



INCLUSIVE CITIES & URBAN LIVELIHOODS

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UNDERLYING ASSUMPTIONS

- **The majority of the urban workforce is informally employed**
- Informal employment tends to be associated with **lower earnings and higher risks** than formal employment
- **Increasing earnings and reducing risks in the informal economy** are key to reducing poverty and inequality
- Yet **exclusionary urban policies** tend to decrease earnings and increase risks in the informal economy

THREATS TO URBAN LIVELIHOODS: EXCLUSIONARY URBAN POLICIES

- **Context:** urbanization + urban renewal + de-industrialization of cities
- **Urban Livelihoods:**
 - impacted by municipal policies, regulations, + practices – more so than national policies
 - overlooked or undermined by municipal authorities + urban planners
 - excluded from + eroded by urban renewal schemes
- **Three Urban Informal Groups** – key threats to livelihoods
 - **home-based producers:** lack of basic infrastructure services + single-use zoning regulations
 - **street vendors:** bribes + confiscation of goods + evictions
 - **waste pickers:** lack of access to waste + exclusion from solid waste management

INCLUSIONARY URBAN POLICIES: PROMISING EXAMPLES

- **Home-Based Workers:**

- Ahmedabad, India – basic infrastructure services for homes = workplaces

- **Street Vendors**

- Warwick Junction, Durban, South Africa – participatory, consultative process + infrastructure and technical support services to natural market of 6-7,000 vendors
- India – Supreme Court judgment + national policy + national law under review by Parliament

- **Waste Pickers**

- Bogota, Colombia – Constitutional Court ruling -> bid by Association of Recycladores to collect waste
- Pune Municipality, India - ID cards to waste pickers + contracts to waste pickers for door-to-door collection of waste

INCLUSIVE CITIES: GUIDING PRINCIPLES

- Urban economies are **hybrid economies** – both modern-traditional and formal-informal – and should remain so.
- The **contribution of the informal economy** to both economic and employment growth should be recognized
- Informal workers, activities, and units should be **included urban planning and management**
- Informal workers need to have **representative voice** in rule-setting and policy-making bodies
- The size, composition, and contribution of the informal economy needs to be **fully counted in official statistics** and **fully valued by policy makers**

INCLUSIVE CITIES: VISION

“The challenge is to convince the policy makers to promote and encourage **hybrid economies** in which micro-businesses can co-exist alongside small, medium, and large businesses: in which the street vendors can co-exist alongside the kiosks, retail shops, and large malls. Just as the policy makers encourage bio diversity, they should encourage **economic diversity**. Also, they should try to promote a **level playing field** in which all sizes of businesses and all categories of workers can compete on equal and fair terms.”

Ela Bhatt

Founder, SEWA

INCLUSIVE CITIES: WHY? WHY NOW?

- **Why?**
 - o key pathway to reducing urban poverty + inequality
 - o chance for India to distinguish itself
- **Why Now?**
 - o “window of opportunity” – in the wake of the global economic crisis
 - o “moment of urgency” – fast-changing exclusionary cities

शुक्रिया

धन्यवाद