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**URBAN MANAGEMENT IN LESS DEVELOPED
COUNTRIES**

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URBAN MANAGEMENT IN LESS DEVELOPED COUNTRIES

1. THE NATURE OF URBAN MANAGEMENT

Better management of human settlements in the less developed countries has become a priority if the aspirations of citizens, governments and the concerned international community are to be realised. Recognition of this need has been prompted by a growing awareness that cities, towns, and villages have functions to perform which are as important as those of rural areas. While urban centres have undergone substantial growth and change, urban systems have been neglected, resulting almost everywhere in conditions which are unacceptable by any criteria. This neglect has not only taken the form of meagre resources for essential actions and indifference to the absence of institutions capable of acting, but it has also cultivated a general vagueness about the specific nature of the responsibilities involved and who will bear them. The call for better management of urban areas is an attempt to respond to past neglect. Yet much remains confused about the purposes, nature, scope, and distribution of responsibilities which may be meant by the concept of urban management.

In a move to clarify the situation, this paper sets out an overview of the current state of urban management in the less developed countries. To do so, it offers a concept of urban management and examines from an overall perspective its existence in the urban areas of the developing countries, thereby presenting a general picture of the practice of urban management in these countries. This serves to identify what it is which must be improved if better management of urban areas is to be achieved.

1.1 A Definition of Urban Management

Management is a matter of taking sustained responsibility for actions to achieve particular objectives with regard to a particular object. As such, urban management can direct efforts toward common goals, glean benefits from co-ordination of expenditures and human actions, focus resources on high priority targets and organise and initiate essential tasks which competition, confusion, inertia or neglect leave undone.

Urban management can husband and efficiently utilise scarce resources, vastly expanding the resource pool available for the needs of urban life.

In the case of urban management, the object is the city or town and only indirectly is management concerned with the institutions trying to manage. Urban management is not the management of local government. Nor is it the management alone of

resources, or of development, or of public services, or of urban growth, or of any other partial urban concern. It is no less than management of the activities of human settlements. And, contrary to what is sometimes said, management is not separate from planning or from development, but encompasses both of these.

A prerequisite for taking any responsibility is to know that it is there and to understand what it entails. Hence, the substance of urban management must be clearly identified, if its responsibilities are to be accepted or assigned and if they are to be carried out. A principal cause of weak management of urban areas in developing countries may be this lack of awareness of what urban management is, what it entails, and who then must do it or might benefit from doing it. Local and regional cultural and historical differences may lie behind very different degrees of awareness, giving rise to some of the variations in the quality of urban management from one place to another.

As suggested above, several fields of management have been perceived in relation to urban areas. The two major ones need to be distinguished, so that the attention given to each in practice can be properly balanced with need. The first is concerned to manage activities within organisations and can be called organisational management. Its objects are organisations - including those of government - which are actively engaged in running a city or town. Its purpose is to achieve quality in the performance of an organisation. Efficiency may be one of the key measures of this performance.

The second of these is concerned to manage the complex bundle of activities which take place in human settlements. It pursues objectives in terms of the results of these activities. Usually these are results affecting human life and production. At best, efficiency may be a secondary measure of performance in this field of management, for it is most important that this management be effective in the achievement of its objectives. It includes the management of the relationships of the various key actor-organisations, seeing them as resources to be marshalled in the best way for best results, like money or skills. This second one may truly be called urban management.

Urban areas are the locale for complex networks of activities essential to basic human functions of living and working. Conditions in cities and towns - those which are deplorable, as well as those which please - are the results of these activities. So is the quality with which an urban area performs functions expected of it. Concern for the goods and services produced and for the conditions which result can be conceptualised as a

concern for the space or area in which these activities are collected. Expectations of how these activities should function together, and of the combined effects which these many and diverse activities should produce in operation, can engender awareness of the need to act to achieve or avoid what is pictured by such ideas. Willingness to match with action this concern for what happens in a human settlement is the acceptance of the responsibility of managing that city or town.

