



Cities in a globalizing world: from engines of growth to agents of change

Willem van Vliet

Willem van Vliet is the main author and editor of UNCHS (2001), *Cities in a Globalizing World: Global Report on Human Settlements 2001*, Earthscan Publications, London. His interests include the connections between research, policy and practice (see <http://spot.colorado.edu/~willem>).

Address: Centre for International and Educational Projects, University of Colorado, Environmental Design Building, Campus Box 314, Boulder, CO 80309-0314, USA; e-mail: willem@spot.colorado.edu

This paper is based on *Cities in a Globalizing World; Global Report on Human Settlements 2001* which offers a fuller discussion of the issues addressed here. For more information, see <http://www.unchs.org/istanbul+5/globalreport.htm>. This note does not do justice to the many colleagues who generously shared their time and expertise on the many topics about which I am greatly ignorant. Their names are included in the Acknowledgments of the Global Report.

1. I was unable to retrieve the personal name of this gentleman who died in the Spring of 1999. Kumbukumbu (Swahili for "He who will be remembered") honours all great global citizens like him. My thanks to Angwi Mbaridi at Mazingira Institute for the translation.

SUMMARY: *This paper describes the key role that city authorities and their civil societies should play in mediating the relationship between economic globalization and human development so that cities act not only as engines of growth but also as agents for greater social justice and environmental sustainability. In a globalizing and urbanizing world, urban governments have a much more important role in guaranteeing that citizen needs are met and citizen rights are respected. This is not a conventional public-sector-led, professionally determined role but one more rooted in participatory democracy and partnerships with citizens, both to redress the limits of market mechanisms and to ensure urban livability.*

I. URBAN LIVABILITY AND THE DEATH AND LIFE OF KUMBUKUMBU

THIS ISSUE OF *Environment&Urbanization* concerns itself with urban livability in a globalizing world. Kumbukumbu will never read it. He died from typhoid, contracted when he volunteered in a community effort to clean out a public latrine in a Nairobi slum. His death brought anguish and epitomizes the absolute absence of livability. His life, however, instills hope and stands for the potential of people living in poverty, whose empowerment represents what is the single best prospect for improving urban livability in today's globalizing world.⁽¹⁾

His story (and that of the Payatas, see below) holds a message about poverty and prosperity – and the differences between them. It conveys despair about wasted and lost lives. But it also brings hope and raises expectations for the future of children everywhere.

Forty years ago, Jane Jacobs wrote *The Death and Life of Great American Cities*, a fervent plea to create viable communities through urban planning. Today, it is the death and life of the world's urban poor that are bound up with planning. More than anything else, the promise for improving urban livability rests on freeing the potential of people living in poverty. Recognition of this important fact not only acknowledges the inability of the public and private sectors to end urban poverty but also welcomes marginalized and disenfranchised population groups as equal members of, and participants in, the world community, extending to them the full rights and responsibilities of global urban citizens.

II. A GLOBALIZING WORLD

GLOBALIZATION IS NOT a new phenomenon. However, global connections today differ in at least four important ways. First, they function at much greater speed than ever before. Improved technologies enable much faster transportation of people and goods and the instantaneous transmission of information. Second, globalization operates on a much larger scale, leaving few people unaffected and making its influence felt in even the most remote places. Third, the dynamic and often unmediated interactions between numerous global actors create a new level of complexity for the relationships between policy and practice. Fourth, the scope of global connections is much broader and has multiple dimensions – economic, technological, political, legal, social and cultural, among others, each of which has multiple facets. These linkages have proliferated to involve multiple, interdependent flows of a greater variety of goods, services, people, capital, information and diseases. Significant in this expanded scope is the growing globalization of human rights and the rule of law which may, and often does, challenge established commercial routines and political practices. Thus, there are significant tensions between the currently dominant form of globalization (i.e. economic) and various contesting alternatives. These divergences and conflicts reflect different goals and dynamics, with significant implications for efforts to ensure urban livability, as discussed later in this paper.

It is important to acknowledge the positive consequences of globalization.⁽²⁾ Indeed, it would be shortsighted to ignore these benefits. Globalization has facilitated, for example, the diffusion of medical advances that have reduced mortality rates, and agricultural technologies that have boosted food production. Globalization has also enabled the spread of norms of democratic governance, environmental justice and human rights, helping to provide criteria against which the actions, policies and legislation of governments can be judged.⁽³⁾ These valuable outcomes must be recognized and further encouraged.

