

FOCUS

Urbanisation

Half of Bangladesh's Population will Live in Cities by 2020

by Frederick T. Temple

There are no short-term solutions to the problems of urbanisation, urban settlements and the urban poor. The World Bank and other development partners are ready to provide technical and, if the policies are right, financial assistance to the government, and I am sure that various NGOs, will also join in helping the Government address the problems.

BAKLADESH'S urban population has been growing rapidly, and a demographic transformation from a predominantly rural to a much more urban society has begun. Through the 1980s, rapid urbanisation occurred mainly in the four metropolitan areas of Dhaka, Chittagong, Khulna and Rajshahi, but in the past few years the smaller, secondary towns have also expanded. The increase in the number of municipalities, now over 200, is an administrative reflection of this rapid growth.

Today four out of every five Bangladeshis live in rural areas. However, Bangladesh is one of the world's most densely populated countries, and the Bangladesh 2020 study prepared by the Centre for Advanced Studies and the World Bank concluded that within two decades, every other Bangladeshi will live in cities as the urban proportion of the population increases from about 20 per cent to 50 per cent. In absolute numbers, the number of urban dwellers will increase from about 30 million today to almost 80 million by the year 2020. Policies and programmes which promote income-earning opportunities and improve services in rural areas should definitely be pursued vigorously and may be able to slow urban growth somewhat, but no matter how effective rural development policies are, Bangladesh must plan for a significant demographic shift to the cities in the coming decades. The question isn't whether accelerated urban growth will occur, but how it will be managed and consequently what shape it will take.

Urban Poverty and Slum Development

In addition to these demographic trends, we need to recognise that poverty is an urban as well as a rural problem in Bangladesh. Although the incidence of poverty is higher in rural areas, there are still large numbers of poor people in Bangladesh's cities. The World Bank's analysis of household data found that in the mid-1990s, 57 per cent of the rural population was poor, compared to 35 per cent in the cities, and 90 per cent of the poor lived in rural areas. Nevertheless, the analysis suggested that there were about seven million poor urbanites in the mid-1990s.

Other studies have estimated that the level of urban poverty in different cities ranges between 35 per cent and 60 per cent. While some studies have indicated a decline in the rate of urban poverty, the prevalent view is that income and other disparities in urban areas have been steadily widening over the years. The situation is relatively worse in the four major cities — Dhaka, Chittagong, Khulna and Rajshahi — that together account for nearly half of the country's urban population. In the Dhaka metropolitan area alone, more than three million people live below the poverty line, with many of them living in more than 3,000 densely populated slums and shanty settlements.

The development of these informal settlements has been due to large scale rural-urban migration, weak urban governance and management, dysfunctional land and housing markets with inappropriate governmental interventions, inequitable provision of basic physical and social infrastructure and lack of political will to address urban problems. Under such unfavourable conditions, the urban poor have resorted to occupying vacant government or private land, buying plots in illegal subdivisions, or squat-



Result of unplanned urbanisation

ting on any available parcel of land, including sidewalks and other marginal lands. Living conditions in the slums are deplorable, and slum dwellers are vulnerable in many ways. Most poor people living in slums lack basic infrastructure and municipal services. These conditions have led to environmental degradation from water and air pollution, with a high incidence of disease. Recurring natural disasters, such as flooding, regularly lead to loss of lives and families' meager assets. Opportunities for human development and social capital formation are very limited. Increasing crime and violence have rendered children and women highly vulnerable. Many slums are controlled by criminal elements, *mastans*, who are often politically connected, and the slum population is constantly exploited by these criminals for political and economic gains. Visible disparities between slum dwellers and better-off neighbourhoods also increase social tensions in urban areas. The social and economic costs of a burgeoning population of urban poor are high; the human costs of ill health and lost labour productivity are high; and the political costs of ignoring the needs of the urban poor are bound to be high as well. Even if poverty is still largely rural in Bangladesh, urban poverty could well become a significant and politically explosive issue in the coming years. The challenges are to help the existing urban poor lift themselves out of poverty and to prevent the urban poor population from exploding as cities grow.

