Rationale for Urban Land-Use Planning

Urban land use planning has the objective of achieving desirable public interests. Such public interests are what the courts of law will sanction as a public purpose, whether under the police power, the power of eminent domain, the power of taxation or another power. Examples of public interest include: health, safety, convenience, efficiency, energy conservation, environmental quality, social equity, social choice and amenity. Morals are sometime considered in land use planning but play a relatively less

important role. Below we attempt a brief description of these public interests.

Health and Safety

Health and safety are essential attributes of rational urban development. Often regulatory measures related to health, sanitation, housing, and building codes provide the principal operating definition of these aspects of public interest. Such codes/laws place strong emphasis on constraints to prevent (or directives to ameliorate) conditions injurious or hazardous to the physical well-being of the people of the community. For planning purposes, it is necessary to broaden the definition of health and safety.

First, in addition to a concern for physical health and safety, there is need to place some emphasis on the mental and emotional well-being of urban individuals. Second, emphasis on constraints in the interest of public health and safety is vital but due effort must also be made towards improving the health and safety standards by planning and building these aspects into the physical environment. Regulatory measures which may include control over exposure to stress, disease, and accidents by regulating location, density, use, bulk and forms of construction involved in land development may be necessary. Furthermore, intervention may take the form of development measures, such as the programming and carrying out of public works on urban renewal proposals. Where necessary such steps may involve the public purchase of certain built-up or open areas in the community and the planning or replanning of these areas for specific uses such as water, sewage disposal, recreation and so on with the objective of ensuring a healthy and safe urban environment.

Convenience

Convenience is as important as health and safety in terms of increasing national social welfare. Construction and maintenance

of streets and highways, the provision of efficient mass transit, proper location of service centres and the like are prime elelments of public interest.

For planning purposes, we must aim at designing land use densities which take into consideration convenience and energy conservation as well as acceptable standards of health, safety, environmental quality and amenity.

Efficiency and Energy Conservation

Efficiency here refers to the cost effectiveness associated with public interests. Different land use entails different cost structures. We are interested in the least cost resource use for the adopted land use plan.

Conservation of energy is an important consideration in urban planning. Public costs tends to be lower where we have optimal location of commercial, industrial and residential land uses. For example, if industries are located in relation to existing or proposed utility lines which have the capacity to handle additional water, waste loads, electricity and so on, costs will be lower than otherwise. Similarly, energy efficiency requires us to locate streets, recreation areas and other community facilities in relation to existing facilities.

Environmental Quality and Amenity

The quality of urban environment is of paramount importance to the public. Air and water pollution, filthy sanitary conditions, excessive dirt, inadequate waste disposal and so on, are serious urban problems. As such, the planner and the public have some interest to ensure continuous improvement of these urban environmental conditions.

Amenity refers to the pleasantness of the urban environment. Urban inhabitants want to have a good place to live, work and to spend their valuable leisure time in comfort and enjoyment. Open areas, planted green areas, flowers, treeshaded

streets, street lights, just to mention a few, are very important as public interests.

Thus, the rationale for urban land use planning lies not only in the search for better urban growth and development pattern but also in ensuring balanced land use, proper maintenance of public facilities and creating an acceptable environmental quality.

The section which follows attempts to outline the principles of land use policy formulation.

Formulation of Urban Land Use Policies

What do we mean by the terms "urban land use policies?" Several meanings have been attached to these terms. Some analysts view these policies as something akin to a statement of general goals and principles of action to be used for planning and programme design, something formulated before plans are developed. Others consider land use policies to be embodied in the plans themselves, and when a plan is officially adopted, the proposals contained in the plan, including the proposed pattern of future land use become official urban land use policy. Further, others consider policies to be statements of the directions in which actions need to be taken in order to achieve the goals and implement the proposals contained in the land use plan. I used in this sense, policies take the form of a strategy to achieve a goal, for example, suggestions of areas for reasoning or locations and timing of urban investments. Yet others contend that proposals do not become policy until adopted and actually used. Viewed this way, policies are tacit or explicitly stated positions that governmental officials (legislative or administrative adhere to for consistency of action in following through on a previously adopted plan, programme or regulation.

In the context of this paper, urban land use policy refers to any decision guide, including plans, seeking to influence the private and public use of land in relation to one or more defined objectives. As such, the policy is estalished ahead of time to

provide consistency to a class of subsequent decisions. For the particular case of land use planning we may have input policies and output policies. Input policies are those general declarations of the intended thrust of an authorized programme as contained in the legislation or these may be subsequent elaborations of the general policies adopted by the town planning councils to guide the land use planning process.

Output policies refers to those guides for decision making rather than for further planning. These result from planning are intended for application in the land use management phase. As such, output policies become guides to legislative and administrative actions about regulations, management and urban investments.

Rational Policy Development

Generally, policies provide the basic directions for action based on goals and priorities. Plans, however, indicate in more specific terms what actions are to be taken, by whom, and how actions are to be coordinated.

In the contet of land use planning, policy formulation proceeds from the general (such as specification of goals) to the particular, and from long range policy considerations to the short range implementable policy issues. Each step in the sequence becomes the foundation for subsequent, detailed and means-oriented policy determination. It is important to ensure that for each step policy outputs are developed. Further, it is necessary to evolve a mechanism under which decision makers and the urban community inhabitants can participate or provide their recommendations during the policy making exercise. This will help to speed up and achieve planned goals through the adoption and implementation of the policy outputs.

The first step in policy formulation is to develop the long range policy. this policy is translated into 20-25 year land use plans which aims at providing the urban administrator with a clear

objective and desirable future patterns of mutually consistent public and private land uses. Such plans should spell-out clearly land uses earmarked for location of community facilities (markets, hospitals, industries etc.), residential occupation, transportation and so on including desirable zoning classifications.

The second step is to develop the short term policy outputs (5-6 years and 1-year land use plans). These have the objective of providing the urban administrator with an action programme, a list of priorities and a systematic schedule for incremental revisions of action to cope with changing circumstances over time.

Before step one and two above are implemented, it is necessary to note that implementable policy needs to be backed by administrative decision rules. Specifically, such rules should consist of explicit rule-like guidelines for day-to-day administration and management of urban centres. For example, specification o conditions under which individuals can be allocated residential plots or how utilities will be extended or how annexations should be made and the criteria for guiding the review of development proposals. Such decision guides should be explicit about what to do under a wide range of likely circumstances so as to avoid misinterpretation. For some cases, such rules may be explicitly incorporated within the laws and regulations which govern the administration of urban centres.