Such clarifications are essential in the current circumstances where management means many things to many people, yet discussions of urban management commonly take its meaning for granted. There is need for a definition of urban management in terms which can become generally acceptable because they are useful. The above definition and associated distinctions are formulated with this purpose and are employed throughout this paper.

Considerable attention has been given to building the capacities of institutions which manage, especially those of local government. Less attention has been given to what the enlarged capacity will be employed to do. If examination of urban management concentrates too much upon organisational management, it will neglect overall objectives for cities and towns and the priorities they suggest; it will neglect the strategies of actions and coordination which will deal with priorities effectively. As a result, organisations may be judged (or made) efficient and effective, but, though governmental and other organisations may be seen to be managing their internal affairs well, they may be achieving the wrong ends or ends of little significance.

1.2 Management Objectives

Objectives give substance to management. Without them there are no problems or opportunities, for they establish what is wanted. They determine what is of concern about the activities taking place in a city or town. They provide the measures to judge products and progress and therefore performance. Strictly speaking, the goodness of management is assessed against its objectives but is not judged by the desirability of its objectives. Because the poor conditions in so many urban areas may not figure in the true management objectives for those human settlements they may, in fact, not be the signs or the result of bad management. There is nothing intrinsic to the concept of urban management which predetermines its objectives.

In response to the obvious deterioration of services, there has been much concern to improve the efficiency and effectiveness of urban government. But efficiency and effectiveness do not provide objectives for managing settlements. Both are incomplete criteria which beg for a purpose. Efficiency in using resources

for what? Effectiveness in achieving what? To look no further than the two is to accept the status quo among competing social forces in urban areas. Improving urban productivity may seem to serve as an answer, but it too is incomplete because it neglects a concern for how the gains of productivity are distributed. Its concern for poverty and environmental degradation is in terms of only the waste of productive resources they imply.

Good governance, in terms of transparency and accountability in its operations and decision making, has also been offered as an objective for better urban management. This too is only partial, for it fails to consider what good urban government would work to achieve. More participation in management by the parties who make a city is being advocated as a means to good governance and to improved management. While the increase in transparency and accountability can work to improve efficiency and effectiveness, the concept of participation in decision making raises the question of whose interests - among those participating and not participating - establish the purposes of efficiency, effectiveness, productivity, transparency, accountability, and good governance?

Despite the unlimited variety of objectives which could be established for management of a city or town, there is clearly a core set which is frequently voiced. Those of improving urban productivity, alleviating poverty, and protecting the urban environment feature in the World Bank's Urban Sector Policy Paper (1991). A similar statement from the UNDP on urbanisation advocates improvement of living conditions in the urban areas of the developing countries, especially by improving the provision of public goods and services to the growing number of poor. (UNDP, 1991) The Urban Management Programme of the UNDP, the UNCHS and the World Bank together aims at objectives of improving access to land, the provision of infrastructure, and municipal finance, as well as reducing poverty and protecting the urban environment. (UMP, 1991) These same organisations and others have called for sustainability in improvements, which in urban areas is not just a concern for ecological sustainability, but the ability to support actions continuously with adequate resources. (See UNCHS, 1990, for example) Through their endorsement of such statements, most national governments - both those offering and receiving assistance - have taken public positions in support of one or another of these aims, even if such aims have not always been honoured in the actions of these governments.

From these various statements may be extracted a set of aims which is capable of encompassing them all. Threading through them is a concern to improve urban productivity and to provide in human settlements better

conditions within which to live, especially for those who are poor, and to do so in ways which are sustainable. This core set of objectives provides benchmarks against which may be assessed attempts to manage urban areas. While only one set of measures, it represents international aspirations to improve the conditions of a major portion of human existence. It describes conditions of social and economic development. As such, it is well placed to challenge other sets of objectives as being partial, less desirable or even trivial.

1.3 Actions of Management

If urban management means taking sustained responsibility for actions to achieve particular objectives with regard to urban areas, the appropriate actions will differ from time to time and from place to place. Application of the objectives of managing to conditions in particular social, economic, political, and physical contexts will reveal those actions which it is most important to perform. These are the priority actions for which good management must take responsibility.