Need for Urban Development Strategy and Policies

Bangladesh hasn't yet developed the strategies, policies and institutions necessary to cope with the urban transition which has already been occurring and will intensify. In Bangladesh, rural development has been studied in depth, there has been an intensive debate about rural development policies, and governments have focused on rural development — perhaps not always as successfully as we'd like, but the focus has been there.

Urban development hasn't received anywhere near comparable attention and is one of the least developed areas of public policy in Bangladesh. Although some researchers and NGOs

have focused on urban issues, knowledge about many aspects of urbanisation isn't very deep. Likewise, governments haven't articulated comprehensive urban development strategies, policies and programmes. This is partially due to the fragmentation of institutional responsibilities. Many agencies are responsible for various aspects of urban development, but there's no focal point. With so many involved, nobody is in charge. Likewise, although some development partners — notably the Asian Development Bank and UNDP — have provided support for the development of comprehensive urban development strategies, and several donors have supported programmes for the hard-to-reach urban poor, much more aid has been aimed at rural than urban development. The rural focus has been appropriate, but the demographic trends suggest that cities merit more donor attention in the future.

The urban workshop of February 18 has been quite timely, particularly in the context of the sudden clearance of several slums in Dhaka last year and the eviction of thousands of poor people without plans for their resettlement. Those events highlighted the need for better approaches to urban development. The Government's concerns about urban law and order and the living conditions in slums are appropriate, but razing these settlements and rendering slum dwellers homeless doesn't solve the problems. Forcible eviction without resettlement simply shifts poor people from some slums to others, inflicting suffering on them by disrupting their lives and livelihoods and worsening their living conditions. It also undermines efforts, initiated since the government's approval, to provide education, health, job training and micro-credit to the hard-to-reach urban poor. Some slums do indeed harbour criminals, but the solution must involve an attack on crime rather than uprooting innocent poor people who are also the victims of the criminal elements.

Slum Eradication Doesn't Work

I think the recent emphasis on the relocation and rehabilitation of Dhaka slum dwellers is an unrealistic policy which won't work. Somewhere be-

tween a quarter and a third of Dhaka's population live in slums, and it simply won't be feasible or affordable to relocate a significant portion of them. Yes, some slums should be redeveloped so that lands on which they are located can be used for other purposes, and their residents should be provided with appropriate assistance. But public policy needs to recognise that most slum dwellers can't be relocated, and therefore they should receive public services and other assistance where they are.

International experience has demonstrated that massive relocation of slum dwellers simply doesn't work. There are practical reasons for the failure of this approach. The most fundamental is that the cost of moving people from existing centre city slums to another site that will allow them access to employment and income almost invariably costs more than improving conditions where they are. Simply moving people is not enough. They must also have access to jobs to replace the incomes lost by relocation. Location is critical for the economic survival of the urban poor. Slums emerge in city centres because they are the places where the poor can find work more easily or earn income in the informal sector. If the urban poor are forced to live far away from city centres — which is usually where inexpensive, substantial, vacant land is available — the cost of transportation to their places of work can be beyond their reach, cutting into their meagre incomes. There is also the cost of the new infrastructure and services to be built and maintained, almost always at public expense. And, in addition, there is the cost of clearing the previous slum area. These costs per household are usually at least ten to fifteen times the cost of improving an existing site.

For these reasons a policy of slum clearance has never worked on a sustainable basis in developing countries. There are also issues of equity and social justice, which in other countries have often emerged as political problems. A significant number of slum dwellers have lived in these areas for many years, and many have some — usually, informal — claim to the use of land. Most squatting takes place on public land, and governments, especially democratic ones, find it difficult to carry through a pro-

gramme of displacing many poor people to the benefit of fewer wealthy people. Slums on private land usually have a rental arrangement with the land owner or a de-facto use agreement attested by the fact that they have not been evicted.

