URBAN POVERTY IN EAST AFRICA.

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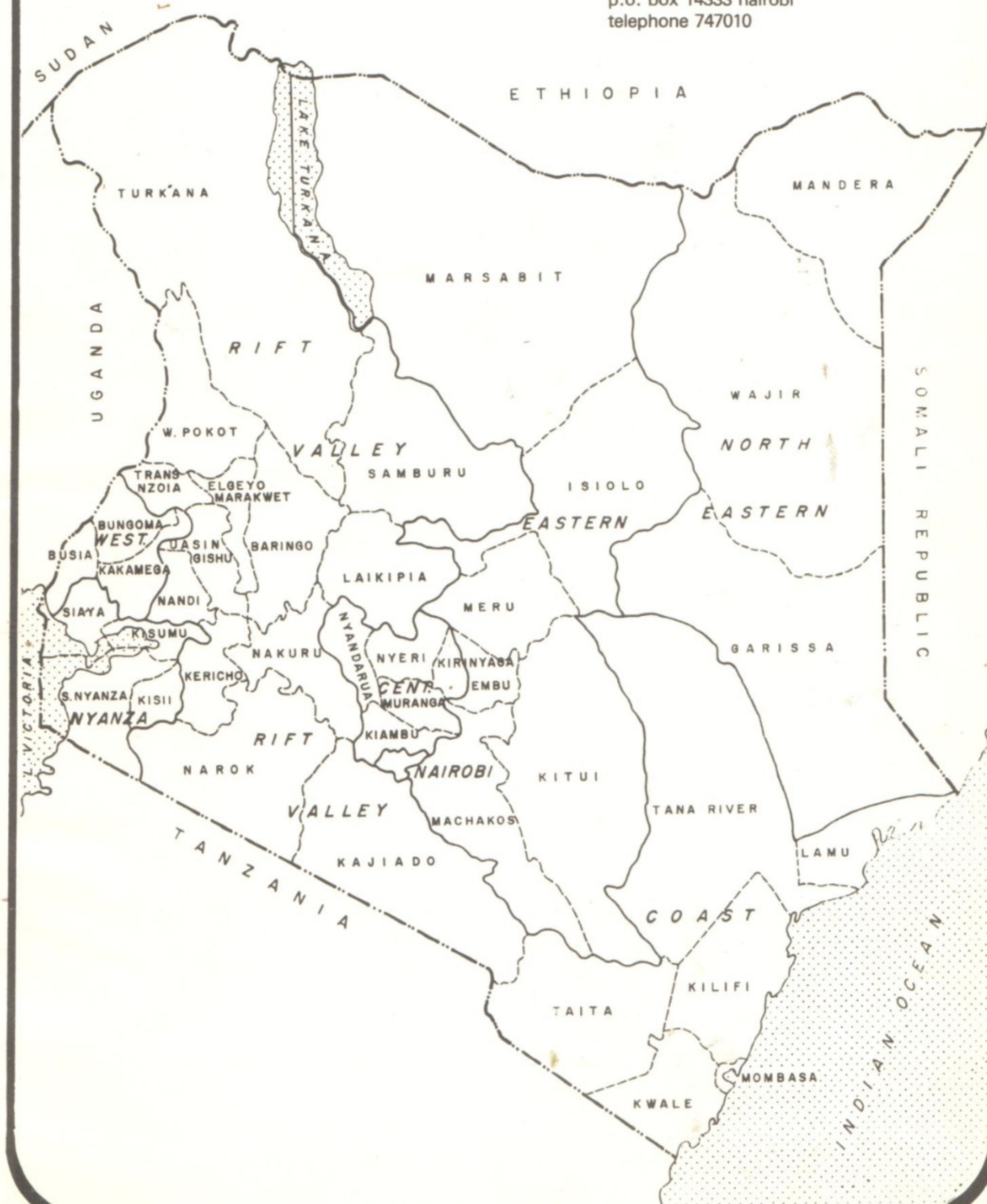

The Urban Poverty in East Africa

An Assessment

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The Ford Foundation
July 1, 1986

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I. Introduction

This is an assessment of the Urban Poverty program of the Ford Foundation's Office for Eastern and Southern Africa. The review attempts to assess the appropriateness of a focus on urban development, program accomplishments over its four year history, alternative courses of action, and whether the Foundation has a comparative advantage warranting continued attention to this program interest. In an effort to assess the appropriateness of some of the assumptions undergirding the program, the context was also reviewed. What is the extent and rate of urbanization? What problems are rapid city growth posing for local authorities? For residents? What justifies a focus on urban development in a region noted for its severe rural and agricultural crises? Finally, assessments were made at the project level; are the activities working and what does their performance say about the advisability of having an urban program; are project strategies the most propitious for achieving program goals?

The assessment, conducted over a three week period, included interviews with headquarters and field staff of ten agencies which are representative of the program strategy. Projects were visited in Mombasa, Nairobi, Kilifi and Lamu in Kenya and Addis Ababa in Ethiopia. In addition, interviews where conducted with resource persons with expertise on various aspects of urbanization and/or community development. The latter included local government officials in both countries, voluntary agency staff, and university researchers.

An immediate problem was that, after two years of exploration, most of the larger actions which are representative of the program strategy which eventually emerged were made within the past two years. Consequently, it was not possible to gauge end products. Rather, we attempted to assess both the nature of the agencies' stated goals, and the processes by which they attempt to realize them. What also became immediately apparent is the fact that with a large number of organizations to review, the depth of understanding of each is necessarily limited. Judgements have therefore been made which are not necessarily based on the quality of information which would have been preferred. Nonetheless, the available data permit an adequate assessment of near term progress toward the achievement of program goals.

Finally, since the program has operated primarily in Kenya, (with the exception of one project in Addis Ababa, Ethiopia) the context and background of that country heavily influences the comments made throughout the review. The report was prepared by Professor Bernard E. Anderson of the Wharton School, University of Pennsylvania, Professor G-C. M. Mutiso of Mutiso Consultants Ltd. in Kenya, both consultants to the Ford Foundation, and Craig A. Howard who is the program officer responsible for the Urban Poverty program.

II. The Urban Context of East Africa

Projections for population growth in Sub-Saharan Africa suggest an urban population explosion of major proportions. At the current rate of population and urban growth, by the year 2,000 the continent will have four cities with populations over five million (Cairo, Nairobi, Lagos and Kinshasa), and as many as 64 cities with one million residents.

Kenya's projected growth illustrates this trend. Assuming, optimistically, progress in reducing Kenya's population growth rate to a low 3.7 percent, there would still be a projected growth from 17 million people in 1984 to 35 million people by the year 2,000. If urban growth continues at the rate it did in the past decade, the share of the population residing in urban areas would reach an estimated 9-10 million people, or more than a quarter of the population, compared to 15 percent today. In short, the urban share of the population is growing at roughly twice the national rate, which is itself the fastest growth rate in the world.

The number of persons born during the last decade will determine the character of the labor force up to the year 2,000. The Kenyan workforce will grow from 7.5 million in 1984 to 14 million at the end of the century. Other countries in the region exhibit similar growth. With agriculture consuming a declining proportion of new labor force entrants, much of the excess labor pool will seek urban employment. Yet the large gap between the number of new entrants and the number of jobs in the modern sector suggests that the crowded informal sector will be increasingly challenged to absorb this population -- with clear consequences for urban per capita income and social welfare.