Issues to be Considered in the Formulation of General Land use Policies

The first issue to consider in urban land use planning is to transform goals and the knowledge of the conditions in the particular urban area into a general policy framework. This serves as a guide for further planning and acts as an interim guide for decision-making and administration. The most important issues to include in the general policy framework are, among other things:-

(a) General maps which interpret the above policy principles as they relate to the environmental and urban activity pattern. ` For example: urban residential maps, land suitability maps and so on.

(b) Specific maps which show details of land use and areas earmarked for certain developental changes which shouldl be encouraged or prohibited; and

(c) Broad land use programme strategy suitable for actual implementation of the policy.

Often, it is advisable to divide the urban centre into zones. Each zone receives particular attention with respect to objectives and land use policies. The zones could be designed according to conventional land classification.

Zone A: Central business district and other major centres.

Zone B: Built up central town and older suburbs. Sometimes further divided into redevelopment areas and conservation areas.

Zone C: Urbanizing areas - with further division to delienate efficient geographical sequencing and timing of growth.

Zone D: Holding zones or agricultural zones. These areas should be subdivided to show areas of permanent commitment to agricultural uses, semi-permanent and land intended for long term supply of land for uture urbanization.

Zone E: Areas of cultural and national significance which require special legislative protection against the pressures of urbanization.

A more detailed approach sometimes referred to as "compartmentalization" has been suggested by Odum[1].

Policy Implementation Programme

The sequence of issues discussed above should be able to provide an implementable programme or plan. Such a plan should define alternative assumptions about external forces such as limited energy supply, water and primary-order policy issues such as accommodating growth pressure[2], controlled slow growth and so on. Under normal circumstances, the policy output or plan developed should be adopted for implementation to serve as an interim guide for decision-making and management of the urban area.

Formulating Long-Range Land Use Plans (20-25 Years)

In developing long range land use plan we use the policy formulation framework of the preceeding section as an input. Future land use patterns are planned in a goal form and expressed in figures, diagrams and maps. A preliminary land use plan is developed which shows land use as to location, and it accounts for the amount of land to be reserved for each private and public use.

The following steps should be followed when developing the long-range land-use plan:

Step 1: Review General Land Use Policy

- Review current land use policy;
- Estimate existing conditions and trends;
- Determine the most pressing current and projected problems and urban needs;
- Refine previously identified land development goals and objectives;
- Review the urban development potential and growth; and

. Determine preliminary location and space requirements for each land use.

Step 2: Interpret Goals in Terms of Planning Principles

. Review planning principles and acceptable standards;

. Refine objectives in the form of evaluative criteria.

The evaluation criteria may be used to measure and assess consequences associated with alternative solutions or projections and relation to the initial goals and objectives.

Step 3: Design and Carry-out Surveys and Analysis

. Land use activity patterns and preferences;

. Development or redevelopment processes;

. Environmental quality features and processes;

. Land use suitability maps; and

. Areas subject to develop pressures and conflicts.

Step 4: Determine Future Land Use Requirements

. Detailed location and space requirements (use maps, tables, and short verbal statements);

. Indicate location and space criteria for each individual class of use.

Step 5: Develop Alternative Future Land Use Designs

. Review previous steps and policies;

. Design alternative land use patterns;

. Note the constraints and limitations of these alternative patterns of land use and the natural environment;

. Policy assumptions for each alternative must be clearly shown.

Step 6: Project Future Land Development

. Base projections on lessons of step 1-5;

. Ensure projections are consistent with urban population growth, public utilities, environmental quality and health standards;

. Compare projected land development outcomes with the alternative land use designs of step 5.

Step 7: Outline Strategy for Implementation and Monitoring.

. Select the "best" plan from the results of step 1-6 for implementation.

. Remember: the adopted plan may be a combination of desirable future of several alternative plans.

. The adopted plan serves as a decision guide for the long term administration of the urban area.

. For purpose of implementation the plan should serve several key objectives:

- The plan should promote efficiency by coordinating the size and location of publicly provided future community facilities with the location and intensity of future private residential, commerical and industrial activities;

- Facilitate the acquisition of land and the construction of schools, hospitals, . police station, market places, banking facilities and so on convenions to future residential locations and current residential areas.
- Anticipate future water, power, transport and sewage requirements large enough to accommodate future growth of the urban area;
- Provide the future shape of the urban area including desirable and pleasant features, distinguishable suburbs and recognizable urban shape; and
- Be a guide to monitor short term plans so as to ensure their consistency with long term goals, objectives and plans of the urban area.

Formulating Short-term Land use Plans (5-6 Years)

The short term plan is used to implement the long range plan. The plan is more specific and directs its effort to immediate problems and explicit social, economic and environmental consequencves of the land use plan.

The formulation of the short term plan involves several steps:-

Step 1: Identify Present Urban Conditions

Major physical deterioration: roads, sewage, buildings, transport systems and so on;

. Location of land uses: residential, commercial, industrial and their present conditions; and
. Main problems: unemployment, slums, crime and so on.

Step 2: Define Short-Term Land use Planning Objectives

. Review long-term plans: the objectives, policies and proposed land use patterns. The short-term objectives should be designed to ensure consistency with the long term goals; and
. Specify the criteria for evaluating the urban development regulations, capital improvements and any other actions which have been proposed in the long term plan.

Step 3: Specify Implementable Public Projects/Actions

. Rehabilitation programmes: roads, sewage, hospitals, schools, market places and so on;
. Development programmes: additional land to be acquired and its proposed use (amount, characteristics, and general location); new road systems sewage, public facilities and so on;
. Preservation programmes: scenary and historic sites, urban trees and gardens, historical houses and other facilities of national significance; and
. Laws and regulations: public laws and regulations, that govern urban behaviour, taxing sytems, pricing and incentives/disincentive schemes.

Remember: For each programme or action the planner must specify:

- the financial requirements and sources of funds;
- the standards to be be met by each programme;
- the time limit for completion; and
- a detailed implementation, monitoring, reporting and accountability schedule.

Step 4: Impact Analysis

. Clear estimates of the social, political, economic and environmental consequences of implementing the short term plan:
- who will benefits?
- who will loose?
- what areas will be affected and how?
- are there people who will be displaced? If so, what are the compensation arrangements? What will be the impact of alternative land use plans, taxing systems, pricing, laws and regulations?

The 5-6 year land use plan should be able to translate objectives, planning principles, land use policies and long-term plans into a coordinated, manageable and specific programme of current and short-term action.