Calls for sustainable cities do not go far enough in that they fail to emphasise that improvements in urban living conditions and productivity must actually be achieved and sustained. Improvements result from actions, not from the potentials implied by "sustainability". The responsibility of management is to sustain the actions necessary for these improvements.

Actions can be seen in two ways: first, as tasks which affect activities taking place in urban areas and therefore which affect the conditions, goods, and services which these activities produce, and second, as key processes of management which cut across and through all of these tasks.

There is a wide range of possibilities for tasks, even as suggested by the core set of social and economic development objectives used here as a reference. What must be done to sustain improvement in living conditions and in productivity covers a wide range of key functions, varying from country to country. In general, to achieve these objectives, the important tasks of management for urban governments are likely to include the provision of water, drainage, sanitation, waste removal, transportation, health-related, security and safety services, and the generation of employment.

Key processes can be present in all the tasks. They are necessary to carry out the tasks. Here they are identified as developing, operating, maintaining, resourcing, planning and coordinating. Like tasks, these processes of management can be given different degrees of emphasis in different circumstances.

Planning orients policies and their actions to

management objectives and to the future; it interrelates policies so that the highest priority actions can be identified. Coordinating schedules actions and arranges for the various agents involved to act in concert. Providing resources secures commitments of money, materials, facilities, personnel, institutions, and information to intended actions. Developing employs some of the resources to create the physical facilities, pools of equipment and social and administrative organisations which the actions require. Sometimes, as when constructing housing, it provides capital goods to urban residents. Operating uses other of the resources to perform services through the physical facilities and organisations created. Maintaining directs resources to nurturing personnel, physical facilities and organisations, so that they can perform continuously. Although developing can create systems capable of sustained action, proper resourcing and maintaining are critical to sustaining the actions which bring improvements to urban conditions.

1.4 The Actors and their Relationships

The responsibility of managing is to see that actions -the tasks and processes - appropriate to the objectives and circumstances are carried out. This does not mean that those who manage must necessarily perform these tasks and processes themselves. While the managers have resources with which to act, their responsibilities can extend beyond to the resources and actions of others. Management can mean bringing about the performance of priority actions by others. Forcing them or controlling them are not the only ways. They can be led or guided to act; they can be persuaded, or motivated; they can be given incentives, or involved in initiatives as partners.

That towns and cities be both productive and satisfactory to live in is rightly a concern of the public sector, and the social benefits and wealth achieved by managing urban areas can provide the resources to sustain management activities. There is a range of roles for the public sector. It may be that of an actor of last resort, when it steps in to do what no other will or can. Or it can be a prime actor, leading or even dictating what the situation will be. The public sector is not alone, however. The principal actors in the management of urban areas of the developing countries can be placed in three categories, as follows.

1.4.1 The Public Sector

The principal public sector managers are central government ministries, public service authorities and corporations, and local governments, plus, in some countries, an intermediate level of provincial government. These provide services requiring collective

action which the other sectors cannot organise without great difficulty, such as overall urban management; at the same time, public sector managers provide services which, because of their kind, quality and/or quantity, return no profits or yield lower profits than will motivate the private sector. This sector also regulates or stimulates actions in all sectors to achieve collective benefits.

The public sector does not have a unified overall view of urban management objectives, even though its constituents are linked in a common structure of government. This is because the members tend to take different perspectives from their different organisations with different sectoral interests. Although it can usually lay claim to substantial resources, this sector rarely is able to match its resources to the scale of its intentions for managing human settlements. It has been best able to mobilise long term development capital, where risks are too high or short term profits too low for the private commercial sector.

1.4.2 The Private Sector

Working through the market mechanism, this sector in capitalist economies is made up of a broad spectrum of organisations which construct, operate and maintain aspects of cities and towns. It includes private commercial companies, in which competition fosters innovation and economic use of resources. These companies are able to meet many urban needs efficiently and flexibly, but they are motivated by profit making which must be competitive with other resource use options. This sector will provide only those services which yield competitive profits and will provide those services only at levels of quality and quantity which maintain such profits. It is not concerned to satisfy needs defined by the objectives of urban management, unless to do so will provide a competitive profit, and it hardly ever attempts to organise the over all management of settlements. This sector has command of the largest pool of resources by far in the developing countries with capitalist economies.