A noteworthy feature of recent trends is the proportionately faster growth of secondary and tertiary towns compared with primary cities. While three-fourths of the urban population in Kenya resides in two major cities and five medium sized municipalities, recent population census data show average growth rates of 10 percent in small towns located in high density rural areas. An example of this exploding growth is Kakamega, in Western Kenya, which grew from 6,244 in 1969 to 32,000 in 1979 -- an average annual increase of 17.8 percent. Although some of this growth resulted from the extension of boundaries of smaller towns, the stabilization of growth rates in Nairobi and Mombasa suggests that smaller urban centers are absorbing an increasing share of rural migrants. If this trend continues, six of the secondary towns will have more than one million people by the end of the century. The resulting strains which this explosive growth places on local authorities, which lack both the infrastructure and the management capacity to serve this burgeoning population, are already apparent.

The demographic characteristics of the migration may also be changing. According to a recent UNICEF report on the situation of women and children in Kenya, it was noted that increasing numbers of women are migrating to urban areas and towns. Whereas earlier migration was noted for the high percentage of male migrants, the report cites a number of reasons which may explain why rural-urban migration has become more balanced:

"Some wives now accompany their husbands, and some girls journey to find husbands. Greater access to education has opened the possibility of urban employment to females as well as males. Urban areas are attracting an increasing number of women who have lost their land or who must support themselves because of divorce, desertion or widowhood; who are escaping arranged marriages; or who are leaving the disgrace of unwed motherhood. For women who have defied social traditions by setting up independent households, migration to urban areas often represents a break with rural ties and a permanent transfer of residence".

Urban Poverty

Urbanization has significant implications for social welfare. The National Nutritional Survey conducted in 1977-78 found the proportion of wasted children, a condition which results from acute nutritional deficiencies, at least as high among the urban poor as among rural residents in Kenya. While many think urban residence offers relatively greater access to modern social services and infrastructure, the available evidence suggests that the urban poor, conservatively estimated to be 25 percent of Kenya'a city and town dwellers, and 80 percent of Ethiopia's, often receives worse housing and sanitation than rural residents. These urban dwellers are more dependent on the state for social well-being than are their more self-sufficient rural counterparts. Water, sanitary and housing conditions are visibly, and often strikingly worse in congested squatter areas ringing the major cities.

The Foundation's approach to urban poverty is influenced not only by the rapid growth of cities but the changing character of neighborhoods. These are very much communities in the process of formation, many of which did not exist just two years ago. Rural migrants bring a rural conciousness and lifestyle to the city and many believe their urban stay will be temporary. The development of a community consciousness tends to come begrudgingly with the result that ethnically heterogeneous squatter communities - with their high proportion of renters, and fragmented and disintegrating families - lack a perceived mutual identity or interest. The tasks of community development in urban areas tends to be more difficult than in rural areas where villages or communities are ethnically homogeneous. Nonetheless, there is evidence that older settlements are beginning to develop community consciousness, as reflected in their tendency to form informal savings, self-help, and other social welfare associations, even if still along ethnic lines.

Public Response to Urban Poverty

Public sector investment in physical infrastructure and basic social services has lagged behind the growing demand, and as the 1985 Kenya Economic Survey notes, there has been both an absolute decline in available resources, and an even greater decline in urban per capita investment. In the face of competing demands for limited, and in some years diminishing national resources, expenditures on maintenance and expansion of costly urban infrastructure and services are straining municipal authorities in Kenya and other East African countries. One manifestation of these strains was the suspension of the Nairobi City

Council following charges of corruption and an inability to maintain services. Similar charges of inefficiency and financial malfeasance have plagued the Mombasa Municipal Council.

Official policies and related regulations -- holdovers from colonial government attempts to restrict African movements to and within cities -- continue to discriminate against the poor. Perhaps most harmful are building standards that require housing construction with 'modern' and relatively expensive materials. These standards as well as similarly inappropriate public utility requirements would, if observed to the letter, effectively rule out affordable home and neighborhood improvements for the poor.

Moreover, many regulations governing land use restrict both the opportunity for ownership, and the ability of residents to earn income. It is illegal, for instance, to sub-divide land into plots smaller than specified sizes with the result that already expensive urban land must be purchased in plots too large to be affordable by most poor families. One example of the effects of such regulations is the suburb of Nairobi in which Karen Blixen of _Out of Africa_ fame lived. By limiting sub-divisions the town has effectively restricted the number of poor residents within its boundary. And while official attitudes toward informal sector enterprises have improved, occupations with large numbers of women such as hawking and vending continue to be subject to zoning requirements and official harassment.

Private and Voluntary Response

An increasing number of non-governmental agencies have begun to focus on the problems of the urban poor, yet their numbers and quality fall far short of the need. The majority of community-based agencies have a more charitable orientation -- foster child programs, supplementary feeding, homes for destitute children. There is growing evidence, however, that many are changing their approaches in response to the dramatic decline in the quality of public services and infrastructure maintenance. A small number of donor, intermediate and community-based agencies are beginning to focus on neighborhood revitalization and economic development. Among donors these include UNICEF which now has a regional urban development program, the International Development Research Centre which may be reconsidering its previous focus on urban systems management, and the regional office of World Vision which plans to establish a slum upgrading program in 1987.

Intermediate agencies with a new or renewed interest include: the Redd Barna (Norwegian Save the Children), Irish Concern and Oxfam-UK in Ethiopia; the National Christian Council of Kenya, the National Housing Cooperative Union, Mazingira Institute and World Vision in Kenya. Yet the greater source of potential growth in community-based programs are innumerable local churches which are attempting, with so far mixed success, to reorientate their social welfare programs. Nonetheless, this slowly growing infrastructure of interested agencies represents a considerable improvement over the near dearth of interest just four years ago.

III. Framework for Grantmaking on Urban Poverty

The social and economic context helps determine the style and content of the Foundation's Urban Poverty Program in East Africa. In developing the program, the Nairobi office has pursued three central objectives: (a) to promote neighborhood level design and management of community development activities, (b) to strengthen the capacity of local organizations to manage social services and local development initiatives and (c) to increase revenue for community improvement through neighborhood-based employment and income generating activities.

These objectives rest on two assumptions. The first is that the heterogeneity of new communities, with their wide income disparities, will reduce the effectiveness of large undifferentiated social service schemes aimed at the community or city at large. In contrast to World Bank funded sites and services schemes which may target as many as 30,000 residents, the Foundation Urban Poverty Program has experimented with alternative approaches for reaching the poorest of the poor by working with smaller neighborhood units.

The second assumption is that low or nonexistent income among the urban poor is perhaps the fundamental constraint on urban development. Recognizing that current government and community resources are inadequate to support most community improvements, the program has attempted to spur community based enterprises with potential for generating additional income for residents.

Several factors influenced the selection of strategies to achieve program objectives. Among the most important were: (a) the grantee community, (b) the appropriate level and duration of funding, (c) prospects for sustained grantmaking, and (d) program trade-offs and risks. An equally important consideration is the basis for evaluating program results. An elaboration of these issues will further explain Foundation response to the region's urban problems.

The Grantee Community

The pool of potential grantees capable of undertaking useful work on problems of the urban poor is more limited than that available to conduct rural and agricultural projects. To some extent this reflects the heavy emphasis donors have placed on rural development in recent years. Because of donor interest and support, many private voluntary organizations (PVOs) have now acquired extensive experience in projects related to small farmer productivity, rural health care delivery, and rural education, but much less experience with problems such as housing, job creation, and community development among the urban poor. To pursue the Urban Poverty interest, organizations and individuals capable of working in an urban setting had to be identified, and capacity building became a major claim on program funds and staff time.