Formulating the Annual Land Use Plan of Action and Implementation

The objective of the annual land use plan is to provide a strategy for implementing the adopted 5-6 year plan. It outlines the specific actions that have to be undertaken during the year, how they should be coordinated and the agency or organization (private

or public) which will be responsible for implementation. Often the annual plan will reorder the prioritie and timing of the proposed programmes in the 5-6 year plan to reflect current social, political, economic and environmental problems.

Implementation of the annual land use plan is very important. The approach to implementation planning followed by Morris and Binstock [4] as well as Frank So[5] suggests a careful translation of plans into actual realization. Specifically, three steps must be followed:

Step 1: Find out who has the power, ability and finance to implement specific parts of the programme. Often the planning agency or urban councils rarely have powers and finance. As such, it is necessary to understand the governmental and political decision making processes and how these can be influenced to facilitate implementation. In addition, it may be possible to identify departments, agencies and other decision makers who must actually adopt and administer the various aspects of the annual plan.

Step 2: Assess planning organization's resources for project implementtion. The planner must assess the council's own resources, or readily available resources of manpower, energy, finance, technical expertise, management capabilities and so on which can be utilized to implement the planned programmes.

Step 3: Review past and current strategies for implementation:

- Did they work efficiently? If not, why? Which strategies needs to be dropped or changed?
- What firms, organizations or private firms have proved efficient in implementation?

- Can they be made available to implement the current plan?
- What constraints have implementors encountered before? Can such problems be solved during the implementation phase? If not, what are the new strategies for implementation
- What has been the reviewing process? Monitoring, reporting and accountability procedures? If there exists none, what form of project appraisal, monitoring, reporting and accountability will be most effective?

Conducting Remarks

Current urban planning procedures in Tanzania have a number of limitations:

First, the physical plans which are labelled "Town Master Plans" do not treat financial, economic, political, technological and other "nonphysical" realities which must be incorporated in realistic urban plans;

Second, plans are formulated as if the local government and the town councils can provide whatever funds are needed and will enact whatever laws and regulations are required to achieve the end result for many years to come;

Third, town plans do not seem to have any linkages between long-range plans and a feasible sequences of shorter range operations and attainments;

Finally, town planning councils have sometimes pressumed that they can avoid the most presseing, most difficult urban problems: poverty, unemployment, housing, sewage problems and so on. As a consequence, urban master plans have been conceived and issued as inflexible printed publications, revised and republished only at long intervals, regardless of changing conditions, policies and events.

The paper has conceived urban land use planning as a continuous process which involves long-range, mid-range and short-term implementable plans. It has noted that an urban area cannot exist in a healthy state without portable water, energy, drainage, sewage and solid waste disposal systems provided by urban utilities. It is therefore necessary to plan these amenities so as to bridge the gap between current utilization and future needs of these services. Similarly, communications serve urban business and commerce, constitute an important means of inter-personal contact and so on. As such, a rehabilitation of our urban communication system is vital and necessary. Finally, health, safety and environmental quality are vital urban elements which must be given priority in our urban planning process.

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CHAPTER ELEVEN

INVESTMENT APPRAISAL IN TANZANIA'S LOCAL AUTHORITIES: AN OVER VIEW

By
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Introduction

A Local Government is an Institution which operates locally within prescribed area and within certain limitations as far as its objectives and responsibilities are concerned. A Local Government (Authority) is usually looked at as one of the public sector bodies because of the nature of its functions as stipulated by the Local Government Acts of 1982. Since it has been vested with the public sector status, as distinguished from the private sector it is therefore that sector of the economy whose operations aim at serving the popoulation with no intention of a gain for rendering such goods and services.

As a public sector instituion, it has an explicit obligation to ensure that public funds are spent with due regard to economy and efficiency while at the same time attaining the objectives set. In this respect, the techniques of investment appraisal used and their role in the capital budgeting process of these Local Authorities are topics of particular concern to accountants.

Functions and Duties of Local Authorities

While we allege the importance of investment appraisal on Local Authorities it is also important to relate this investment appraisal with the functions and duties of these authorities. This is out of the argument that it is out of these functions and duties that investment appraisal is required. That, this investment appraisal is to appraise investments that are geared towards the fulfilling of the prescribed functions and duties.

The major functions and duties of Tanzania Local Authorities are clearly and explicitly stipulated in the 1982 Local Government Act, Part V Sectoion III 1 and 2. Here, the functions of Local Authorities are given to be:

(a) to maintain and facilitate the mnaintenance of peace, order and good government within the area of jurisdiction;
(b) to promote the social welfare and economic well being of all persons within the area of jurisdiction;
(c) subject to the national policy and plans for rural and urban development, to further the social and economic development of the area of jurisdiction.

However in performing these functions Local Authorities are supposed to observe or obey the value for money aspect. In other words they are required to operate economically, effectively and efficiently in the provision of goods and services to the public. Economy is concerned with least cost in any activity, while effectiveness is concerned with the ability to achieve a given objective or goal. And, efficiency on the other hand combines both economy and effectiveness. It is conerned with the attainment of an objective at minimum use of resources.

Before we look or turn our attention to the duties, it is worth while noting here that the functions, few as they may look, cover a very wide potential for investmens. This justifies our thought of the importance of investment appraisal in our Local Governments. Let is be made clear that Local Governments and Local Authorities can be used interchangeably. That, an investment may result from the maintenance and facilitation of peace, order, etc. by erection of an investment or project aimed at better functioning of the Local Authorities. Furthermore, since one of the functions also is to promote social welfare and economic well being of the residents, even economic ventures may be sought. Again, investment appraisal may be required and appropriately so.

Duties

For the purpose of the better execution of its functions, whether done alone or in coopeation and conjunction with any other Local Authgority or other person or body of persons, and subject to this Act or any other relevant written law, a Local Government shall take all such measures as in its opinion are necessary, desirable, conducive or expendient:

(a) for the suppression of crime, the maintenance of peace and good order and the protection of public and private property lawfully acquired;
(b) for the control and improvemet of agriculture, trade, commerce and industry;
(c) for the furtherance and enhancement of the health, education, and the social, cultural and recreational life of the people;
(d) for the relief of poverty and stress, and for the assistance and amelioration of life for the young, the aged and the disabled or infirm; and
(e) for the development, mobilization and application of productive forces to the war on poverty, disease and igorance.

Priorities in Investment

Ensuring that value for money is obtained involves two distinct processes. First there must be a careful assessment of the objectives to which resources are devoted in order to ensure that only those projects likely to yield the maximum possible benefits are undertaken, given the total resources available. Then once the projects have been selected there has to be a control mechanism to ensure, as far as possible, that benefits sought are achieved without any waste of the resources devoted to their achievement.