However, although the world welcomes the successes of globalization, many urgent problems remain. In Africa, only one-third of all urban households are connected to potable water. In Latin America, urban poverty stood at 30 per cent in 1997 and the estimated quantitative housing deficit for 19 countries with available data totalled more than 17 million units. In Asia Pacific, a mere 38 per cent of urban households are connected to a sewerage system. In European cities, processes of social exclusion marginalize many low-income and minority households, while urban crime and the decline of peripheral housing estates undermine many communities. In the United States, problems of residential segregation, discrimination in housing markets and affordability persist, particularly in big cities. In large regions, widespread discrimination against women continues. Worldwide, many millions still live under conditions of abject poverty or experience very unequal access to resources.

Clearly, the benefits attributed to globalization have not accrued to all alike. Indeed, while conditions for many have improved, numerous others have seen their situation deteriorate. In many countries, real incomes have fallen, the costs of living have gone up and the number of poor households has grown, especially in cities. Sixty countries have been getting steadily poorer since 1980. Many studies report increasing economic disparities between nations, cities, neighbourhoods and households. The evidence reveals strong polarization, with inequalities getting worse.

2. Note that the view taken here is different from the notion that globalization *per se* is economic globalization, with a resultant mix of outcomes all of which are derivative of it. The distinction between currently dominant (economic) globalization and alternatives to it is taken up later on in this discussion.

3. For a comprehensive chronology of United Nations activity concerning the human right to adequate housing, see Hulchanski, D and J D Leckie (2000), *The Human Right to Adequate Housing: A chronology of United Nations Activity, 1945-1999*, the Centre on Housing Rights and Evictions, Geneva. The Centre on Housing Rights and Evictions (COHRE) (<http://www.cohre.org/>), established in 1994 as a non-profit foundation, offers an informative web site with links to international organizations and databases on economic, cultural and human rights; see also the web site for the Asian Coalition for Housing Rights (<http://www.achr.net/>). Castells has identified the growth of a diversified, worldwide women's movement as one of the most important grassroots developments under globalization (Castells, M (1996), *The Rise of the Network Society*, Blackwell, Oxford. See also Moghadam, V (2000), "Transnational feminist networks", *International Sociology* Vol 15, No 1, pages 57-85. For an excellent Internet gateway to human rights, see <http://www.hri.ca/>). Adeola provides a discussion on a specific recent example of international environmental justice and human rights issues, highlighted by the Movement for the Survival of the Ogoni People (MOSOP) in Nigeria (Adeola, F O (2000), "Cross-national environmental injustice and human rights

issues; a review of evidence in the developing world", *American Behavioural Scientist* Vol 43, No 4, pages 686-706). Cf. Brooks on the U'Wa people of the Colombian Andes, who have been fighting oil-drilling on their land by Occidental Petroleum (Brooks, N R (2000), "Activists urge Occidental Petroleum shareholders to sell their stock", *Los Angeles Times*, Part C, page 1).

Inequality sustains poverty, as smaller shares of income reach those at the bottom. The burdens heavily befall women and children, in particular.

In short, like urbanization, globalization brings opportunities as well as problems, both most clearly seen in cities. The challenge is to develop solutions to the problems associated with globalization while, at the same time, realizing its positive prospects. Cities can play a key role in this regard. Through good governance and effective partnerships, they can help eliminate poverty and reduce inequality. Their challenge is to function not only as engines of economic growth but also as agents of change for greater social justice and environmental sustainability.

III. CITIES IN A GLOBALIZING WORLD

ALTHOUGH GLOBALIZATION CERTAINLY affects rural and peri-urban areas, global forces are centred in cities. It is in cities that global operations are centralized and where we can see most clearly the phenomena associated with their activities, whether it be changes in the structure of employment, the formation of powerful partnerships, the development of monumental real estate, the emergence of new forms of local governance, the effects of organized crime, the expansion of corruption, the fragmentation of informal networks or the spatial isolation and social exclusion of certain population groups.