Two strategies were used to expand the pool of urban project grantees. One approach was to encourage organizations with rural experience to broaden their focus toward greater interest in urban problems. For example, several grants were awarded to the National Christian Council of Kenya (NCCK) to enable its staff to apply their rural community organizing experience to an urban area where they address housing improvement and income generation issues.

A second strategy attempted to persuade organizations with a social welfare orientation to adopt approaches more appropriate to the needs of urban populations. In the urban setting, community development efforts to promote self-help among the poor seem more promising than social welfare strategies which emphasize charity, and some feel, foster dependency. Undugu Society's evolution from a social welfare to a community development perspective is an example of organizational change influenced by Foundation support aimed at broadening the pool of potential grantees.

Another obvious choice for urban grantmaking is local government, the administrative unit closest to the problems of the urban poor. Local authorities are responsible for developing and implementing policies on land use, public services, and community development. But some would argue that the policies of local government often exacerbate, rather than ameliorate, some of the most difficult problems of the urban poor. For example, some local governments have discouraged the production of appropriate standard housing, set unrealistically high standards for infrastructural improvements, and condoned, or encouraged the demolition of squatter communities.

Typically, public bureaucracies do not experiment. By fostering partnership between local governments and voluntary agencies in planning and conducting demonstration projects, effective ways to address urban problems can be identified. If so, major benefits for the urban poor might result as local government adopts these new approaches to housing and public service delivery. Ultimately, the audience for these community development activities must be the institutions with long term responsibility for serving urban populations.

Funding Considerations

In developing grants under the Urban Poverty Program the appropriate level and duration of funding were carefully addressed at the outset. Ideally, funding should be provided at a level necessary to make a difference at the margin, while not producing grantee over-dependence on Foundation support. During the first two years of the program, the average size of grants was about $35,000 with a duration of one year to 18 months. This allowed flexibility in modifying project objectives and absorbing lessons from project experience. During the last two years, however, the average annual size of grants increased to over $80,000. The duration increased to more than two years as promising grantmaking opportunities expanded and confidence with grantees increased.

Funding has been deployed primarily to support experimentation with new techniques for addressing urban problems in housing, job creation, and community organization. In most cases, Foundation funds complemented support grantees received from other sources, and either increased the project's targeting on low income groups, or introduced a different, and potentially more effective, approach toward achieving project goals.

An example of this funding strategy was support for a building loan fund in the Dandora housing scheme in Nairobi. In that case, the objective was to increase the ability of low income families to take advantage of new housing opportunities created through a World Bank sites and services project. With Foundation funding, the feasibility of a revolving loan fund for low income families is being tested in a partnership between a local authority and a voluntary agency. Further tests of the building loan fund was introduced through a project conducted by the Municipal Council of Mombasa, again within a sites and services program.

An important feature of Program funding is the emphasis on capacity building. Because there are relatively few PVOs working in urban areas, and the pool of experienced individuals is small, staff training and organizational development are urgent needs. Often this can be done in conjunction with support for other purposes. But support for capacity building is important for its own sake, and should have high priority in future grantmaking.

The funding strategy pursued thus far also has tried to draw other donors into greater engagement with urban problems. Joint funding was pursued through discussions with, and encouragement of other donors, as with the World Bank, USAID and IDRC on housing projects. Grants to agencies in partnership with local government for demonstrations, moreover, represent effort to influence and leverage public funds.

Program Trade-Offs and Risks

There are inevitable trade-offs between a focus on community development or job creation; on housing or enterprise development; on large primary cities, or secondary communities. To some extent, these trade-offs can be minimized by carefully selecting projects that combine elements of each problem, such as housing and income generating activities without encouraging agencies to overextend themselves.

The program trade-off in favor of an emphasis on housing improvement projects reflects both the severity of that problem in urban areas, and the prospects for grantees successfully tackling this issue. Housing improvement grants, however, usually included other goals such as community organization or promotion of income generating activities.

The conversion of housing improvement projects into multiple purpose grants faced serious difficulties in several cases. The National Museums of Kenya is reluctant, for example, to broaden its activities in Lamu beyond housing improvement to include other aspects of community organization. But their failure to do so might ultimately reduce the success of the project.

Similarly, the Dandora Catholic Church is having difficulty going beyond the successful management of the housing improvement loan fund to develop income generating activities in the community. The lesson of grants awarded thus far suggests that organizational capacities should be considered in detail on a case by case basis to produce better short term results. In some cases an organization will need and have the ability to expand, and in others it will not be able to do so regardless of the need for expansion.

The trade-off concerning choice of location for the urban focus in Kenya might be influenced by shifting national policy. The country's new District Focus Strategy portends greater emphasis on smaller towns, many of which are now growing more rapidly than the large urban centers of Nairobi and Mombasa. Similar differential growth patterns among urban areas are evident throughout East Africa, and indeed, Ethiopia, Tanzania and Uganda have pursued policies specifically aimed at retarding the growth of their largest cities.

A program focus on smaller emerging urban areas offers an opportunity to address urban problems before they reach a point of crisis. The smaller urban areas which now make fewer demands on the limited resources of central governments might be encouraged to develop effective policies for controlling urban growth. By focusing on smaller urban areas, one can observe the emerging links with agricultural sectors, and gain a clearer perspective on the nexus between urban and rural growth.

One risk in exploratory grantmaking is the use of intervention strategies that might produce unanticipated results. For example, loan funds to help poor families purchase better housing might have a limited impact if used in an area where most low income people face dim job prospects. The problem is exacerbated when the target population is unfamiliar with credit systems that require regular, long term repayment of debt under threat of losing their property for nonpayment. By combining housing improvement and income generating activities, perhaps an unfavorable outcome might be avoided. But still there is a considerable risk in promoting housing improvement for the poor through personal debt accumulation.

Another risk is related to the implementation of demonstration projects. In efforts in which business developement is emphasized, professional elites managing the project might play too large a role and smother the growth of poorer entrepreneurs. The community organization objective of the Urban Poverty program requires a high tolerance for slippage in reaching project goals because the nurturing of community leadership often proceeds slowly and unevenly.

Evaluating Program Results

It is useful to take the long view in measuring progress toward the achievement of program goals. Because the urban focus is relatively new, and the experience of PVOs in addressing urban problems is limited, early grantmaking must necessarily emphasize exploratory ventures designed to establish the feasible range of project possibilities.

A considerable period of time is required for PVO staff to become fully acclimated to the environment, and to build trust and confidence among the beneficiaries of program services. In addition, new techniques for grantmaking often must be developed, and a smooth modus operandi for the donor/grantee relationship must be established. It is difficult to say how long this developmental stage of grantmaking should last, but it is likely to exceed the time required to evaluate progress in a more established field of program interest. A rule of thumb may be a 5-7 year interval, or three funding cycles. A key requirement is that the program officer has maximum flexibility to modify project goals and interventions as new information is obtained.

Short term measures for evaluating program results are more obvious. Quantitative measures such as the number of professionals attracted to work on urban problems, improvement in the stock of housing and public services for the urban population, and the increase in income among poor households can be useful indices for tracking program results. Such measures, however, can at best give only a partial view of progress toward the achievement of program goals. This is because changes in such measures are not likely to immediately affect a large number of people.

What is most important is evidence that a process for addressing urban problems has been set in motion, and useful lessons are being learned about effective problem solving strategies. This has been the most significant accomplishment of the past four years of grantmaking in this area.