Future Directions

Although the relocation programmes discussed and initiated thus far in Bangladesh can offer opportunities which will be attractive to some Dhaka slum dwellers, they do not constitute a full urban settlement or shelter policy. More analysis and creative thinking needs to be done to develop a more comprehensive approach. As I have already noted, other countries' experience indicates that in large cities which already have large slum populations, massive relocation isn't feasible or affordable, and consideration needs to be given to providing more secure tenure and improving the infrastructure and social services in selected slums suitable for residence. Any set of policies and programmes intended to address the urban shelter challenge must be amenable to implementation on the necessary scale and be affordable.

While a policy of improving slum dwellers' living conditions where they are, combined with very selective relocation, would address some of the most visible manifestations of urban policy and institutional failures, it would have to be complemented by efforts to correct these failures and to build positive channels for improving the economic prospects of the urban poor. These complementary components of an urban poverty strategy would include:

- **sectoral reforms**, to develop regulatory and policy regimes for housing, land and information markets;
- **financial reforms**, to encourage the private sector to extend access to credit for housing and invest in services which benefit the poor along with other urbanites;
- **economic reforms**, especially to support small enterprises and remove regulatory and other obstacles to the growth of the informal sector;
- **institutional reforms**, to improve the governance and management of cities to make urban governments more responsive to the issues facing the poor;
- **social capital development**, to facilitate and strengthen poor communities' organisational capacity, access to jobs and social capital; and, finally,
- **measures to root out criminality in the slums.**

Conclusion

I recognise that these are complicated, controversial, challenging issues, without simple solutions, and I look forward to constructive debate on them. I hope the urban workshop will be useful in helping the Government review its policy and work towards formulating more comprehensive urban development policies which are pro-poor. There are no short-term solutions to the problems of urbanisation, urban settlements and the urban poor. The World Bank and other development partners are ready to provide technical and, if the policies are right, financial assistance to the government, and I am sure that various NGOs, will also join in helping the Government address the problems.

The author is World Bank Country Director for Bangladesh. The article is based on his opening comments at Urban Workshop on 18 February in Dhaka.

Women Braving Odds

Arvind Padmanabhan writes from New Delhi

"Women entrepreneurs are doing absolute wonders. Most of them, whether from a rural background or in urban areas, not only tend to their homes, but manage their enterprises with equal amount of grit and hard work."

HE means business, but the Indian woman entrepreneur still has considerable socio-cultural odds stacked against her.

"Women entrepreneurs know what they want to do, but don't know how to go about it. They still are not the decision makers," says Mukul Ahmad, coordinator at the United Nations-sponsored Asian and Pacific Centre for Transfer of Technology (APCTT).

"Due to socio-cultural factors, men go forward and make decisions, while the woman is a recipient of such decisions," Ahmad, who is in charge of the woman entrepreneurship development wing of APCTT here, told India Abroad News Service.

It was also the overwhelming view expressed at the 7th Global Conference of Women Entrepreneurs held here recently, which attracted about 70 overseas delegates from around 20 countries, but focused largely on the Indian woman entrepreneur.

Indian women not only occupy key positions in areas like information technology (IT) and finance but have also come to dominate businesses in the rural and cottage industry sectors.

According to the United Nations Development Fund for Women (UNIFEM), women the world over today control 50 to 80 per cent of the systems that go into food production, processing and marketing and run 70 per cent of small enterprises. They are also the sole bread winners in 35 per cent of the world's households. At the same time, the organisation says, women make up 70 per cent of the world's 1.3 billion

absolute poor and hold only 10 per cent parliamentary seats worldwide.

Nevertheless Chandni Joshi, regional director of UNIFEM, says globalisation is creating greater opportunities for women, though in the context of India, she feels that they still have fewer opportunities for entrepreneurship.