The characteristics of cities and their surrounding regions, in turn, help shape globalization, for example by providing a suitable labour force, making available the required physical and technological infrastructure, creating a stable and accommodating regulatory environment, offering the bundle of necessary support services, contributing financial incentives and possessing the institutional capacity without which globalization cannot occur. Thus, cities mediate the reciprocal relationships between economic globalization on the one hand and human development on the other. They form an important link in processes of globalization and their implications for human development. Before turning to the implications of this role of cities, it is useful to examine briefly the meaning of urban livability.

IV. WHAT IS URBAN LIVABILITY?

MYRIAD STUDIES AND treatises offer conceptualizations of urban livability. Researchers have developed sophisticated measurement instruments, including multidimensional scales and weighted indices for use with advanced analytic techniques. Their work has resulted in "quality of life" classifications and the ranking of cities as places to live. Experts continue to debate the pros and cons of these different approaches. There is undeniable merit in efforts to enhance methodological rigour when seeking to obtain valid and reliable data as a basis for urban planning and development. However, to Kumbukumbu and innumerable others like him living in poverty and squalor, the question of what constitutes urban livability is not complicated. They do not have the luxury of being able to consider methodological refinements; they toil to meet basic needs of food, shelter and safe water. They often lack access to adequate sanitation, health care and education. To them, the meaning of urban livability is not an abstract notion but the concrete struggle for daily survival.

In recent decades, there has been encouraging progress in improving the living conditions of many people around the world. For example, in many places, there have been impressive steps forward in increasing access to safe water and elementary education. However, there is much evidence of the continuing prevalence of abysmal living conditions – cities where hundreds of people have to share a single public standpipe to obtain water and cities where each resident has to compete with 100 or more other people for access to a public latrine, which itself is a major health hazard; cities with governments that are corrupt and unable to deliver basic services to their citizens; cities with too few jobs that pay a living wage and not enough housing units that people can afford; cities whose residents suffer from environmental contamination and fear for their safety; cities where women face constant discrimination.

From the perspective of these people, who make up a majority of the world's population today, the answer to the question "What are livable cities?" is simple enough. Livable cities are places where residents can find jobs that pay a living wage. A livable city provides its citizens with basic services, including safe water and adequate sanitation. The inhabitants of a livable city have access to educational opportunities and health care. They are not at risk of forced eviction and enjoy secure tenure in affordable housing. They live in communities that are safe and environments that are clean. And, perhaps most importantly, livable cities are void of discriminatory practices and governed through inclusive local democratic processes.

Currently, dominant globalization constrains and undermines urban livability, thus defined, in more than one way. It is mostly top-down and oriented towards economic growth for private profit. It is not inclusive nor democratic nor is it oriented towards public welfare, social justice and environmental sustainability. However, it need not be this way.

V. MAKING CHOICES: GLOBALIZATION AS A PURPOSEFUL PROCESS

TRANSPORTATION AND COMMUNICATION technologies are often seen as the driving forces behind globalization. These technologies, however, are neutral tools that merely make globalization possible and that may be used to various ends. Purposeful actors produce globalization as they develop and exploit technologies to their advantage. Among these actors, transnational corporations (TNCs) have been dominant. Motives of private gain have propelled their actions. Their chief purpose has been to maximize profit. Policies favouring market expansion have supported this purpose. Usually referred to as the neo-liberal platform, these include structural adjustment programmes (SAPs) of the International Monetary Fund (IMF) and the World Bank, international financial rules of the IMF, trade rules of the General Agreement on Tariffs and Trade (GATT) and, more recently, the World Trade Organization (WTO), and investment rules under Bilateral Investment Treaties (BITs).⁽⁴⁾

To date, objectives of economic growth have dominated the policy agenda. However, for development to be successful, economic growth must be pursued in the context of social justice and environmental sustainability.⁽⁵⁾ This imbalance sets up a conflictive discourse on what the normative ends of globalization ought to be.⁽⁶⁾

4. BITs originated in Europe during the 1950s but have become a widespread feature under the sweeping economic reforms and trade liberalization of the more recent period. They are presented as a means of promoting foreign investment by eliminating most restrictions on capital and profit remittances and providing foreign investors with international standards of treatment and legal guarantees on such issues as the transfer of funds and expropriation. They also introduce international arbitration as a means of solving disputes between the host state and foreign investors.