IV. Project Initiatives

The section which follows groups the major program initiatives in three categories. The first, and largest focuses on housing improvements, under which five grants are discussed. The second focuses on the integrated community development approach. The final section discusses efforts emphasizing income and employment generation.

The National Housing Cooperative Union (NACHU)

Founded in 1979 with the assistance of USAID, NACHU is a technical assistance agency providing services to cooperatives and savings and credit societies which seek to build housing for members. While the major area of NACHU's work has been a focus on schemes organized by trade union or employee credit unions, Foundation support has been geared to strengthening NACHU's ability to serve poorer societies - those which are formed on a community rather than common employer basis. Previous attempts by such societies to design housing and community development schemes have proven risky and largely unsuccessful. It is NACHU's contention that these failures were due largely to design flaws and management deficiencies rather than an inherent inability of primary societies to serve as vehicles for providing housing for the urban poor.

NACHU requested and received support for a pilot project to design an affordable housing development scheme for a small coastal community north of Mombasa. Under the constant threat of eviction the residents had recently formed a cooperative society to buy their land from an absentee landlord. Building on this unusual organizational initiative, NACHU sought to support the society's desire to tackle the equally difficult task of upgrading the housing and infrastructure in the now communally owned neighborhood.

After undertaking a survey of existing housing stock, infrastructure, and individual household income, NACHU produced a plan for the society's approval and implementation. The key feature of the plan is a revolving loan scheme which linked affordable home improvements to household income and ability to repay. The specificity in tailoring improvements to individual household income levels, rather than targeting a large, undifferentiated community, was the key innovative feature of the proposed effort. A second important recommendation was that the Society should not immediately award individual titles to members since this would require each home owner to meet costly municipal infrastructural standards before title could be granted. Rather, NACHU proposed continued communal or Society title with each member given a legal temporary "right of occupancy" that would still provide the necessary security of tenure.

Financing would also be undertaken on a communal rather than individual basis and NACHU recommended that the Society secure a global mortgage. Collateral could then be offered on the basis of the society's title deed, though each member would be responsible for that portion of the loan used on their plot. The Society would manage the loan and assure that its members obtained financing at levels each could afford to repay.

The project, funded by a $150,000 Foundation grant has been delayed because of administrative delays at two levels. First, NACHU has had difficulty gaining the Ministry of Cooperatives' approval to begin any of its projects, largely NACHU says, because of the Ministry's inefficiency. This has prevented NACHU from posting a full time staff person on the coast to work with the Society. The effects of this delay are evident in the clearly reduced momentum visible in the neighborhood. After encouragement by USAID, which suggested that its contribution to other delayed NACHU projects would not be held indefinitely, this constraint seems certain to be removed soon.

At the community level, other problems have emerged. While NACHU's recommendations suggest a much less costly and affordable approach to neighborhood improvements, they also require greater organizational sophistication on the part of the Society. This was the least well planned aspect of the project, and an equally important explanation for its delayed implementation. This is prime coastal land. The transfer of ownership to the residents, while helping to protect them from the threat of removal as squatters, has increased their vulnerability to others seeking to gain title to the land due to the Society's failure to pay rates.

The Society is now sustantially in arrears on various municipality rates and taxes and its leaders have spent a major portion of their time seeking to win delays in forfeiture procedures. NACHU's intervention has not included efforts to strengthen the Society's ability to effectively lobby for its ownership rights. While cooperative organization problems are not part of NACHU's mandate, but are the responsibility of the Ministry, it was felt that NACHU should have anticipated these developments. This failure, if not soon corrected, could be a cause of the project's early collapse.

In short, project success appears to hinge upon the Society's strengthened ability to act as an advocate on its own behalf, in the face of a generally hostile municipal environment. This should occupy central stage as the project is implemented.

National Museums of Kenya (NMK) - Lamu Conservation Project

The National Museums project in this 500 year old Kenya coastal town has operated in two stages. The first is the restoration of a seventeenth century fort which is to serve as a community center and the nucleus of subsequent restoration activities. There is also a component in which twenty local youths are undergoing on-the-job training in traditional building design and materials preparation while participating in the fort's restoration. The second phase of the project is scheduled to begin in August 1986 when the National Museum will give incentive grants to local residents willing to restore their homes using traditional materials and according to plans consistent with the original Lamu home designs. The restoration activities will focus on the poorest and most dilapidated section of the town. An effort will be made to renovate a number of adjacent buildings to maximize the effect of the restoration.

In place of its earlier plan to regulate building activity so as to outlaw upgrading using modern construction materials, a policing activity which would have proven difficult to implement, the Museum now plans the softer incentive of a matching grant scheme. The fort's transformation into a community center and the identification of the conservation project with these activities is designed to build confidence among residents regarding the Museum's commitment to culturally consistent restoration.

The fort restoration is now approximately half completed. When finished, it will contain two restaurants, an outdoor theatre and social hall, a library and reading room, and Museum and conservation project offices. Much of the structural history of the fort, including indications of its earliest design, have now been uncovered, and subsequent restoration is following these original designs. In addition, 20 young Lamu residents are nearing the end of their training in traditional construction techniques. The anticipated matching grant scheme is expected to get underway on schedule.

The project faces a number of problems. First the potential for conflict arising between the mainly Waswahili town residents and the largely "up-country" occupants of the surrounding new town remain. This project, in targeting the old town, is not necessarily serving the poorest population. It could be argued that the old town home owners who would receive the matching grants are in fact the wealthiest residents. While this higher income targeting may be partially justified given the historic preservation objectives of the project, it could also result in a general worsening rather than in a warming of museum-community relations.

This potential source of conflict raises a second issue. While the museum has already built strong rapport with the community through its ore than ten years of work in Lamu, the fragility of this five hundred year old culture makes project development unusually sensitive. While the Foundation describes this project as containing a community development approach, this is still the weakest part of the activities so far underway. The Museum field staff are trying to be community organizers in Lamu, and in this respect, the demands which the town places on them are clearly pushing them towards a more "community" rather than preservation strategy. This changing orientation in the field is not necessarily shared by the Museum's headquarters staff.

One illustration of this headquarters-field conflict is the training component of the project. The headquarters, mainly in the person of the Director, Richard Leakey, has preferred not to include a business development component as part of the artisan students training. He indicates that this would be too far from what should be the Museum's primarily conservation activities. He also concludes that there is a business tradition in the town in which the students are steeped. Yet project level Museum staff are already convinced that the young trainees will be unable to organize themselves into construction businesses and their failure to do so is expected to slow the planned housing restoration phase of the project. Resolution of the conflicting perceptions held by Museum staff in the field and headquarters will significantly affect the success of the project.

Finally, this project might be further constrained by the depressed nature of the local economy. Moreover, the sanitation system has markedly deteriorated and in general appearence the town gives an impression that it is on the verge of abandonment. Without subsidiary efforts to upgrade the town's three hundred year old sewage system, and to encourage better maintenance of public spaces, housing improvements in isolation will not reverse the town's decline. Nonetheless, visible improvements are already evident and if the subsidiary issues are simultaneously addressed - indeed, the project has stimulated considerable interest in Lamu restoration among a number of other donor agenies - the result could be the 'saving' of this town from what might have been its collapse.