But braving the odds, women are trying to carve a niche for themselves, some forced by abject poverty, others attracted by the lure of economic independence and a separate identity, suggest case studies carried out by the Association of Women Entrepreneurs of Karnataka (AWAKE).

"The government and policymakers can no longer ignore the woman entrepreneur," said Angeline Low, managing director of the Australia-based Ken Resources. "We have to change the entire culture of inequality in terms of wages, working hours etc," she said.

Mabel Rabello, a lawmaker from Goa, however, said despite the strides made by women, most states in India still remain patriarchal societies.

"Business remains the prerogative and the domain of men. Women are not even counted or considered in the act of doing business," she said, adding: "It is this mindset and thinking that must change."

Rabello says most women entrepreneurs face a lack of adequate marketing support and hence produce fewer goods. Shyamala V. Shah, secretary of AWAKE, said there are various challenges which a woman entrepreneur faces, lack of finance being the most critical of them. Though she ac-

knowledge that several agencies and financial institutions extend loans to women entrepreneurs, the formalities are "cumbersome and frustrating," Shah also said that once in business, women need to deal with more up-to-date information, become customer friendly and target their products better.

Ratna Mukherjee, senior manager ORG-MARG, an Ahmedabad-based market research organisation, said since it may not be possible to create all the requisite data bases needed for doing business, due to the cost and time factors, "women entrepreneurs can use shared data bases."

There was unanimity among the delegates that women were far ahead of men in at least two entrepreneurial virtues—hard work and commitment.

"Women entrepreneurs are doing absolute wonders. Most of them, whether from a rural background or in urban areas, not only tend to their homes, but manage their enterprises with equal amount of grit and hard work," said Hamida Habibullah, a former lawmaker from Uttar Pradesh, who now runs a self-employment cooperative for women near Lucknow.

"My experience shows that women are more sincere and hard-working," added Rashmi Virmani, founder of The Ramp, a modeling agency she started "with virtually no capital eight years ago, but am now doing Rs. 30 million (\$697,674) worth of business every year." And she added, "as a rule, I only employ women."

— India Abroad news Service

Government of the People's Republic of Bangladesh

Office of the Executive Engineer

LGED, Chandpur

Flood Rehabilitation (Urban Infrastructure) Project

Memo No LGED/XEN/Chand/20000/437

Dated: 14.02.2000

Re-Tender Notice

No- 35/1999-2000

The Government of the People's Republic of Bangladesh has received a credit from Asian Development Bank (ADB) towards the cost of 1998 Flood Rehabilitation (Urban Infrastructure) Project for Matlab Pourashava. The undersigned intends to take up the work under the said credit as shown below under the FY: 1999-2000 implementation programme. Sealed tenders for implementation of the work is hereby invited in Bangladesh Form No 2911 and as per additional terms and conditions as appended in the tender document from the prequalified contractors/firms of any project under LGED.

Interested contractors may obtain necessary tender documents during normal office hours on all working days up to 29.02.2000 from any of the offices (i) The Project Director, Secondary Towns Infrastructure Development Project-II, LGED Bhaban (floor-7), Agargaon, Sher-e-Bangla Nagar, Dhaka-1207; (ii) Executive Engineer, LGED, Dist Chandpur; (iii) Chairman, Kachua Pourashava, Dist: Chandpur & (iv) any other office mentioned in the tender notice on (non-refundable) cash payment as shown in group list after obtaining written approval from the respective office for purchase of tender documents on showing documentary evidence of their contractual licence. Tenders will be received by the above-mentioned offices up to 13.00 hours on 01.03.2000. No tender will be accepted beyond this time and tenders will be opened at 13.30 hours on the same day in the receiving offices by the officers-in-charge in the presence of the tenderers, if any.

Interested tenderers may collect necessary information regarding tender and work from the above-mentioned offices during normal office hours on all working days. Tenders must be accompanied by all relevant papers and earnest money @ 2% (two per cent) of the estimated cost in favour of the undersigned.