5. See Sen, A (1999), *Development as Freedom*, Knopf, New York; also Evans, P et al. (2001), *Livable Cities: The Politics of Urban Livelihood and Sustainability*, University of California Press, Berkeley, for compelling reasoning in support of this argument. Relatedly, in an historical examination of worldwide trade patterns, others have argued that "...economic globalization creates a demand for political globalization because markets are unable to resolve the problems of distributive justice and uneven development that they create..." , leading to a consideration of the role of hegemonic legitimacy (see Chase-Dunn, C and B Brewer et al. (2000), "Trade globalization since 1975: waves of integration in the world system", *American Sociological Review* No 65, February, page 93). Fortunately, there is nothing deterministic about the ideological content of globalization or the aspiration(s) it serves. In principle, the same technologies TNCs use to further their private interests can also be used to advance public welfare. This point is eloquently argued in Falk, R (1999), *Predatory Globalization; A Critique*, Polity Press, Cambridge. For a similar view, see Dirlik, A (1998),

"Globalism and the politics of place", *Development* Vol 41, No 2, pages 7-13; and Marris, P (1998), "Planning and civil society in the twenty-first century" in *Cities for Citizens: Planning and The Rise of Civil Society in a Global Age*, Douglass, M and J Friedmann (editors), John Wiley, New York, pages 9-18.

6. Proponents of the Multilateral Agreement on Investment (MAI), for example, sought to override social and environmental regulatory mechanisms where they might become barriers to commerce. For an analysis of the campaign against the MAI, including the role of the Internet in mobilizing global opposition, see Wood, D (2000), "The international campaign against the Multilateral Agreement on Investment: a test case for the future of globalization?", *Ethics, Place and Environment* Vol 3, No 1, pages 25-45.

VI. NEED FOR NEW INSTITUTIONAL ARRANGEMENTS

DURING THE ERA of industrialization, the introduction of new manufacturing technologies affected the physical, economic and social characteristics of human settlements. The beneficiaries were first of all the capitalist investors and owners of the means of production, seeking the accumulation of wealth. Millions of workers and their families provided the labour that produced this wealth. They lived in rapidly growing cities in abominable conditions that have been well documented. Mobilization of various interest groups led to new roles for national and local governments, which assumed responsibilities for ensuring the public welfare – for example, by requiring a minimum living wage, proscribing the use of child labour and creating universal access to potable water, greatly improved provisions for sanitation (drains, sewers, garbage collection), basic health care and elementary education.

Similarly, during the present time of globalization, the widespread application of newly emerging transportation and communication technologies is reshaping the physical, economic and social fabric of cities everywhere. The benefits and costs of these changes are unevenly distributed. Homeless people are living in cardboard boxes next to gleaming skyscrapers occupied by corporations whose budgets exceed that of most developing countries. Just as, in centuries past, industrialization brought in its wake advances and problems whose resolution demanded new institutional arrangements, so too does globalization at the present time.

VII. THE ROLE OF GOVERNMENT AND THE LIMITS OF MARKETS

AS GLOBAL FORCES have increasingly asserted themselves, particularly in the form of TNCs, the sovereignty of national governments has declined. This "hollowing out of the state" can be observed in various forms and to different degrees in many countries around the world. However, this development does not render national governments impotent or irrelevant. To the contrary, important responsibilities remain and new roles are presenting themselves.

These new roles must be given form under difficult circumstances. Not only do national governments face critical domestic issues, they are also constrained by major international interests that favour solutions thought to result from the workings of market mechanisms. The World Bank and the International Monetary Fund, among others, have argued that the task of national governments should be to remove barriers that prevent the smooth functioning of markets. From their perspective, competition between cities and regions is something positive, leading to economic growth which, in turn, is seen as the solution to poverty. According to this viewpoint, governments should eliminate regulations that hamper market dynamics and play an active role in "levelling the playing field".