Dandora Catholic Church

This is the first of two pilot projects taking place within World Bank financed sites and services schemes in Kenya. The Foundation provided two grants enabling the Nairobi City Commission, and its collaborating agency, the Dandora Catholic Church, to operate a housing finance project targeting the poorest residents. Despite initial calculations of affordability, approximately 25 percent of the residents are unable to meet minimum self-financing requirements before they can qualify for project financing. The City Commission community development staff established a Welfare Fund, capitalized by the Foundation, to enable these largely female headed households to build 1-2 rooms for rental. The proceeds from rents provide supplementary income enabling them to qualify for and meet repayment requirements of the project financing.

In addition to extending housing credits, the NCC staff have encouraged the formation of building groups as the main unit of housing construction and credit allocation. In addition to facilitating peer pressures to repay the loans, such groups capture economies of scale by purchasing materials collectively and by sharing labor for home building. The project now assists 30 building groups averaging ten members each with an average individual loan size of $400.

Three additional components built into the second Foundation grant were business development training for City Commission social work staff, the construction of work sheds to locate new businesses closer to markets, and a revolving credit scheme for emerging individual and communally owned enterprises. Unfortunately, while ten months have passed since the grant was made, little progress can be reported on these components. This is attributable mainly to the departure of the NCC's community development director, Mrs. Monica Mutuku, for staff development study leave. Her temporary loss has been critical, because she conceived and designed the Welfare Fund, and is considered the paramount community organizer in the country. Delays also occurred because the grant coincided with plot allocations for Phase II of the World Bank project, which totally consumed and overstretched the NCC's staff capacity (20,000 people have applied for 6,000 plots).

Staffing has in fact been the major limitation of this project. With expansion to subsequent phases, there has not been a corresponding increase in the Commission's community development staff. The central feature of this project, and its variance with the larger loan scheme, is the intensive follow-up and support provided by the community development workers which has enabled continued participation of the poorest allottees. Yet at precisely the time when continually spiraling construction costs have increased the need for close client follow-up, the NCC is unable to provide the monitoring required to assure productive use and repayment of loans. While repayment is now nearly 80 percent on schedule (a figure which is higher than that of the larger World Bank funded loan scheme), Dandora staff anticipate that this rate cannot be maintained in Phase II without a significant increase in field staff (there are now seven extension workers serving the poorest of the residents). The advisability of the Foundation's participation in a project over which it has little influence in such critical areas as staffing, should be a central consideration in deciding on future requests to fund components within large schemes of this type.

An additional problem identified is design flaws in the business development component. It appears to have been written into the grant belatedly, and neither NCC nor Dandora Catholic Church were adequately prepared to initiate the project as allocations were nearing completion. The effort to focus on income generating activities is critical, because housing upgrading cannot be sustained without appreciable increases in community and household incomes. But business development will require extensive technical assistance if it is to succeed. The possibility of using Undugu Society's business development training program would greatly enhance the potential for success of this component.

Another concern is the limited audience for this approach. The difficulty of targeting the poorest residents in a project with 12,000 households has already been discussed. The willingness of the World Bank and the Government of Kenya to continue to design such large and impersonal projects in Kisumu and Mombasa, and their reluctance to strengthen the community development aspects of the project suggest that much could be gained by finding a way to publicize the project to those with responsibility for designing these projects.

Mombasa Municipal Council - "How Can We Repay the World Bank?"

This project is the second of two funded by the Nairobi office which attempt to strengthen the participation of the poorest residents within World Bank funded sites and services scheme in Kenya. The Mombasa projects, in the Mikandani and Chaani communities, began and were funded in 1983. They target those residents, approximately 60 percent of the original target group, who are unable to qualify for the primary financing facility due to their inability to self-finance the first 30 percent of their own housing development. Once again, an undifferentiated targeting has not reached the poorest residents. A large majority of the beneficiaries are female headed households.

Foundation funding has enabled the Council's community development staff to initiate a secondary loan scheme which provides financing to the poorest and more high risk residents to construct one to two rooms on their plots. These rooms would then be rented to provide supplementary (or in some cases primary) incomes allowing their participation in the larger financing facility. Also included in this project is a cement block making component designed to reduce the costs of building materials, and to provide additional income for a minority of residents.

After nearly a year delay, due largely to internal disputes within this crisis ridden local authority, the project is now well underway and approximately 80 loans have been extended and an equal number of houses are in various stages of construction. The municipality's community development staff either are based in the two communitites or spend the most of their time there.

Still there are significant problems of design within this project. Nowhere are the limits of housing development without viable revenue generating activities more apparent than in these two communities. The rental market is now saturated in both locations and few of the residents who do not already have tenants will be able to depend on this source income. This problem might have been identified if a more careful review of community condition had been conducted during the grant development stage. A more diversified development strategy could have been planned and implemented. The municipality now intends to give income generation central emphasis in subsequent stages of the project.

National Christian Council of Kenya (NCCK)

While Foundation support for the NCCK's Urban Community Improvement Program (UCIP) has focused primarily on housing, the relatively smaller share devoted to strengthening the council's community organization training capacity represents a potentially innovative feature of this project. The latter program entails an effort to develop a training methodology, based on the Pablo Friere conscientization model, designed to strengthen local leadership and to build community awareness and assertiveness as prerequisites to promoting local development initiatives. The Village Improvement Project housing development scheme, on the other hand, was designed as a subsidiary component of the training program. It is an attempt to promote the use of upgraded traditional housing designs and materials in peri-urban areas of selected towns were building standards by-laws are less stringently enforced. The use of such materials does offer one potential means of reducing the cost of urban homes.

Despite the soundness of the approach on paper, however, the visit to one of three project sites proved disasterous. The project has yet to get underway. Though we were warned that the project had been delayed due to problems within NCCK's headquarters, we were nonetheless led to believe that much of the pre-project planning had been completed. Two problems emerged from the site visit. Foremost was the fact that the Kilifi location was not by any definition an urban area and this apparent violation of the grant terms had to be communicated to the agencies leadership.

Second, the local project staff were completely unfamiliar with both the NCCK's stated approach and with the local groups. With the exception of a useful discussion with UCIP's acting director in Nairobi, Mr. Sam Kobia, which partially restored our confidence in the project's potential once implemented, the field visit left the impression that this project cannot now be assessed.

The reasons for the poor showing at the Kilifi site are nonetheless instructive from the viewpoint of a donor seeking to fund an organization ridden by internal strife. There are two apparent problems. One is the danger of too great a role in project design and implementation being played by expatriates. Because the organization is currently undergoing an internal leadership struggle, the attention of its Kenyan staff has been diverted to the point of paralysis. This has resulted in two expatriates, seconded to the NCCK by the U.S. National Council of Churhes, playing a greater role than would have been the case had the number of very experienced and capable NCCK staff been available to run the project as originally planned.

Secondly, while the approach if successfully implemented could restore the NCCK to its 1960s role as the principal urban development innovator in the region, events since the grant was made suggest that the three principal donors should have waited for the dust to settle before funding UCIP. It seems that the collaborating donors, which in addition to the Foundation includes the International Development Research Centre and the USAID funded Kenya Rural Enterprise Project, were impressed by the innovativeness of the write-up even though the organization was evidencing severe internal problems. Nonetheless, recent positive developments within the agency, which have resulted in the hiring of the community organization trainers and the VIP director, suggests that this could still be an important urban-based demonstration program.

Conclusion

The results of projects in the housing field are now mixed and inconclusive. On the positive side the high cost of housing in urban areas, and their affordability by the poor, can and are being partially addressed by the exploratory grants. One mechanism for doing so is the organization of building groups which combine the members' labor, take advantage of economies of scale in materials purchase, and foster a mutually reenforcing collaboration among residents. Although the NACHU project has yet to move beyond the survey and design stage, housing cooperatives would seemingly be able to play a similar role, though their larger membership may increase management difficulties.