The first step in preparing an investment programme is not merely to bring together a series of projects and then rank them but rather to review the objectives of the Local Authority in broad

terms, to define those objectives to be achieved, taking into account the resources available. The important point is to assemble the objectives in some priority order and not only the projects themselves.

However, a Local Authority is very often prevented by circumstances entirely otside its control, from ogranizing its affairs in such a way that it makes the most efficient use of its resources. The management of any organization needs a degree of certainty particularly about policy and the availability of financial resources, if it is to be successful. This is especially in local government. yet certainty in local government is lacking and the causes lie outside local governments' abilities.

There are three causes which lead to uncertainty in the local government:

The first one is the apparent conflict which frequently exists over the interpretation of central government policies.

The second cause is that the major determinant in the scale of Local Authority investment is not social need but national economic policy and the two may conflict, and in Tanzania, these always do conflict.

Thirdly and probably the most important cause of uncertainty is over the scale of financial resources, how much grant or subsidy will be available and how it will be distributed. This particular difficulty is compounded as the size of grant aid increases, as decisions are made increasingly on an annual as opposed to a longer term basis, and as decisions tend to be made relatively late in the financial year.

The Techniques

Having justified the need for investment appraisal in our Local Authorities by their functions and duties, the next step is to look at the various techniques the Local Authorities can employ use in their investment appraisals.

As regards the trechniques of investment appraisal, the theoretical superiority of discounting techniques and, in particular, of the Net Present Value, (NPV) over the more tradional techniques, such as the Accounting Rate of Return and Payback Period, has long been demonstrated via the various advantages the former have over th latter. We can look at these advantages later. But, it is worthwhile noting here that, surveys have shown that the more traditional techniques have been retained, often being combined with discounting methods of appraisal. Yet, there has been an appreciably significant, persistent upward increase in the proportionate use of discounting techniques. This is quite in contrast with the earlier trend of affairs as reported by surveys made by Istvan (1962)[2] and Pullara and Walker (1965)[3] in which little use of discounted cash flow (DCF) techniques was reported. The rise in the use of discounted cash flow techniques is reported in the surveys done by different writers as: Petty, Scott and Bird, (1975)[4]; Gitman and Forester, (1976)[5]; Schall et al, (1978); and Pike, (1982).[6]

The techniques we have just discussed originate from a commercial background. They, in their totality, and more so, of course of the discounted cash flow techniques, are interested in the measure of the owners' wealth. This is because owners or share holders as they are called are maximizers of wealth. So do managements assume. All of their activities are geared towards the maximization of their returns from their investments. That is, when we talk of the discounted cash flow techniques, particularly the superior of the two which is the Net Present Value, owners are only interested in the maximization of this NPV. This is, then the primary objective of any management. Definitely however, they (management) would be having other considerations. But, these can oly be included as constraints on the maximization calculations. The maximization of the discounted cash flows - NPV.

The rationale of discounting is the fact that money available now is worth more than money available in the future. Money available now can be invested immediately whereas money available in the future can only be invested when it is received. The discounting process in the overall calculation of the viability of a project reduces the value of future benefits compared with the present ones.

So, while these financial management (investment appraisal) techniques are based upon the assumption that management's objective is the attainment of owners' objective, namely the maximization of shareholders' wealth, then one has got to be careful on using these techniques in investment appraisal in our Local Authorities.

Before we look at the probable circumstances in which the discounted cash flow techniques could be employed in our Local Authorities, let us, briefly, have a look at the financial objectives of our Local Authorities. These are not, usually, set by management. Instead, they are specified by the government (central government) through legislation or the ministry concerned - Ministry of Local Government and Regional Administration. Besides, these objectives are not specified in 'value' terms but as 'non value' financial targets.

The justifications for the inability of setting ojectives in value terms are two fold. First, there is usually no observable indicator of value since these local authorities are not 'valued' in their start-up. Second, it would be difficult to identify which owners deserve their wealth being maximized. This is because, the owners are the society as a whole. And, measurement of well-offness or affluence for the society is very difficult to ascertain

Furthermore, the financial ojectives of our Local Authorities are often secondary to some overriding requirement that a particular operation or service be carried out. For example, these Local Authorities would not be allowed to stop delivering rubbish collection service to the people in their jurisdiction purely

because they were not financially viable.

However, despite the difficulties inherent in Local Authorities over the use of discounted cash flow techniques, there are situations in which the Local Authorities could employ the techniques. For example, Local Authorities coud restrict the use of these techniques to specific types of investmment as comercial in which the authority would be involved in the decision on whether or not to initiate Development corporation in a Local Authority. Another example would be in larger investments like in a decision to construct a large scale recreational facility (self liquidating) in the authority.

Defects of Traditional Accounting Techniques

Given the financial objectives of our Local Authorities which, inevitably, focus on short-run objectives and given their dependence on Central Government financing, there could be a tempting tendency for a heavy reliance on the use of the traditional accounting techniques of appraisal of their investments. Basically, some revenue account analysis' would be employed in which, the decision to accept or reject a given project would be based upon the impact of the expected running cost of projects on the Local Authorities' income and expenditure in the first year in which the project comes on stream. Alternatively, the 'payback period' method would be used in which the project that recovered or recouped initial investment the earliest would be preferred.

However, the defects of these traditional techniques are clearly known. These range from the focus on the short-term objectives, the bias against strategic projects and the failure to take account of the time value of money. These defects make these techniques to be quite inferior when compared with the discounted cash flow techniques discussed above which have better features as far as the time value of money consideration, the consideration of the entire period of a project, are concerned.

Which Course of Action Then for Our Locl Authorities?

The most important factor that may inhibit an outright acceptance and use of the superior discouting techniques is the difficulty of measuring the benefits of many of.thge projects which our Local Authorities undertake. However, this may not necessarily preclude the authorities from using thse discounting techniques in 'cost saving' or 'cost effectiveness' projects or investments. But severe difficulties may be encountered for major new investments, such as primary schools and urban roads maintenance, for which there are no revenue/cash inflows comparable to industrial or commecial projects. In the Tanzanian context, given the nature of the above difficulties, the most obvious course of action is the use of Cost-Benefit-Analysis.

Cost benefit analysis in Local Government can be defined as a technique of use in either investment appraisal or the review of the operations of a service for analyzing and measuring the costs and benefits to the community of adopting specified courses of action and for examining incidence of those costs and benefits betwen different sectors of the community.