However, reducing inequality can have as much or more impact on reducing poverty as increasing economic growth. Moreover, evidence indicates that the notion of completely free markets is a myth. In reality, governments always shape market dynamics and outcomes – for example, through tariffs on trade, quotas for immigration, licensing requirements, taxation of income and property, anti-trust legislation and

regulation of the supply of credit. An especially conspicuous contradiction is the renewed drive for stricter border controls to keep out immigrants and refugees while, at the same time, lifting restrictions to create border-free economic zones.⁽⁷⁾ Such government interventions reflect the influences of contending interest groups on policy,⁽⁸⁾ and they produce outcomes that benefit some a great deal more than others.

Promoting so-called "open" markets is not a panacea for today's urban problems either. Indeed, there is growing recognition that opening new regions for expanding markets often creates or reinforces patterns of uneven development, as investors prefer some locations to others.⁽⁹⁾ Markets, moreover, are not inclusive. Households with low incomes often cannot translate their needs into an effective market demand. It is not evident how profit-seeking suppliers can guarantee access to entitlements and assistance programmes, without which such households are left to the mercy of market forces, unable to meet their basic needs for shelter, health care and food.

Markets also fail to generate solutions to serious environmental degradation, especially when powerful producers and consumers exploit distant natural resources. Economic calculations do not usually include the disruptions of ecosystems whose implications are far into the future or whose costs are borne by others than the profit makers.⁽¹⁰⁾ Markets need to be regulated in ways that internalize such externalities and balance short-term private benefits with long-term societal ones.⁽¹¹⁾ Finally, markets are ill-suited to strengthening societal integration and to steering development according to a long-term vision.

Inevitably, debate exists about the adequacy and nature of government initiatives. However, a key research finding is that different public policies can and do produce different living conditions in countries with similar experiences of globalization and technological change, indicating a continuing need for strong government involvement. This government role is shifting from that of provider to that of enabler, with an emphasis on its ability to act as a regulator, catalyst and partner.

VIII. "GLOBALIZATION", THE RISE OF CIVIL SOCIETY AND THE CHANGING NATURE OF URBAN PLANNING

JUST AS NATIONAL governments are not impotent onlookers on the global stage but, rather, active participants with continuing responsibilities, so too can local governments play important roles. In fact, there is an inverse relationship between the significance of distance and the significance of place. As the constraints of geographical distance are becoming less important, the specific features of particular locales are becoming more important in the locational decision making of businesses and households. Locational features impose certain restrictions but they also provide opportunities for local development choices, allowing cities to take advantage of unique qualities that can be "marketed".

Globalization necessarily materializes in specific institutional arrangements in specific places, many of which are in cities. "Globalization" is a term used to describe the dialectic interdependence of the local and global dimensions of economic, political and cultural processes. Local development is tightly linked to global forces but not determined by machinations of international capital.⁽¹²⁾ Therefore, far from exerting a

7. See, for example, Sassen, S (1999), "Transnational economies and national migration policies" in *Free Markets, Open Societies, Closed Borders?*, Castro, M J (editor), North-South Centre Press, Miami.

8. For example, labour unions seek protection against unfettered global competition that may threaten existing wage levels and global corporations lobby to prevent rival companies from cutting into their profit margins, whilst environmental interest groups press for regulations to safeguard natural ecosystems.

9. Note also that whilst research has found a correlation between open markets and economic growth, the causality of this relationship has not been established. Successful economies may open themselves up to external trade but open economies are not necessarily successful. Indeed, some of the better performing countries have imposed their own terms on their participation in globalization processes (e.g. China, Singapore and South Korea).

10. For a good discussion of these points, see Hardoy, Jorge E, Diana Mitlin and David Satterthwaite (2001), *Environmental Problems in an Urbanizing World*, Earthscan, London, especially chapters five and eight. For a discussion of principles and policy approaches in support of environmental justice and the sustainable development of cities, see also Haughton, G (1999), "Environmental justice and the sustainable city", *Journal of Planning Education and Research* Vol 18, No 3, pages 233-243; also Wirth, D A (2000), "Globalizing the environment" in Cusimano, M K (editor), *Beyond Sovereignty: Issues for a Global Agenda*, St. Martin's, New York, pages 198-216.

11. For a fuller discussion of

this point, see reference 5, Evans et al. (2001), chapter one.

12. See Douglass, M (1998), "Beyond dualism: rethinking theories of development in a global-local framework", *Regional Development Dialogue* Vol 19, No 1, pages 1-18.