The problem of affordability, and the difficulties of targeting large communitites with significant income disparaties are being addresssed in a similar way in most of the projects. The interventions focus on smaller neighborhood units and provide more intensive support and back-up to individual builders. With the exception of the Lamu project which intentionally targets a higher income group, the program has been largely successful in reaching the poorest of the poor urban residents. While it's not yet possible to point to large numbers of finished houses -- it is still too early to gauge quantitative results -- the emphasis on identifying needs and designing financing mechanisms with greater individual household specificity has already resulted in the poorest residents having what one community worker describes as a "fighting start". Although no clearly successful blueprints have been identified, the distinguishing feature running through these efforts is that poor neighborhood residents are themselves grappling with cost and affordability issues at the community level.

While efficient organization of building efforts can go a long way toward reducing housing costs, affordability is ultimately a problem of insufficient income to sustain housing development in urban areas. The weakest component of these projects is their attempt to develop income generating opportunities. Some of the problems are of a design nature in which community development workers are attempting to learn business development on-the-job. Greater technical assistance must be offered, including support to enable the agencies to hire professional staff, and a much more hard-nose approach to enterprise development should be encouraged. Most of the residents in these schemes will not become small business owners, regardless of the quality of the training and financial support which they may receive. In this respect, the approach of Redd Barna in Addis Ababa, and Technoserve and the Undugu Society in Kenya (discussed below) which are attempting to create employment within businesses which the agencies would manage, is worth pursuing.

A second recurring issue which emerged is the weak organizational management in each of the projects (with the exception of the National Museum). There seems to be an inherent risk in attempting to promote more participatory approaches to development among communites which are the least well equipped to run necessarily sophisticated projects. Management training should occupy center stage in a continuation of this program, with a special emphasis on the successful coordination of increasingly multi-dimensional projects, and on the management of business development activities. One outgrowth of strengthened organizations at the community level would be increased ability by neighborhood groups to affect changes in the now daunting array of regulations and administrative procedures which are largely hostile to the poor.

B. Integrated Community Development

The social and economic problems of the urban poor are so pervasive, it is difficult to determine where to intervene. The strategy usually followed by voluntary assistance organizations, and by public agencies, is to focus on one area of critical need. Most often an organization working in a low income community will concentrate on housing, education, job training, health care, family planning, or other problems. Some assistance organizations have developed considerable expertise in delivering one type of social service, and attract significant resources to projects in that field.

The single service approach also reflects the divided responsibilities of government ministries that deliver public services to the poor. Program eligibility requirements and funding often vary considerably across public agencies, producing uneven, and often inadequate assistance to poor communities. But the single service approach often proves inadequate because of the close connection between many problems of poor people. For example, housing congestion is worsened by large families without the benefit of family planning. Similarly, many health problems are created by inadequate sanitation in poor communities. An integrated approach to social service delivery, emphasizing community participation, is a more promising strategy for addressing problems of urban poverty.

Redd Barna

Redd Barna, the Norwegian Save the Children organization, has since 1980 operated an integrated urban community development program in an

Addis Ababa neighborhood. Program components include the following: water and sanitation; primary health care/maternal and child health; family planning; nutrition education; community kindergarten; and housing and infrastructural improvements all within a defined community with 4,000 residents. Undergridding these efforts are a number of community operated businesses (a grain mill, a grain processing facility, and a tailoring unit) which are providing employment for residents though they have yet to realize the revenues which are an additional goal. Tying these components together is a community awareness program in which the residents participation in the program is continually discussed and facilitated.

Foundation support has underwritten training costs for residents in various construction trades and maternal and child health components. However, since the rationale for Nairobi office involvement has been based on the totality of the project rather than the particular components funded, what follows are comments on the integrated approach and perceptions of the impact of that approach on the community.

The project has had an immediately visible effect on the Kebele, or neighborhood association, which contrasts sharply with surrounding communities. Most impressive is the enrollment of most residents in the range of program components. The poorest mothers, for instance, earn incomes through their employment in the community's businesses. They also regularly attend nutrition demonstration and family planning clinics, while their children are enrolled in either the kindergarten or the day care facilitites adjacent to their work places. Those with the most sub-standard homes are priority candidates for new or improved housing construction. The Kebele boasts a 100% innoculation of children, and has been successful in establishing a routine whereby hygenic and sanitary conditions are maintained. The self-delivery of social services is clearly this project's strengths.

Perhaps the weakest aspects of the project are the housing and community enterprises. The usufruct system of land and home ownership (most urban property was nationalized in the early stages of the revolution) have greatly constrained the development of an unsubsidized housing improvement scheme. Redd Barna appears to have been unsuccessful in finding a formula for motivating residents to make investments in housing which is owned by the municipality. The result is that Redd Barna financed houses, built to the high building standard of the municipality, are expensive and far beyond the reach of the residents. In short, there seems to be little programmatic justification for expensive housing construction serving a small minority of residents and which cannot be duplicated by either the rest of the Kebele, nor the city as a whole. The Redd Barna staff seem now to realize that their foray into this area has been a failure.

Secondly, the community run enterprises, while representing an interesting model for promoting self-generated revenues within the Kebele, require more thought on how these can operate on an unsubsidied basis. While recognising the constraining influence of operating in a country in which private businesses, and indeed, entrepreneurship in general are discouraged, a more important constraining factor is the social welfare orientation of its Kebele 41 staff. Redd Barna staff admit that they too frequently resort to social rather than business criteria in matters related to the operation of the grain mill, food processing and tailoring enterprises. The businesses need to be administratively seperate from the other social programs.

Redd Barna's attempt to replicate the Kebele 41 model in another Kebele has underscored other weaknesses in the approach. Rather than a series of mutually reinforcing project components, the Kebele 13 effort contains a number of unrelated aspects. The project staff appeared not to have the same depth of understanding of the socio-economic conditions of the Kebele, nor do they evidence the rapport with community residents that is immediatley visible in Kebele 41. Most worrisome is the fact that the local municipality leadership has apparently captured the project, including control over the Redd Barna provided budget, to build a capital intensive showcase scheme - one in which community residents play virtually no decisionmaking role. Not suprisingly, discussions with municipal authorities indicated a strong preference for the Kebele 13 model because, they say, it allows them a much greater role in its implementation.

Questions can be raised as to the continued viability of the project given this unusually constraining political environment. Housing development is affected by state ownership (though the state is unable to maintain the housing stock). Efforts to promote economic self-sufficiency within Kebeles are constrained by official discouragement of private enterprise. And while the takeover of the projects by municipal authorities is ultimately a desireable goal, it can have unintended consequences, with the result that the participatory features of the project, which were central ingredients to its early success, are now lost. In short, project success is hindered largely by factors which are external to the community.

This somewhat difficult political situation aside, the Kebele 41 effort is the most accomplished project which we reviewed in either country, a fact which attests to the strength of an integrated approach - one which has established a social security network in the Kebele. More specifically, its relative success can be explained by the project's capable leadership - the Project Adminstrator, Azalech Tekle-Miriam and the Health Officer Sister Jember Teferra of Redd Barna, and Ato Getachew Egziabher the Kebele 41 Chairman. Their collaboration has enable them to effectively counterbalance the sometimes less than helpful interventions of the municipality. And they have created an environment in which the residents have been able to maximize their control over program development in the Kebele, a factor explaining the sustained high level of community participation.