The informal sector is an important element of the private sector in most developing countries. It appears to take part in the management of urban growth and change among low income populations by providing, through households and small scale enterprises, some basic services and considerable housing. Even so, many requirements of the poor go unmet by the private sector, as shown by their appalling living conditions in most cities and towns.

1.4.3 The Community Sector

It is now recognised that the community sector (also called the third or non-profit sector) can perform

significant urban management tasks. Through a variety of voluntary and co-operative organisations, including community based organisations, services are provided, facilities are constructed and maintained, and even some planning is performed. In theory, such organisations should be able to mobilise labour and skills from within their memberships and, even, to tap sources of money, equipment and materials - for example, household savings, privately owned vehicles and co-operatively held land - to which the other sectors do not have access. There are a growing number of cases where this appears to be happening in practice.

Organisations in this sector can aim to serve the public in general or a particular group. They fill gaps in the services of government, providing quality and quantity which are lacking, as well as pursue objectives not taken up by government. Although it shares many of the motives of the public sector, it does not have a corporate structure with which to address over-all urban management objectives: its institutions tend to deal separately with sets of services issues. Though often numerous, the institutions of the community sector rarely have access to resources anything like those of the other sectors.

1.4.4 Their Relationships for Urban Management

The public sector has almost always provided the organisational structure for managing cities and towns. The institutions which develop and operate services for urban residents and activities exist at all levels, from the national through the provincial to the municipal, and commonly, there is little co-ordination between them. Municipal governments have retained dominion over many tasks, but some key ones remain beyond their influence. Often, it has been unclear who has responsibility for managing services and facilities when they have been created, and investments have often been made without concern for the effects one has on another or without concern for future needs.

Shortages of resources in the past have drawn decision making away from local government to central and provincial administrations. This move was supported by development policies which favoured large scale schemes, formulated by central governments and financed by foreign lenders and donors who preferred to work through national authorities. These factors - along with urban territorial expansions which negated the meaning of municipal boundaries and employment conditions which favoured careers in national civil service - reduced the importance and effectiveness of local government. Greater dependence on central government has followed, accompanied by more central control over local affairs.

History, political manipulation and convenience have

shaped the relationships of management institutions. It has been easier to create new agencies than to rationalise old structures faced with new problems, so the tendency has been to tackle problems with unique projects, carried out through special purpose organisations and aimed at particular sectors of public spending, such as housing, water supply and transportation. Such organisations have tended to be independent of municipal governments and their numbers have proliferated. While this approach has had its degree of success, its fragmented character has led to poor co-ordination and inability to cope with the interwoven nature of urban systems, while its independence has separated it from the communities and enterprises affected, and its project orientation has ignored the requirements of operating and maintaining whatever it has created.

In some cases, especially in the large cities of such countries as India and Nigeria, an approach has been adopted relying on urban development authorities or corporations to improve co-ordination and deal with the complexity of multisectoral policies and actions. This has not changed insensitive relationships with communities or overcome the deficiencies of a project orientation. It has favoured the creation of large authorities with wide ranging responsibilities (though within particular areas of management), and this has had the effect of undermining many traditional local governments, skimming off the cream of their staff and claiming some of their revenues. Parastatal companies, which provide services such as electricity, act much the same as these development authorities. Many are highly centralised, so they can be as unresponsive as central ministries to local needs: they can also be as difficult to co-ordinate. By virtue of the foreign assistance they commonly receive, they acquire a degree of autonomy and, because they need not conform to public service salary scales, they can hire away the best public service employees.

Such historical conditions have created very complex relationships between local and central governments in most countries, and equally complex motives for keeping or changing them. Intentions to decentralise responsibilities for urban affairs to individual cities and towns are made extremely difficult because straightforward delegation is blocked by these complexities. This condition - widespread and persistent - tends to be ignored by those in national governments who are alarmed by urban conditions, yet under analysis it emerges as a major obstacle to improving the management of urban areas.