The objective of this technique is that it tries to take into account ll the costs and benefits which will accrue from a project. Costs and benefits are defined in the widest sense and are not confined to the narrow accounting definitions. The main steps in any cost-benefit study may be summarized as hereunder:

- Clearly define the objective to be attained.
- Consider and define the alternative ways of achieving the objective.
- Assess the various costs and benefits which are likely to arise.
- Evaluate the costs and benefits as far as possible and for those which lie in the future equate then to present day values by means of the discounting process.

There are three main cflasses of costs and benefits:-

(a) Direct costs and benefits which can be easily measured in monetary terms:- these are financial cost and benefits directly associated with the projects.

(b) Indirect costs and benefits which may be relatively easy to quantify in monetary or statistical terms though not with the same accuracy as those included in (a) bove.

(c) Intangible costs and benefits which can not be measured satisfactorily in any way.

In assessing the benefits and costs arising under these three categories, a number of assumptions will be made. And to make a meaningful assessment of cost and benefits the following need to be eliminated:-

(i) Mere transfers from one sector to another as government grants to Local Governments.

(ii) Cost and benefits that do not result in any increase or decrease in real resources.

So, in this technique, the main points to be considered would be as follows. First, it would involve the identification of all costs and benef ts in physical terms. This, definitely, can be difficult in that it may not be that easy to clearly identify all the costs and benefits that would result from an investment. This is from the fact that, any investment creates, apart from its explicit costs and benefits, externalities. These are costs and benefits that result from the implementtion of the project that were not intended when the investment was initiated. An example is that of smoke pollution (plus other chemicals) that come out as a result of instituting the Polytex Mill in Morogoro. It is a cost to the inhabitants that ws not intended when the project was initiated. It is not a direct cost. Or, alternatively, another side effect is that the Pollytex Mill might install a dispensary for its workforce. But this dispensary might be utilized by the local residents and thereby reduce diseases in the area (particularly if there was no dispensary nearby!). This is side benefit that may not have been intended in

the initiation stage. Now, the problem to this step in cost-benefit analysis is that it my not be that easy to contemplate and identify all the possible costs and benefits directly and indirectly related with an investment.

Second, one would be required to assign some monetary values to these external costs and benefits. Here, as much objectivity would be required in which some objective parameters would be employed to the various variables discovered. Again, even if it were possible to identify all the possible externalities, subjectivity would reign, inevitably, in the exercise of assignation of monetary values to these externalities. This is because, there is not yet an objective criterion upon which this assigning can e performed. It is all a function of policy prevailing in the economy as to why such and such a variable is a need or a want-political choice!.

So, cost-benefit analysis is criticized on the grounds above and also by the subjectivity of the final results. This is clear because the whole process that would e leadin to the final results would have been subjective and so the final output would, inevitably, be suject to the same subjective assumptions and parameters.

And the final criticism is on the amount of work and time required to perform the analysis. The analysis demands upon a lot of staff time to obtain all the information that would ultimately give the subjective results. This sheer demand upon staff time may lead to the costs of obtaining such information exceeding the benefits. But, given our level of development, cost-benefit analysis, if at all employed, could lead to better investment decision-making in our Tanzania's Local Authorities.

The usefulness of cost benefit analysis approach depends upon the extent to which all the costs and benefits can be traced and how feasible it is to evaluate them on some comparable basis usually monetary. The great problem with the technique is how to evaluate intangible benefits and where this is impossible the only

alternative is to rank them in some order of priority or significance. Indeed the result of a study could be misleading if an attempt were made to force value on to tangible asets. The great advantage of cost benefit analysis lies in the discipline which it imposes in the attempt to isolate all costs and benefits likely to accrue and the encouragement it gives to radical thought.

The most effective application of cost benefit analysis is in projects where there are a number of real alternative methods of achieving the same objective.

A Critique of the Private Sector Investment Appraisal

A major criticism, put forward, of the approach to investment by private sector organizations/corporations is that an overemphasis is placed on the computational aspects of capital budgeting. Because of this overemphasis, it is alleged that there is a total neglect of the potential benefies from improving the search for both the investment opportunities and the information about alternative investments. A number of researchers have made studies that have come up with the opinion that insufficient regard is paid to this aspect of appraisals in the private sector with, in particular, a desire to quantify project possibilities in financial terms without adequate consideration of alternativ facets which projects might take before detailed financial evaluation takes place.

A number of authors contend to this allegation/fact: Fremgen, (1971);[7] King, (1975);[8] Gitman and Forester, (1976).[9]

For our local governments to avoid falling in this trap, they would better pay particular attention to this aspect of investment appraisals. And this would involve them into discussions of major project proposals with the senior management before detailed financial evaluation would take place. After this, there would be a need for an additional screening of the suitability of project proposals, prior to detailed financial evaluation. This final screening would often include considerations of the different forms which projects may take. Throughout this process, the authorities

would be presenting, to the decision-making bodies (the senior managements), all the costing of the different alternative versions of the major proposals. Thus, with the aforesaid investment appraisal techniques used, this approach would appear to be superior to the straight-forward investment appraisal practices found in private sector organizations.

Conclusion

With the above discussion we can come up to some conclusions on the appropriateness of investment appraisal techniques in our Tanzania Local Authorities. Clearly, the investment appraisal in these authorities is not as easy and straight forward as it is with industrial and commercial undertakings. Yet, despite the grappling difficulties, there are possible ways towards more scientific appraisals of their investments as has been shown above. The formidable task is that of measuring benefits and the reliance on central government finance. The complication is further highlighted with the problems associated with externalities when Social Cost Benefit Analysis is opted. But, the author has got a very strong feeling that if properly executed social cost benefit analysis could best fit most of our authorities non-commercial investments appraisals. And for the projects that can be of a 'commercial' nature, some improvement could be made, so that a combination of social cost benefit analysis and the modified form of discounting could be employed. The improvements required are on the treatment of risk and uncertainty and on capital rationing, which are observations made also for private sector investment appraisal practices. On the other hand, our Local Authorities should strengthen the seach process for identifying and evaluating of project possibilities for better investment decisions.

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CHAPTER TWELVE

THE ROLE OF LAW/LEGISLATION IN HUMAN SETTLEMENTS

By
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In chapter two we discussed generally about "The Housing Problem". It is appropriate, that we should close this work with a discussion, in general terms, on the role of law in human settlements, followed by an inquiry into the extent to which law and lawyers have been instrumental in bringing about social change in Tanzania - if at all. Reasons will be given as to it has been so. The concluding section will look into areas where law could have been utilized to bring about a more equitable urban development in Tanzania.