13. See, for example, Cheru, F (2000), "Transforming our common future: the local dimensions of global reform", *Review of International Political Economy* Vol 7, No 2, pages 353-368; also Friedmann, J (1998), "The new political economy of planning: the rise of civil society" in Douglass, M and J Friedmann (editors), *Cities for Citizens; Planning and the Rise of Civil Society in a Global Age*, John Wiley, Chichester, pages 19-35; and Pile, Steve and Michael Keith (editors) (1997), *Geographies of Resistance*, Routledge, London. In the US, Good Neighbour Agreements (GNAs) have emerged as a non-litigious method of dispute resolution among companies, their workers, environmentalists and local communities in the face of declining governmental power and rising corporate power. Facilitated by "Right to Know" legislation and databases (see <http://www.rtk.net/>), dozens of GNAs have been proposed and signed. For an analysis of the establishment of an enforceable, legally binding agreement that holds a transnational corporation accountable to a local community, see Pellow, David (2001), "Environmental justice and the political process: movements, corporations and the state", *Sociological Quarterly* Vol 42, No 1.

14. Jones, M L and P Blunt (1999), "'Twinning' as a method of sustainable institutional capacity building", *Public Administration and Development* Vol 19, pages

deterministic, homogenizing effect, globalization processes allow for local differentiation. The outcomes of these processes reflect the claims that different interests make on urban places – more or less effectively. These interests include representatives of global capital that use cities as an organizational commodity to maximize profit, but they also include disadvantaged local population groups who need the city as a place to live. Cities are increasingly strategic sites in the realization of these claims.

Against this background, the emergence of new forms of governance and the formation of civil society organizations in the interstices of existing arrangements reflect a "globalization from below" whose articulation happens in transnational networks across urban nodes.⁽¹³⁾ Cities can modulate the impacts of globalization and harness its potential in favour of development scenarios evolving from local democratic practices. They can play key roles in supporting a "globalization from below" to counterbalance present top-down processes.

Under the dominant logic of current globalization, there has been a shift in urban government policies from managerialism to entrepreneurialism. This attitude views the city as a product that needs to be marketed. The emphasis on marketing underpins the restructuring of cities so that they appeal to global investors and favours the dominance of economic interests in urban planning. The particular historical character of cities tends to be subordinated in the quest for an international image, with local identity becoming a public relations artefact designed to aid marketing.

By the same token, cities that do not have the resources to attract outside interest and investment may find themselves even more bereft and impoverished. Local capacity-building is essential to reduce the potential for such polarization. In this connection, it is encouraging that international cooperation in the form of city-to-city exchanges, as seen in "twinning", is growing in popularity.⁽¹⁴⁾ Public-private partnerships are also being broadened to include civil society groups and there is increasing evidence of the potential of community-based networks that enable direct people-to-people interactions. Decentralized cooperation, as articulated in the World Charter of Local Government, further supports local choices in urban development.

Decisions regarding development and management of infrastructure and services should rest with the level of government closest to the community that is able to deliver these services in a cost-effective and equitable way, while minimizing the externalization of environmental costs. The extent of decentralization depends on the ability of central governments to devise appropriate regulatory frameworks for central-local relations and their willingness to provide local authorities with assets and intergovernmental transfers. Metropolitan areas are *de facto* pivotal arenas in today's processes of global competition. This requires that they be strengthened by giving them more political legitimacy, responsibilities and resources. To this end, preparation of the World Charter of Local Government, a joint initiative by the World Associations of Cities and Local Authorities Coordination and the United Nations Centre for Human Settlements (Habitat), must be made an integral part of the Global Campaign for Good Urban Governance.

Globalization not only increases competition but also fragmentation, with contradictory effects on cities. To compete effectively, cities must act as a collective unit. However, their growing social, political, economic and physical fragmentation hampers their capacity to build coalitions, mobilize resources and develop good governance structures. Given that metro-

opolitan areas are the chief arenas for global competition, it is necessary to strengthen them by giving them greater authority and autonomy in resource allocation. However, the enabling role of governments must be broader than just facilitating the functioning of markets. It also includes responsibility for social cohesion, equity and conflict resolution, and support for the exercise of citizenship – of “the rights to the city,” including the realization of housing rights.