Governments at all levels have tended to view the private and community sectors as having little or no role in the running of urban areas. In a great many cases, this is a legacy of colonial governments, but it may also

reflect the relatively small capacities of institutions in these other two sectors during the early years of independence. As the strengths of the private and community sectors to shape urban life have emerged, public bodies have more often sought to regulate the activities of businesses, individuals, and NGOs, rather than to guide or join with them.

The organisations taking part in managing municipalities from all three sectors are diverse and frequently distant administratively and, even, physically from the places where action is taken. Central government agencies are far from municipal bodies; community groups are isolated from governmental decision making; private sector businesses do not recognise their management roles. Even at low organisational levels, there are problems of poor communication. For instance, design and construction of a facility might be conducted with little contact with the entity operating or using it, and maintenance might be the responsibility of yet a different agency. Maintenance units often do not even have access to basic working drawings showing buried pipes or to operating manuals, and the user agencies might rarely request maintenance, while the maintenance unit might expect client agencies to ask, before it takes action. The distances in these relationships hamper communication to a degree which greatly reduces the possibilities for concerted implementation of management tasks and processes. Moreover, this poor communication casts a shadow upon government attempts to enable actors in the private and community sectors to implement improvements.

Agreement on strategies among several actors is rare: most often, the elements of a single project are decided by a single agency - usually in central government for capital development projects - with a minimum of involvement by others. This reflects a lack of agreement on objectives and, thus, on priorities. The large numbers of agencies which can be involved - in Calcutta during the 1960s, there were 35 municipal bodies and 50 agencies to deal with traffic and transport - are no help and have given rise to the use of special purpose authorities such as the Calcutta Metropolitan Development Authority, which centralise authority. However, their effectiveness depends upon minimisation of their purposes; otherwise, they become so bulky that they fragment internally into many uncommunicating, uncooperative, variously directed departments, competing for staff and financing.

1.5 The Influence of Culture

Cultural characteristics cause these sectors to perform in particular ways. To be appropriate, strategies for fashioning institutions and their relationships for urban management must be formulated with reference to particular cultural characteristics as well as to economic, administrative, and political structures. At least three sets of cultural qualities are of importance: there are those of the population which is served, those of the bureaucracies which provide the services, and those of community organisations.

Like most governmental functions, urban management expects a high degree of co-operation from individual citizens and general compliance with controls and regulations. Cooperation is built upon some measure of approval of the actions of management - though not necessarily of their declared objectives. For example, solid waste collection systems may assume residents will gather together household waste and set it out for collection: the extent to which all households do this, rather than disperse waste on common land, is a matter of shared attitudes. Similarly, the extent to which households will join together in group activities, to construct primary schools, regularly clean storm drains or operate credit unions for financing house improvements, will be culturally determined. Citizen attitudes toward governmental authority and expectations of government responsibilities are also culturally influenced: these attitudes will have direct bearing upon the success of tax collection and of land use and building controls. Effects of controls will, moreover, be influenced by the public views held about the legitimate domains of government and the extent of private individual or group rights: for example, traditional processes of land allocation by tribal clans in Akure, Nigeria, appear to have stifled attempts to operate the machinery set up more than 10 years earlier by land nationalisation legislation. (Ige, 1988)

Among the officers of government there are prevailing attitudes which bear upon the effectiveness of urban management. Governmental officers in many developing countries, generally, do not have a client-oriented view of citizens nor do they have much concern for the quality of services delivered. Performance measurement techniques - which have been applied in some industrialised countries to increase awareness of service quality - are virtually unknown in their governmental services. For example, one view has it that the basic obstacle to maintenance of buildings and infrastructure in developing countries is the lack of a service performance orientation in government agencies: in the absence of such an orientation, facility maintenance is not thought important. (UNCHS, 1988) It is likely that maintenance has become established in some bureaucratic cultures as a low priority, low prestige

responsibility. As such, it fails to attract day-to-day attention and the most competent workers and managers. Orientation to

cost control and efficiency are also frequently lacking in governmental offices, especially where public service has been used as a vehicle to create jobs. Also the poor pay, resulting when minimal resources are spread over maximal numbers, has been thought to create a common attitude that a governmental job holds no responsibility except to its holder, and, thus, is not to be executed with more than minimal effort.