Copy of VAT registration certificates must be enclosed along with the bid. Both income tax & VAT in respect of each payment will have to be paid by the contractor as per prevailing rules and regulations of the govt of Bangladesh. Tender without VAT registration certificate will be rejected. Tenderer shall quote rate on overall percentage basis above/at par/below the estimated cost of the tender. Any tender with quoted rates more than 5% (five per cent) higher than the estimated cost must accompany item-wise detail analysis of rate of each item without which tender will be rejected.

The authority reserves the right to accept any tender or reject any or all tenders without assigning any reason thereof. Tender not complying with the stipulated conditions will be treated as non-responsive and will be rejected.

Package No	Name of work	Estimated cost (Tk)	Earnest money (Tk)	Cost of tender document (Tk)	Completion for work (days)	Remarks
01	02	03	04	05	06	07
Ka-JIS-20001	Rehabilitation of road from Kachua Dakbanga low-Kachua Pourashaban under Kachua Pourashava.	463567/-	9272/-	400/-	25 days	
DFP-3625-16/2						
G-318						

Shyama Prosad Adhikari
Executive Engineer
LGED, Chandpur-3600.

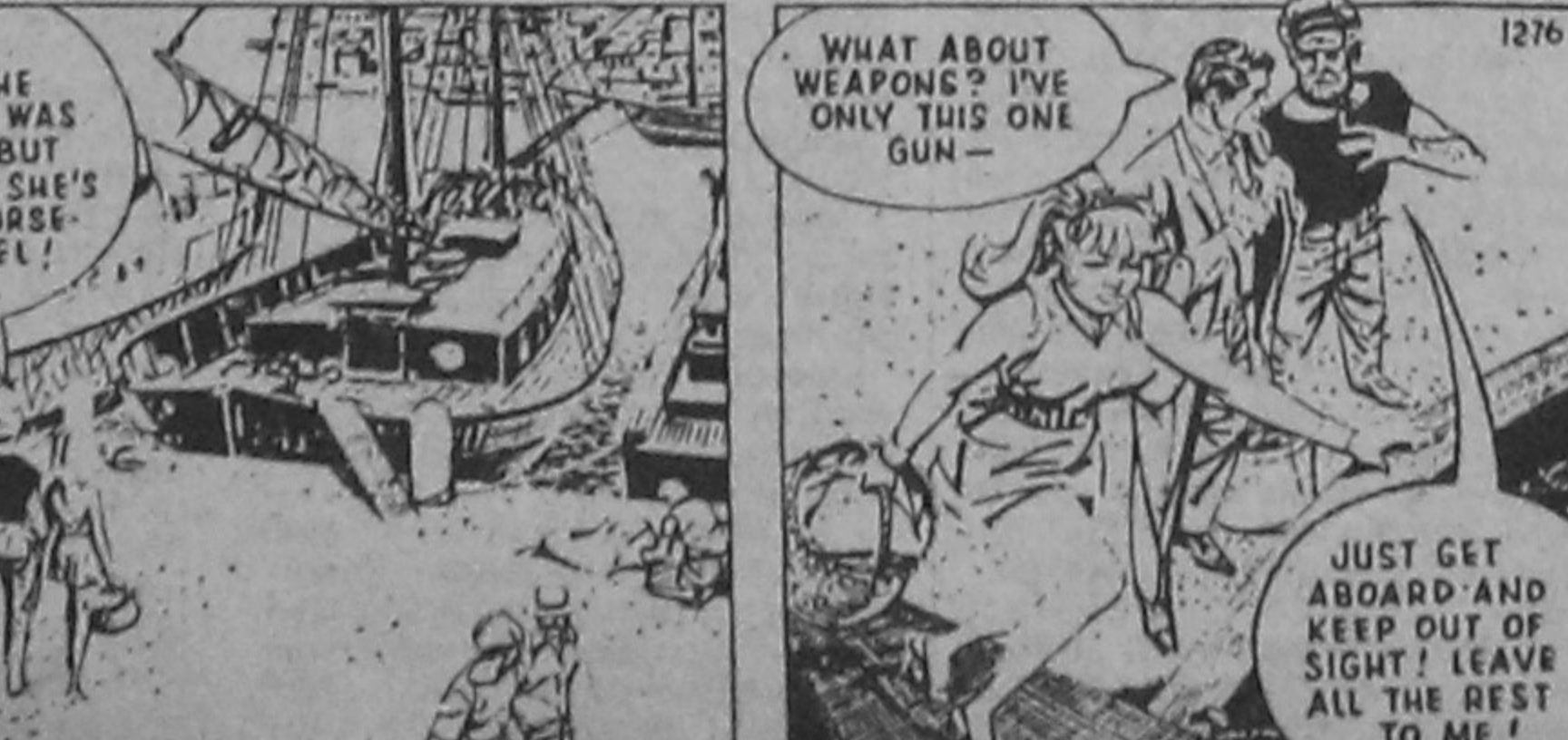
TOM & JERRY



James Bond



By Hanna-Barbera



Sonali Bank

Information Technology
(Operation) Division
Head Office, Dhaka

2nd Re-Tender Notice

Sealed quotations are invited from internationally-reputed manufacturers and their authorised dealers in Bangladesh for supply and commissioning of 12 (twelve) 136 (one hundred thirty-six) columns & 21 (twenty-one) 80 (eighty) columns Dot Metrics Printer (EPSON/NEC/Lexmark/OKI/HP) to our different branches. Name of branches, specification of printer and other terms & conditions will be available at Information Technology (Operation) Division (6th floor), Sonali Bank, Head Office, Dhaka on all working days from 10:00 AM to 4:00 PM.