1. A General View

In dealing with this part, we shall focus on two features of law. The first is that all law (and this includes legislation) is a means to an end. This has been better put by Professor Patrick McAuslan who says[1]:

> *We must all be careful not to elevate our own discipline into the central position in any survey of issues and their possible solutions in urban land policy. But I would suggest that a legal framework that does not address itself to meeting the needs of the urban poor is an important deficiency in current urban land policy.*

If law is a means to an end, this end will be determined by political institutions in each society and will reflect the societal values. The second is that once an end has been determined, the law will offer a variety of legal methods to achieve this end. Any society can determine how it will live together, what environment should be like and what values will be acknowledged as determining that environment. The role played by the law in these decisions is essentially the same whether the society is democratic or not, whether the political structure is unitary or federal, or whether there is a capitalist or socialist economic system. This is not to say that the characteristics of the way in which the law will operate will not depend on the particular society, but only that there are a finite number of ways in which law can operate and every human society is limited to these in dealing with the problems raised by human settlements.

The starting point for any analysis of law in regard to human settlement is the realization that unless the scarce resources required by all human settlements are allocated or controlled in some way, conditions of life will be rendered intolerable. Solution to this problem has at times been sought in attempts to change people's ideas of morality. This is an unsatisfactory method. It is hard to induce people to accept a set of moral values when to do so is, from an economic point of view, irrational. The only alternative is the imposed morality of the law. The institution of private property, for example, has ensured that it is not overused. For some people, but not, of course for all, life in organized settlements has been tolerable and even pleasant because the exclusive possession conferred by the institution of private property has ensured a method of allocation of one scarce resource, land. The problem which human society faces now is that the allocative function performed by private property is either unsatisfactory in resolving the problem facing human settlements, or is rejected as a basis for social organization on the ground that it is an inappropriate way or social decisions to be made.

No society can tolerate an unrestricted power based on private property. Every society has the idea of common property. The most obvious examples are the roads and streets of any town. Modern developments in regard to limitations on private property have increased the scope of social control over the use to which property, acknowledged to be private, can be put. This has led to the existence of comprehensive plans for urban and rural development, or to the preservation o open spaces. So this is one area where a properly thoughout-out piece of legislation may have beneficial results to the greater majority of people in human settlements.

There is a tension between those who believe that decisions in any society should be made by the central government for that country and those who believe that decision-making should take place at the lowest possible level. Legally it may not matter much whether a particular planning decision is made by a central government or a local government official. The acceptability of the decision may, however, depend on the extent of the participation of local residents in decision-making process. The choice of what decision-making level should have the power to decide must be related to the problem that has to be solved. Whatever process is opted for, it should be backed up by law, and that law should be resultant to the people's wishes.

To what extent then can law operate to control human conduct in human settlements? The principal ways are:

(1) By making certain conduct criminal and hence subject to punishment.

(2) By providing that a civil remedy in damages or by injunction is available to anyone who may be injured by another's action.

(3) By requiring that a licence be obtained beore a certain activity is carried on.

(4) Through states ownership of resources so that the state may exercise all the rights of an owner.

(5) Indirectly, through taxes and subsidies, and by such devices as the publication of studies of environmental consequences of development.

Any attempt to control human conduct in any area has to use one of these types. Of course, the method chosen may involve more than one of these. A licensing scheme may be supplemented by the criminal law or by tax concessions.

(1) The criminal sanction is the most direct way of controlling social conduct and criminal law will always be a necessary feature of any legal system. However, this does not mean that it should always be used for every case where conduct has to be controlled. It helps to provide that people living together observe the minimum standards of conduct. But any response to the present concerns about the environment in which we live will take us far beyond the minimum standards, and hence beyond the use of the criminal law.

(2) Every legal system will offer its members redress against those who do them harm. This is a very effective remedy. However, it has its own difficulties. There is no guarantee that the offending party will be effectively controlled by this remedy. But the same thing could also be said of the criminal law.

(3) Licensing schemes constitute the principal method used in legislative devices or controlling conduct the human settlements. It has the advantages of flexibility. Typical planning legislation operates by requiring that development be licenced. Under such a scheme, the authority responsible for the implementation of the plan can closely control development of any area. The licensing scheme can only work if there is a sufficient administrative structure to support it.

(4) The legal problems of implementing any control over land development or any other activity are far simpler if state ownership is chosen than under any system where the law has to influence the actions of individual owners. No licensing scheme can approach the comprehensiveness of the controls possible if the state owns all the land.

(5) There are a variety of indirect methods of control.

Tax laws can encourage some kinds of activity and discourage others. Subsidies can have the same effects. Taxes on car manufacturers for pollution caused by cars may encouraged the discovery of devices to minimize this pollution. Heavy taxes however may bring about the closure of the industry, and hence loss of jobs. So the government could subsidize the industry to carry on research as to how to deal with the pollution problem. Whatever course of action is taken, it will depend on the prevailing circumstances. Subsidies in house rents may discourage home-ownership for example, in that one may not feel the urge to build his own house.

It is obvious, however, that human life and settlements can go on with or without legislation and law. The role of law, however, is to make it more pleasant and orderly. It provides a framework for human co-operation and living together, it can provide for the allocation of scarce resources, and it can help social decisions to be made in ways that are both fair and efficient.

With this discussion in mind, one could validly ask-what type of laws and policies should be adopted in respect of housing and human settlements in any one given country? The answer is hard to come by. In respect of housing and human settlements, very many theories on policy have been advanced. Speaking for Tanzania, Bienefeld says that the best and the only economic solution to the housing problem is mass production of housing by the public sector[2]. Such a policy would be commendable but as I have argued in Chapter Four, such a policy is not feasible in Tanzania today, taking into account its economy. Speaking for the

third world, John Turner remains a do it yourself advocate with an unbounded faith in the individual capacities of the people to improve their condition in life through their own efforts[3]. Phil Heywood has the suggestion that self-help with some government participation would be the best solution to the housing problem[4]. Ann Schrand thinks that if the hope in people in the third world is to be realized, we must allow for diversity and that we must allow the people to speak of themselves, to describe themselves and their needs[5]. All these ideas are good in themselves depending on when and where they are being applied. But I would like to end as I started:

> *... we should adopt a policy that is relevant, at the right hour of the day ... the beneficial influence of which is open to no dispute.*

Such could also be said of the law.

I would now like to look at the role that law and lawyers have played to bring about "social change" in Tanzania. I would like especially to briefly look at the people's attitude towards the law and the Bar. I have used the broad term "social change" because it covers a wider area, including urban development.