Impersonality in the execution of official duties, which is embedded in the administrative cultures of most industrialised countries, is very different from the attitude in many developing country bureaucracies, where primary loyalty is reserved for friends and family. This loyalty to friends, clan, tribe or family is the basis of the nepotism which is common in governmental service. The effects are both upon staff capacity - when personnel is selected for reasons other than skills - and upon the service rendered which will favour certain groups or individuals (and, of course, lack quality in the event). Widespread corruption in developing countries has become a matter of great concern, because it dilutes efforts to make management effective in its use of scarce resources. Corruption has its roots in a number of conditions common to developing countries - poor pay, traditional customs of gift giving and administrative practices which provide many attractive opportunities for unlawful gain. In many governments, corruption has become so pervasive that it is an accepted mode of behaviour among staff, and, in some situations, it appears to have gained the acceptance of the general public.

Studies are revealing in Africa that many management tasks are being performed in municipalities by traditional non-governmental organisations, each one and its functions unique to its particular city. These organisations offer both opportunities and problems for improving municipal management. Their cultural roots must be understood if their relationships to public sector agencies are to be altered to improve management performance. This situation may well exist in municipalities of other global regions.

1.6 The Need for Better Management

1.6.1 The Roles of Urban Areas

Urban areas are critically important to national economic development. The vast majority of manufacturing and service industries are based in urban areas, providing jobs, incomes and the national product on which a country's economic and social development is based. Transportation, water supply, solid waste and sanitary waste disposal, electricity reticulation and telecommunications services provided by urban areas are essential to the operation of national economic and

social systems. Factories, offices, shops, institutional facilities and other buildings are required, and the urban activities that they make possible are often decisive for national growth in manufacturing, marketing, financial and business services, education and government.

At the same time, human settlements provide housing and social development opportunities for growing populations. However, the swift pace of urbanisation in developing countries has brought in its wake ever increasing demands for urban services and facilities which are not being met. Moreover, cities and towns, by being concentrations of activities, have become concentrations of wastes which now cause alarming levels of pollution to water sources and the air. Living conditions are made worse by the build up of uncollected solid wastes and inadequate drainage. In the urban areas of the developing countries, most of the population is poor; its housing is cramped, unhealthy and dangerous; its drinking water is expensive and inconveniently obtained; its travel for work and pleasure is uncomfortable, time consuming and expensive; its physical environment is unpleasant if it is not actually dangerous. These conditions especially affect the poor who commonly live in areas with few services or with those of the worst quality.

The difficulties of the urban poor, in this regard, will probably worsen - at least as urbanisation increases and the build up of the poor in urban areas continues. It is estimated that, by the end of this century, more than half the world's households living in absolute poverty in the developing countries will be located in urban areas. This will further strain existing service provisions and will also make very expensive the extension of existing services and facilities to these additional urban dwellers.

Cities and towns, which should provide expanding capacity for national production are becoming bottlenecks. For example, it has been estimated that the costs to manufacturing of poor infrastructure, transport and housing in a Nigerian city take up to a fifth of start-up capital.(Lee and Anas, 1989) As important as the achievement of economic growth may be, it is perhaps of greater concern that unacceptable living conditions are the lifelong burden of vast numbers of urban dwellers.

1.6.2 Management Performance

Although the existing urban buildings and service infrastructure of developing countries were created by extraordinary effort, they are still, generally, insufficient for the development tasks at hand and much more so for the future economic intentions of governments. The overall performance of tasks typical of municipal and metropolitan governments has been very inadequate. Tasks equally important but beyond the scope of local

government - such as providing energy, educational services, tele-communications, food and housing - achieve far too little in practice of what is required to make urban areas in developing countries effective and efficient centres of production and satisfactory environments for habitation. Among all these tasks, those of providing water, energy and transport tend to be performed better, while the performance of housing, waste-removal, and telecommunications services tend to be among the worst. As a rule, the urban poor receive a lower quality and quantity of service in the performance of the tasks of management.