Community Enterprise Development

The Foundation has operated an income and employment generation program for the last six years. Over the past two years, Nairobi staff have pursued a strategy within this program of experimentation with community enterprises as a possible means of harnessing limited entrepreneurial talent to capture investment opportunities for low income communities. Staff also view this strategy as one means of promoting larger enterprises, owned and operated by voluntary agencies, which could better take advantage of economies of scale in Kenya's increasingly competitive markets. Moreover, the fact that they are owned by not-for-profit agencies results in significant tax advantages over other firms. In the limited number of cases where such businesses have been operated, they have shown a reasonable ability to generate both levels of employment, and revenues to support community development activities of the agencies. The following are two such examples reviewed by the consultants (chosen because each has realized some degree of progress since the grants were made):

Technoserve

Technoserve received a grant of $70,000 to promote urban and rural community enterprises in Kenya. Three activities where planned: preparation of a legal and administraitive manual for agencies with an interest in estabishing and managing businesses; establishment of a resource network of business associations to aid emerging enterprises; and analyses of 12 potential business opportunities for which the more promising ones would be the subject of investment proposals and business plans.

In the three months since the grant was approved, considerable progress has been made in gathering information for the manual (which was in production and we were unable to see) and in the investigation of nine investment ideas. Four of these were deemed sufficently promising that preliminary business plans were prepared. The documents available for our review were plans for a pilot wool handspinning project, a small scale cultured milk plant, a seperate cheddar cheese producing facility, and a feed mill project. The preliminary plans are thorough and detailed, and include process and project descriptions, financial requirements, income and expenditure projections, cash flow and breakeven analyses. Technoserve's reputation for being conservative in recommending business ideas suggests that those for which they do plan to seek financing would probably be sound ones.

Less clear is the extent to which they are sufficiently cognizant of the political environments in which the prospective businesses would operate. While they were aware of the dangers which might arise from competitors with political influence (such as a dairy parastatal which might seek to limit new competitors), this important aspect of feasibility is being deferred until after the business plans are fully developed. It seems advisable to simultaneously consider the political implications arising from both the investment idea pursued as well as the choice of agency which would operate a particular business.

The consultants questioned two other aspects of this project, and by implication, the strategy under which it was funded. First, while agreeing that investment opportunities are being lost which could improve the social well-being of the poor, the use of Technoserve suggests that this talent must be largely of expatriate orgin. This is probably not the case, and for the strategy of community enterprise to work, there must be the development of indigenous expertise and entrepreneurship rather than projects conceived largely by foreigners, as is the case with this project. Other agencies such as the NCCK or Jisaidie appear better placed, both politically and in terms of management capacity, to promote community enterprises. Strengthening indigenous agency management ability, while sometimes more problemmatic, is seemingly an essential feature of such a program in the Kenya context.

Secondly, the departure of Michael O'Donnell to the Technoserve headquarters has resulted in the loss of the guiding inspiration to this project. That aspect of the project involving liaising with voluntary agencies to determine their interest in using the investment ideas developed in the project, seem now to be most at risk due to the staff change. The person now working on the project seemed less committed to sharing investment proposals with outside agencies. The question of who owns and can use what could be lucrative investment proposals should be reconfirmed at an early date. We got an impression of possessiveness on the part of Technoserve.

Undugu Society

Undugu Society started as a social welfare organization concerned with the plight of Nairobi's homeless youth. Over the past decade this emphasis has evolved from a largely charitable approach (homes for destitute youths, etc.) to a focus on technical training, and most recently to one promoting community focused economic development. Foundation grants have encouraged this evolution. Earlier support targeted the technical training program and secondarily, their informal sector microenterprise development programs. In a subesquent grant, support was more strategic, enabling the agency to establish a business development unit to strengthen its own revenue generating capacity and to improve the quality of business advisory services provided to its client businesses.

These grants had recently been evaluated by a Foundation consultant, Ms. Sunita Kapila. Rather than cover the points she raises, the consultants instead focused on the degree to which the agency had become self-financing through these efforts, and on the problems it encountered in the pursuit of these revenue generating activities.

The combined total revenue from all of Undugu's self generated business activities is $455,000 or roughly half of its operating expenses. Undugu estimates that it earned a surplus of $22,500 above its expenses. Of this latter amount, a portion was derived from the Society's lucrative consulting service which undertakes advisory and training functions for a range of voluntary agency clients. This service is heavily dependent on the abilities of the expatriate Financial Advisor, Pieter Buijs, whose contacts within the voluntary community have helped the unit secure contracts which would have been more difficult had he not been at the head of this agency. Most of the contracts were to provide training to other agencies wishing to operate business extension services.

These are not the community enterprises envisioned by the Foundation, nor does it seem to be the kinds of activities which can be duplicated by other agencies. While the consultancies helped the Society to strengthen the ability of its own business advisors, and greatly reduced its donor dependence, the activity appeared to be largely a diversion of attention from its primary function of directly serving its constituencies. Consequently, it seems approprate to separate that portion of the Society's income which was earned from consulting, from that accruing from export and local sales of goods produced by its training workshops and women's groups - the latter being a better indicator of the kinds of activities which other agencies could use to increase their self-generated incomes. In the first half of 1986, the Society earned $14,750 on revenues of $337,500 from its technical workshops, and from the sale of handicrafts produced by women's groups.

While it appears reasonable to expect that voluntary agencies can generate a larger portion of their operating expenses from self-generated income, more thought should be given to how this can best be encouraged without diverting the attention of the agency from its primary social functions. In Undugu's case, the seemingly single-minded pursuit of consulting contracts has understandably increased internal dissent over whether it is approprate for a social welfare agency to undertake business activities. Resistance to this course of action in this and other agencies could be reduced if it can be demonstrated that doing so does not threaten the organizations' social priorities. It would seem most appropriate for such agency operated businesses to be either administratively separate from the every day functions of its social programs, and/or consistent with the social concerns of the agencies such as is now the case in the sales of goods produced in Undugu's technical training workshops.

Conclusion

The combination of these activities does not yet add up to a program of community enterprise development which can be assessed. Nonetheless, the reasons cited for experimenting in this area, that is, to reduce agency dependence on donor support and the pursuit of alternative means of generating employment, are compelling ones. If the Foundation were to continue this program thrust, more clearly articulated strategy and objectives need to be developed, and attention given to the issues raised in the discussion of Technoserve and Undugu Society. Most salient among these issues are: a greater effort to strengthen the supportive infrastructure of indigenous agencies which can provide management expertise for this level of enterprise; assurance that the necessary safeguards exist to assure social ownership and management integrity in the use of revenues earned; careful review of economic feasibility given that the costs of failure, both to the agency or community group and to employees, can be considerable; and the development of a model for voluntary agencies to own and indirectly operate businesses without diverting the organization's attention away from its primary activities.

V. The Road Ahead: Future Grantmaking Opportunities

The current rural bias in development initiatives has resulted in neglect of attention to the concealed but momentous growth of urban areas. However, those concerned with the poorest of the poor would be hard pressed to ignore the growing concentrations of the region's poorest inhabitants who now reside in cities and secondary towns. Yet they are being ignored. With the exception of large housing schemes being financed by the World Bank and USAID (which find it difficult to serve the poorest residents), and the International Development Research Centre's interest in urban systems research, only the Foundation and to a lesser extent UNICEF focus on urban community development. Fewer still focus on the increasingly difficult situation in secondary towns.