2. Law, Lawyers and Social Change in Tanzania

It would be an overstatement if I said that law has not been used to bring social change in Tanzania. What could validly be said however is that Tanzania has not been fond of using law as the principal or ever necessary instrument for social change. Law has tended to be overridden by politics. It would also be valid to say that the Tanzanian Bar has been neither active nor activist in bringing about required changes, both social and legal. The legal profession does not command respect of the people. The famous former Chief Justice, P.T. Georges once told them[6].

> *It is no use being a very successul lawyer when the profession itsel does not command the respect of the people. Success in the profession is only*

meaningfull when the profession commands the respect of the community. The success means something.

But this is not all. People thèmselves by nature or tradition are not used to having resource to law to solve their problems or disputes. This attitude was very aptly summed up by Stan D. Ross (once a lelcturer at Makerere University, Uganda) who when talking of the three East African Territories, says this about the Tanzania situation[7]

... people are just different in this society. The idea that a lawyer can help you is not present.

Again the unofficial bar in Tanzania has been attributed with the doubtul complement of commercialism. So this called for criticism from many quarters, the most serious being from the Judiciary itself. In its memorandum to the Judicial System Review Commission, the Judiciary stated as follows[8] -

We feel that the present setup and system of private legal practice is unsatisfactory mainly ...
1. It is incompatible with the present aspiration of Tanzania as a society aspiring to socialism which emphasizes social justice.

The Judiciary called for the abolition of the private practice but the Commission rejected the idea by saying ...[9]

We cannot but feel that the proposals they have made for improvement of the present setup are likely to create more problems than those they attempt to put right.

In my mind, all these factors weigh against the Bar in being active. As far as the question of an activist Bar is concerned, my contention is that the political system is not conducive for that sort of thing. Being a successful activist is not a common thing in a one-party regime. Again, it should be born in mind that the Preventive Detention Act, 1962, is not merely a threat but a reality. David Williams, who had two different periods of stay in

Tanzania as an academic sums up the situation in the following words[10] -

In my own country I am not confined to my study and my political praxis is possible in a large measure because bourgeois rules o law and democratic rights, secured in centuries of class struggle, do allow scope or radical activities today. Yet I am confined to my study when I am in Tanzania, where despotism of colonial-style rule is a continuing and ever present reality.

As far as urban development is concerned, if there is a dispute between an individual and the District Land Officer over allocation of plots, the aggrieved individual would go to local party leader for help in fighting his case. Rarely would one think of consulting a lawyer. More significantly so, the Land Ordinance excludes courts from hearing appeals originating from the application of the Act. Appeals go to the Minister of Lands, Housing and Urban Development[11].

So having in mind all that has been stated above, it is not difficult for me to understand why as a U.N. Consultant to the Capital Development Authority in Tanzania, Professor Patrick McAuslan was confronted by a Canadian Consultant there, with these words[12]:-

Why bother. Does it really matter whether the agency - in the instant case the Capital Development Authority - obeys the law or not? Wouldn't everything go on as "normal" if they didn't bother and your recommendations were ignored?

Speaking on the side of the Canadian Consultant, I would say that he was not talking out of his own conviction. He was, in my view, echoing the sentiments of the local officials. In fact, development of the Capital had already started without regard to the law - squatters had been moved and a decision was taken to

pay compensation ex-gratia. "No lawyer had been consulted on procedures and no attempt had been made to adapt what legal procedures existed to the particular circumstances of the case[13]".

So this fortifies my thesis that law has not been used in Tanzania as a means of social engineering, which in this case, includes urban development. In the following section we shall highlight areas where the use of law would have been beneficial. It is interesting, however, to see that the law concerning villagisation programmes in 1975-1976 is very elaborate. Why this is so is subject to speculation. However, my thesis is that so many atrocious mistakes had been committed while attempting to group people together in settlements that the whole programme was evoking international criticism[14]. Some people had been persuaded to leave their old homes and move to new settlements, but as Belshaw puts it[15]:-

> *In the case of others, houses were rendered uninhabitable by the removal of doors and window frames and the firing of the thatched roof.*

The Government of Tanzania realized its mistakes and officially sought to correct them[16]. To carry on the villagisation programmes, it needed massive foreign aid[17]. And so my contention is that the elaborate legislation[18] that was enacted was meant to give the whole project some credibility both at home and abroad.

As a last point on the discussion of use of law as a means of social engineering, and hence urban development, we could cite the establishment of Dodoma Capital Development Authority as an example. A good part of jurisdictional problems of the Authority sprang from the President's decision in 1973 not to accept the advice of his Attorney-General that special legislation was needed to establish C.D.A. but use instead his power under the Public Corporation Act, 1969 to establish C.D.A. by means of a Presidential Order. **The President took this decision to avoid a Parliamentary debate on the decision to move the capital and so as to be able to get C.D.A. established quickly once the Party decision to go ahead with the move had been made**[19]. If the advice of the Attorney-General was rejected, which other lawyer could have dared give the advice, unsolicited? And for what? Since John Stuart Mill has said -

> *The only sufficient incitement to mental exertion, in any but a few minds in a generation, is the prospect of some practical use to be made of its result*[20].

In which case, therefore, one could say together with John Stuart Mill again, that -

> *... none but persons of already admitted or reputed superiority could hope that their suggestions would be known to ... those who had the management of affairs.*

Such is the situation in Tanzania. With the analysis above, I hope, one can see why law has not been used by either the common man, the lawyer or even the government itself in bringing social change - which, in our case, includes urban development. The picture that has been presented looks very much entangled. It is a mixture of so many things - fear of the law itself by both people and government, urge to have a short cut to things without thinking of the implications involved and ignorance by the populace, including the supposedly educated. How to cure this disease is anybody's guess and for transcends the scope of our study here. In concluding this discussion and hence the paper itself, I would like to look at areas where the use of law would have been useful and even necessary in urban development, and hence beneficial to human settlements.

3. Areas of Change Where the Use of Law Would Have Been Beneficial to Urban Development

Let us start with the discussion of the transfer of the capital itself. The suggestion that I would like to make here is that, if the Government had sought to establish Dodoma as the National Capital, through an Act or Parliament, the motion in Parliament would have been defeated. I cannot see any other reason why the President avoided the Parliament. The decision to move the capital came about rather late after the civil servants had successfully established themselves in Dar-es-Salaam. People are now reluctant to move. According to the decision announced in 1973 the transer programme would have taken ten years and been complete by 1983. Completion of the transfer programme is far from sight and so it is envisaged that cost will be more than the original estimate of £ 186 million[21].

The construction of residential buildings has nearly come to a standstill because the organisations responsible for the project do not have the funds[22]. It is doubtful whether Dodoma will become a growth-pole. The crucial point, that is so often missed in the discussion on the merits of the move of the capital to Dodoma, is how the relationship between the distribution of the of the population and the productive rural areas is affected by the shift of the population from rural to urban areas.