1. Tender is to be submitted in sealed cover and to be dropped in the tender box to be kept at Information Technology (Operation) Division, Sonali Bank, Head Office (6th floor), Dhaka within 3:00 PM on March 08, 2000 after which no tender will be accepted. Tender will be opened on the same day at 3:15 PM in presence of the tenderers or their authorised representatives (if any).

2. Bidders must submit along with their offer, a Pay Order or Bank Draft purchased from any branch of Sonali Bank in Bangladesh @3% of the tendered value favouring 'Sonali Bank, Head Office' as earnest money (refundable). Any offer without earnest money will be rejected and will disqualify the entire bid.

3. Bank will not bear any type of cost for preparing and submitting tender. Bank authority, at its absolute discretion, may accept or reject any or all tenders partly or wholly at any stage without assigning any reason and also is not bound to accept the lowest tender.

No/16/66/2000
G.D-158

Jagul Karim
Deputy General Manager



BCIC

Tender Notice

বিস্তারিত পদ্য শিলায়নে জাতীয় অর্থায়ন প্রতিষ্ঠান

Managing Director, CUFL, Chittagong invites sealed tenders from the BCIC enlisted contractors under category A-3 & above for construction of RCC pavement at Urea Unit of CUFL, Chittagong at an estimated cost of Tk 2,81,081.50. Tender documents are available at Accounts Division, BCIC, Dhaka & CUFL, Chittagong up to 27-2-2000 on payment of Tk 500/- each set. Tenders will be received up to 11:00 AM on 28-2-2000 simultaneously by (i) Sr General Manager (Const), BCIC, Dhaka & (ii) General Manager (Const), CUFL, Ctg and will be opened immediately after closing. Earnest money as PO/DD from scheduled bank @2.5% of quoted price must be submitted with the tender. In case the quoted rate exceeds 10% (not exceeding 15%) below the estimated rate, additional 15% earnest money must be enclosed along with the tender failing which the tender shall be outrightly rejected. Management reserves the right to accept or reject all or any tender.

BCIC-94/13/2/2000
DFP-3498-16/2
G-317

Addl Chief Engineer (C)
for Managing Director