Urban planners are inescapably caught up in this dynamic. The new planning is less codified and technical, more innovative and entrepreneurial. It is also more participatory and concerned with projects rather than whole urban systems. Planning expertise is increasingly sought, not only by the state but also by the corporate sector and civil society. It seeks to forge agreements through negotiation and mediation among contesting parties. It is no longer lodged solely in urban government as a font of privileged knowledge about “the public interest”. What is controversial is not urban planning *per se* but its goal: whether it should be directed chiefly at efficiency, reinforcing the current distribution of wealth and power, or whether it should play a distributive role to help create minimum standards of urban livability.⁽¹⁵⁾

As planning becomes more difficult to define as a state-based process of intervention, it finds expression in a greater diversity of forms, including advocacy for and mobilization of community-based groups that seek to assert their rights to the city.⁽¹⁶⁾ This development places marginality at centre stage. It stresses a notion of urban poverty that goes beyond monetary standards and consumption for basic needs. It offers insights from within households to show how poverty is a form of vulnerability and lack of power that is multidimensional and, further, how efforts at redress by households are not typically anti-systemic but oriented towards gaining benefits from more favourable inclusion in ongoing urban development processes.⁽¹⁷⁾ An excellent illustration of this point is given below.

IX. FROM VICTIMS TO VICTORY

ON JULY 11, 2000, the collapse of a rubbish dump in Payatas, Manila, killed 218 people living in shanties at the bottom of the site, and left another 300 missing under the rotting garbage. The tragedy of their burial in a world city’s trash in the darkness of night symbolizes the invisible, daily plight of innumerable poor people in today’s globalizing world.

On August 27, 2000, the Housing Secretary of the Philippines, and experts and slum dwellers from India, Indonesia and Sri Lanka joined 7,000 residents from the Payatas dump site community for a week of meetings and activities, during which community leaders proposed plans for resettlement, showcased self-built model houses with details of construction costs and site plans, obtained an immediate presidential allocation of US\$ 320,000 for an urban poor fund, and a commitment to support the Global Campaign for Secure Tenure. The successful gathering celebrated the competence and capabilities of the poor, evidenced the potential of international networks and demonstrated the enabling role of globalization from below.

This episode captures in microcosm several key points. Most obviously, the landslide, triggered by heavy rains, is an example of the death and devastation brought by natural and human-made disasters. During the 1990s, more than 2,000 million people were thus affected, most by natural

381-402; also Askvik, S (1999), “Twinning in Norwegian development assistance: a response to Jones and Blunt”, *Public Administration and Development* Vol 19, pages 403-408; and Hewitt, W E (1999), “Cities work together to improve urban services in developing areas: the Toronto-Sao Paulo example”, *Studies in Comparative International Development* Vol 34, No 1, pages 27-44.

15. Social welfare systems came about as attempts to address poverty through compensatory systems of distribution tied closely to employment status. They are based on individual rights and take no account of community. Planning has become identified with place-based advocacy. See reference 5, Marris (1998).

16. See reference 13, Douglass and Friedmann (1998).

17. See reference 12.

18. "Affected" means requiring immediate assistance during a period of emergency to meet basic survival needs for food, water, shelter, sanitation or medical care. For more information, including maps, see chapter 15 of the Global Report 2001.

catastrophes.⁽¹⁸⁾ Those most impacted are often the poor who live on steep hillsides, in low-lying river beds or in other hazardous areas.

At another level, the collapse of the Payatas garbage heap acutely illustrates what may happen when consumption patterns, made possible by globalization, produce waste that accumulates in unmanageable volumes to threaten environmental and human health. The scavenger families eked out a living from recycling the final discards of a global consumer culture. They dwelled daily amidst fumes from synthetic decomposition whose toxicity prompted the cessation of emergency aid operations out of concern for the health of the rescue workers.