When Dodoma is compared to Dar-es-Salaam, it is difficult to see the difference in the state of the transport and communication links between them and the rest of the country. These things affect human settlements. Dodoma is a semidesert, where food will not grow without water - which is a very scarce commodity there. The whole picture has been painted very artistically by Hayuna[23] who says[24],

> *The city, highways, public buildings, housing estates, basic infrastructure, without increases in crop and industrial output, will not free Tanzania from hunger, disease and poverty.*

> *Efforts to create an ideal national capital divorced from social; economic and political realities will not produce an effective heart of the nation's life.*
> *The nation might be staking its meagre financial resources on Dodoma and there is a danger that they will be enmeshed there permanently.*

Indeed, this is a mild statement of the fact, for the same writer had earlier said thus in the article:-

> *It is not an exaggeration to state that, if there were no aid, there would be hardly any development for Tanzania. This presents a dilemma for a project such as the new national capital, that for various reasons is not attracting sufficient foreign funds.*

I have no reason to doubt what Hayuna is saying. But assuming that my thesis is right that had the Parliament in 1973 debated on the move of the capital, the motion would have been defeated, how would that have benefited human settlements in Dodoma and elsewhere in the country?

With the analysis above, it is difficult to see how Dodoma will be built so as to be able to sufficiently meet the basic human needs. Some people will have to go without water. With the growth of the population in Dodoma, there will be heavy dependence on food supplies from other regions - an item which is not in abundance at the moment. The money that will be spent on Dodoma could have been more usefully spent elsewhere. Irrigation of the vast Masai "savannah", which it is estimated would require as large a capital investment as the Dodoma Project, would have made better sense for the overall development of Tanzania than the new capital[26]. The food that would have been produced there would have fed about half the population of Tanzania. But now since Dodoma, as the new Capital of Tanzania, is a reality, how could have the law been used to ensure its smooth and equitable urban development? What will be said of Dodoma is applicable to the other towns also.

During the early stages of implementing the Dodoma Master Plan, there existed jurisdictional problems among the planning agencies. These jurisdiction problems sprang mostly from the President's refusal to have a special legislation for the Capital Development Authority. As a result, there was a Capital Development Authority with development and planning functions; a special committee - part Capital Development Authority, part Ministry of Capital Development, part regional and local authorities - with planning and development control functions; a Town Council which claimed planning, sewerage and land allocation functions; a District Development Committee for the rural areas covered by the Capital Development Authority, which appeared to be best in name only; a Ministry of Capital Development which supervised the Capital Development Authority but also duplicated some functions; and other planning ministries with land allocation and water provision functions; a public corporation for electricity provision and, in addition, the area of the Master Plan for the new capital included a Forest Reserve and a Range Development Area. So the existence of all these caused jurisdictional problems. Part of the problem was caused by too hasty a setting up of the Capital Development Authority and the Ministry of Capital Development in 1973 without attempting to sit down and work out a scheme for reconciling conflicting jurisdictions and legislate accordingly[27].

Another problem that arose in Dodoma was that the roles of the officials and institutions was not clarified by the law. Part of the tension between Capital Development Authority and the Ministry of Capital Development was due to the fact that equally plausible interpretation of rather loosely drafted laws were possible, the one giving primacy to the Authority, the other to the Ministry.

By 1977, the boundaries of C.D.A's jurisdiction had not been determined by any law. Its de facto boundary was determined by a planning map reference that had no legal status.

These boundaries did conflict with the boundaries of the Dodoma District Council (Urban) and the Dodoma District Council (Rural) and the local administrative organs, for example.
These problems could have been solved out earlier if the use of a lawyer had been sought and a law passed to demarcate the boundaries.

In Dodoma, the removal of squatters and demolition of squatter houses were carried out within short notices. Squatter houses were considered to be of not suitable standards and so people had to move. Squatters were compensated. But the compensation was not made within any existing or new legal framework. The money was dished out ex-gratia because of political pressure to do so. People were not re-located, they were not told where to go and hence went to form new squatter settlements. This is an area which needed a clear legal framework. Under the colonial Township Rules, first introduced in 1923 and much amended, the Township Authority could serve a notice on the owner or occupier of any temporary structure used for human habitation which in the opinion of the Authority was dangerous or likely to be dangerous to health, requiring the structure to be removed or destroyed. If the occupier did not carry out the work, the Authority would enter and do the work itself. No time limits existed in the relevant rule or in any other part of the rules. The C.D.A. planners were using this rule as their authority to demolish squatter settlements which were being built. In fact, since C.D.A. did not constitute a Township Authority, there was no legal authority for it to exercise powers under the Township Rules. The Rules have now been changed and enacted to provide for notices to be served, and action to follow only after an interval of time - 30 days or longer if there is an appeal.

As far as long-cost housing regulations are concerned, there is need for change in the building regulations to suit local conditions. Planning regulations should be made in such a way

that they use the Master Plan as a guide only. If need be, more than one set of regulations should be drafted to cater for the widely differing classes of construction. In the regulations there should be flexibility provided for to enable the planners accommodate and assist the urban poor within the framework of a programme of guided development.

Security of tenure should be given to all squatters (and not only in the official squatter upgrading areas) - this should be followed by Government intervention by way of mobilization to encourage the residents to improve their houses and abide with the required standards - which as I have argued should be the minimum. This needs a change of attitude on the part of the planners who should look at the city (town) as belonging to the inhabitants and should be built according to the way they think it should. It is their city[29].

As a corrollary to that, there is need for citizen participation in urban planning. This should be provided for in the law. By citizen participation in planning, the planners can claim to be planning for the people. They have to:-

> *Give up all traditional planning concepts related to physical environment, and to begin at the beginning: to ask how people live, what they want, and what problems they have that they need to be solved*[30].

So far the much publicized citizen participation in decision-making in Tanzania[31] is not legally institutionalized. And if it exists, especially in urban planning, it is top down. Participation to me means more than physical participation - participation must be capable of changing and shaping trend of events.

As a last point, I would suggest that the laws governing both the National Insurance Corporation and the National Provident Fund should be changed to allow them to become housing finance institutions. They could be permitted to build houses for or provide loans, at least, to their members.

In concluding, I must add that what is required is a change in mental attitude among the people (both those in government and the general populace) as to what law can do in shaping their lives and environment. As I have indicated above, the Government has not much faith in the use of law and the citizen fears the law. If one suggested that people have to be educated on the benefits of using the law, the problem becomes who educates who.

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