In not paying greater attention to urban poverty, however, opportunities are lost to support a spirit of self-help which is emerging in many low income communities - particularly in squatter areas where the poor are concentrated. Recent spontaneous efforts of communities in Nairobi and Mombasa to collect their own garbage and to organize other basic services, are harbingers of a growing public impatience with the inability of public agencies to provide essential services. Yet while the potential for supporting local initiatives is great, the number of agencies attempting to capture this spirit are far outstripped by the demand for their services.

The dearth of donor and voluntary agency attention to an area which is expected to become unmanageble on a scale more reminiscent of Asian cities, indicates that a need and an opportunity exists for the Foundation to continue to play a pioneering role in this field. The program has already focused attention on the extent of urban poverty. It could significantly influence the strategies pursued in addressing what is likely to become a central concern in the African development field in the next decade. While it can be argued that greater attention should be focused on rural development to slow the rate of urbanization, the inability to do so in virtually every developing country, as well as the mutual dependence between cities and country, suggest that urban and rural development are complementary rather than competing areas of interest.

Programming in this area, moreover, continues to take advantage of the Foundation's long experience in support of the voluntary sector in Kenya, and of the community development expertise of its Nairobi staff. The size of the Foundation resources in the region, and perceptions that support for alternatives such as urban systems management would at best only indirectly target the poorest residents, all suggest that continued support for community development is a strategic program choice in which the Foundation has a comparative advantage. Moreover, the Foundation's broad and flexible program mix enable it to bring a range of complementary expertise to bear on the plethora of confounding problems which constrain local initiatives. The fact that urban community develpment must address not only the more narrowly conceived economic and social revitalization issues, but social justice, civic participation, public policy, and employment issues as well, gives the Foundation an advantage over other agencies in its ability to integrate the necessary range of program responses.

The basic outlines of the program should remain unchanged. But some areas need to be redefined, and others developed further. First, criteria for assessing program achievements should be sharpened, but should not overestimate what can be accomplished in the short term. Second, greater attention should be devoted to the economic feasibilty of neighborhood upgrading. Finally business development should be pursued more centrally within the projects, and the necessary technical assistance should be provided to the agencies with little or no capacity in this area.

A key element which is insufficently addressed at the moment is management assistance. Given the apparently weak state of regional management training capacity, international expertise should be drawn upon to strengthen the ability of indigenous agencies to design locally suitable training models. Many PVOs are currently struggling with this problem and we think the Foundation should, at a minimum, promote the exchange of ideas, training models and other information among key regional actors. Exchanges with relatively more advanced urban focused agencies in Asia and the United States should also be facilitated.

Continuation and possible expansion of the program is very much dependent on the potential for increasing the grantee pool. In this respect, efforts to support rural voluntary agencies which are pursuing greater urban involvement should be continued and expanded. Similarly, continued and perhaps more systematic encouragement should be given to organizations with large social welfare programs in squatter areas which have an interest in more development orientated approaches. A third group of potential grantees is church related agencies which are showing greater interest in problems of urban development, especially in smaller towns. Finally, local government authorities in secondary and tertiary towns are strategically placed to undertake innovative approaches in such areas as housing development and community revenue generation, but will require strengthened management structures to serve these fast growing populations.

If urban grantmaking is to proceed, it must move beyond support for isolated demonstrations to simultaneously address the plethora of policy, political, legal and economic factors which hinder development initiatives of the urban poor. The Foundation has a flexible mix of programs that can be brought to bear on these issues. These include governance programs, which under its recently redesigned orientation will investigate opportunities to strengthen local government authorities in Kenya's district level development planning systems. The identification of secondary towns as growth points in agricultural development and employment creation is central to Kenya's development planning strategy. Potential Foundation rural poverty programs targeted toward district development committees could be complemented by similar capacity building within small town municipal administrations.

A second issue which the Foundation should address is land ownership and rights. These politically contentious issues in urban areas where land prices are high and speculation rife, could be the subject of special, though necessarily careful program interest. Planned activities by the Public Law Institute, a current Foundation grantee, to undertake legal research on urban land ownership and use would complement the earlier recommendations regarding support to strengthen advocacy among community agencies in protection of their property and livelihood rights. Similar grantmaking opportunities exist at the University of Nairobi in the faculties of urban and regional planning, law, sociology and economics.

Finally, there is a critical need for more and better quality information about the urban problem. Statistical bureaus in both Ethiopia and Kenya should be encouraged to design more detailed survey instruments focusing on urban populations, thereby improving the scope and quality of information available to public and private planners. In addition, socio-economic data on the processes of urbanization and community formation would greatly enhance the work of development agencies. Inexplicably, there are now no urban sociologists and anthropologists at universities in the region, and with the exception of studies on the informal sector, virtually no urban research is underway. The Foundation's traditional support for social science research in the region, and its extensive contacts with the major centers, suggests that it is well placed to stimulate a greater interest in urban research.

Persons Interviewed During The Urban Poverty Program Assessment

Kenya

Mr. Ndeti Kattambo, General Manager
Kenya National Housing Cooperative Union

Mr. B.S. Rihal Singh
USAID/Kenya National Housing Cooperative Union

Mr. Swaleh Jillo, Chairman
Kisauni Housing Cooperative Society, Mombasa

Mr. Francesco Siravo
Ms. Ann Pulver
Lamu Conservation Project
National Museums of Kenya, Nairobi

Mr. Athman Omar, Curator
Lamu Museum
National Museums of Kenya, Lamu

Mr. M. Jumbe, Coordinator
Mr. Ali Baakabe
Lamu Conservation Project
National Museums of Kenya, Lamu

Mr. Mutiso Kilonzo, Coordinator
Village Improvement Project
National Christian Council of Kenya, Nairobi

Mr. Shadrack Kiunga
Mr. David Havens
Urban Community Improvement Programme
National Christian Council of Kenya, Kilifi

Mr. Sam Kobia, Director
Urban Community Improvement Programme
National Christian Council of Kenya, Nairobi

Mr. Tengia Tumuna, Director
Ms. Mishi Karisa, Community Development Officer
Housing Development Department
Municipal Council of Mombasa

Ms. Diane Lee-Smith
Mr. Peterson Kuria
Urban Food and Fuel Project
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Professor M. Manundu
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Ministry of Planning and National Development
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Mr. Gilbert Njau, Director
Mr. Benson Gachuhi
Housing Development Department
Nairobi City Commission, Dandora

Mrs. Monica Mutuku
Community Development Officer
Housing Development Department
Nairobi City Commission
(Visited at the University College of London)

Rev. James T. Rahilly
Father-in-Charge
Dandora Catholic Church, Nairobi

Mr. Pieter Buijs, Financial Advisor
Mr. James Mwangi, Coordinator
Kitui Village Housing Project
Undugu Society of Kenya, Nairobi

Mr. Geoffery Burrell
Technoserve, Nairobi

Mr. Andrew Peppetta, General Manager
Mr. Godfery Kaduru
Mr. Peter Ogolla
Partnership for Productivity, Nairobi

Ethiopia

Mr. Petter Myhren
Resident Representative
Redd Barna, Ethiopia

Ms. Azalech Tekle-Mariam, Project Administrator
Sister Jember Tefera, Health Program Coordinator
Kebele 41 Urban Development Program
Redd Barna, Ethiopia

Ms. Shewaye Woldeyes, Program Officer
Kebele 13 Urban Development Program
Redd Barna, Ethiopia

Mr. Getachew Egziabher, Chairman
Kebele 41

Mr. Teshome Haile,
Deputy Mayor
Municipality of Addis Ababa