Finally, and perhaps most importantly, the Payatas experience illustrates the positive power of people living in poverty who adopt approaches that go beyond a confrontational face-off and who use astute initiatives to construct collaborative partnerships as a means of improving their living conditions. The disaster received much attention on television and in the printed media around the world. The initial response involved emergency aid and rescue actions. As bulldozers removed mangled corpses, shock and compassion for the survivors prevailed. However, soon after, official reaction declared the victims guilty. The Payatas residents countered this criminalization of their poverty with recriminations against the responsible authorities. Some survivors filed a US\$ 22 million class-action suit against the local government and private waste contractors for gross negligence and flagrant violation of environmental laws, zoning and health regulations. More noteworthy and unusual, however, was the proactive response of other residents. Rather than becoming trapped in a spiralling war of attrition, the families used insights about how poor communities can make choices. They strategically timed their invitation to the Housing Secretary to coincide with the ceremony for the prestigious Magsaysay Award for International Understanding to Jockin Arputham, a founder and president of Slum/Shack Dwellers International. With the support of international networks, the slum dwellers created evidence of their own abilities, winning not only financial support but also earning official recognition as a legitimate partner in the joint development of long-term policy options.

X. THE WAY AHEAD: NO LONGER BUSINESS AS USUAL

SEVERAL OBSERVATIONS CONCERNING globalization point out directions for future development choices. Without doubt, globalization has stimulated economic growth. Also without doubt, the costs and benefits of this growth have been distributed very unevenly. This growing inequality is not coincidental but an inevitable function of the logic that drives currently dominant globalization: the logic of markets, facilitated by advances in information and communication technologies. This paper has argued that markets fall seriously short in several important ways.

Globalization must serve other goals besides economic growth. These other goals derive from normative platforms that emerged from the plans of action formulated at the United Nations world conferences of the 1990s. They predicate provision of basic needs less on the ability to pay and more on human rights. First and foremost, they accentuate social justice and strengthen support for sustainable development. We cannot continue with "business as usual" if we hope to be successful in tackling these chal-

lenges. Support is growing for new approaches that hold more hope for the future.

These new approaches acknowledge that lack of resources, insufficient institutional capacity and persistent corruption often greatly circumscribe the problem-solving abilities of governments. In light of these limitations, it is crucial that appropriate frameworks and strategies for cooperation be developed among government, civil society and the private sector. In this regard, the Payatas episode highlights the vital contributions that people living in poverty can make to improve their situation.

Globalization has created new conditions for decision-making – interdependent, complex, loosely linked actors and institutions that may have shared purposes but no shared authority. Good governance requires that actors seeking mutual gains find ways to coordinate their efforts. Urban livability depends on the state's capacity to perform as a public institution and deliver the collective goods and services that cities need, but it depends in equal measure on the extent to which communities and civil society groups can build ties with people and agencies within the state who share the same agenda. Non-governmental organizations (NGOs) without a community base lack legitimacy, and communities that lack external ties are politically weak and parochial. Further, state agencies rely on political pressure from communities to enact legislation and implement policies. The challenge is to adopt approaches for working in interconnected, complementary ways in all aspects of urban development.¹⁹⁾

This development requires not a precipitous transformation but a slow, long-term process of incremental, cumulative changes that will increase the capabilities of citizens to address the problems they face. It is a process that involves a reconstituting of the relationships between the public and private sectors and civil society – the formation of broad-based cooperative partnerships. It is important that such partnerships not be restricted to *ad hoc* arrangements set up just to realize a particular project but, instead, be oriented to create lasting capacity for development.

It is also crucial that such partnerships empower the poor as equal participants. This goal of inclusive capacity-building can be assisted by the horizontal, community-based exchange of information, experience and support through transnational networks, as in the case of the Payatas community described above. Further, we must find equitable ways of allocating funds that enable poor local communities to develop their own options.

XI. CONCLUSION

THIS PAPER STRESSES the importance of advocacy on behalf of those at greatest risk – typically the poor, women, children, the elderly, the disabled, refugees, immigrants and minority groups. Although it is critical to give special consideration to these population groups, it is equally important not to reify them as *a priori* “vulnerable categories”. Otherwise, our efforts will be misdirected at symptoms rather than aimed at root causes. Vulnerability is not a given. It does not exist in a vacuum. Therefore, beyond reducing vulnerability, enlightened action must build on the resilience that so-called “vulnerable” people have demonstrated – so often and so impressively – and enable them to realize their potential. Doing so will not only enhance their individual well-being but will also benefit their families, communities and the whole of society.

19. See reference 5, Evans et al. (2001).