Some of these deficiencies arise from technical shortcomings particular to a task, yet there are similar causes which appear in many tasks. These have to do with such matters as inadequate staffing, insufficient financing, lack of coordination, poor maintenance, strategies and policies which are not comprehensive enough and failure to appreciate that the task is one which must be managed. Such deficiencies have to do with the processes which are common to all of the tasks because they are general to management. Failure to perform these processes adequately is possibly more to blame for management failures than technical deficiencies unique to individual tasks.

1.7 Changes

Governments at all levels find it difficult, perhaps impossible, to perform some of the priority tasks of urban management through conventional arrangements for delivery of services. In some cases, the costs of conventional approaches are prohibitive. Administrative capacity is also gravely insufficient. Whatever the organisation of urban management efforts, they are plagued by a lack of resources - human, material and financial. Central government has been providing the bulk of resources for most urban management, and, even then, it has not been sufficient for the rate of growth of urban populations. Worldwide declines in the economies of developing countries and their mounting external debts have caused central governments - urged perhaps by growing feelings of failure - to cut back on their resource support.

One change that is taking place is that many if not most governments are experimenting with the devolution of management responsibility to lower levels of government. However, central governments must give up some measure of control if local bodies are to succeed: this is hard for politicians and administrators of the centre to do. They respond by increasing the powers of local executives appointed by the centre - such as district commissioners - and by rigidly controlling local government salary and staffing structures. In order to be truly local and representative, local governments must be small and, therefore, many.

Small size means small resources, and many in number means problems of co-ordination and communication for central government.

Another change has been occurring among the actors in urban management in developing countries. As is happening in the developed countries, the balance of managerial responsibilities for human settlements has been shifting among the public, private and community sectors. These shifts reflect changes in economic conditions as well as in governmental policies. An increased role for non-governmental sectors is being considered or is already occurring in the developing countries. It is now becoming accepted that the public sector alone cannot meet the needs and aspirations of the entire population for which it undertakes to manage urban activities.

Because of the possibilities offered by the non-governmental sectors, governments are attempting to encourage and stimulate these others to undertake management functions in co-ordination and co-operation with their own limited activities. New forms of public sector and private community sector co-operation (or partnership) are being tried. Governments are surrendering the provision of housing and some services to private commercial operators, and private enterprise is being deregulated. Physical planning and building controls are being made flexible, to encourage and support private sector initiatives. Non-governmental voluntary bodies, such as community organisations, have been encouraged and assisted to perform the planning, operation and maintenance of housing and service facilities. Joint ventures with cooperatives are being undertaken to create housing. Through these relationships and actions, governments aim to enable others in the private and community sectors to carry out important tasks of urban management.

Such shifts have not been without critics. If it withdraws from some activities, government can be seen as avoiding its rightful responsibilities. When social or welfare services are given over to private enterprise, needs and priorities - such as those of improving living conditions for the poor - can suffer in the interest of profits. Relatively inexperienced voluntary organisations will be unable at first to reach the standards of some public authorities.

Others see these shifts as legitimate and creative responses to widespread problems which direct action by government has not been able to remedy. Private enterprise and community based organisations can best target on local, small scale matters, such as the provision of housing and services. However, it is difficult for them to function properly without certain elements of support from the public sector. At this time,

government still must build, operate and maintain most of the roads, trunk service networks, communication facilities and health and educational facilities. It also must be relied upon to guard against the worst effects of unrestricted markets, through the operation of regulations.

A third change of note is the growing preoccupation of governments and aid agencies with the preservation and full utilisation of existing capital stock, rather than with added capacity. This reflects fears concerning the operation and maintenance of facilities created by past investment. It took the severe economic difficulties of sub-Saharan Africa to shift attention to the rehabilitation of old projects. Because some countries might be losing productive and service capacity faster than they are adding to it, this is a welcome shift of direction, even though it remains focused on projects rather than the means to maintain capacity generally.

However, it is likely that programmes of large scale construction are over. Providing an example of an extreme response, the Côte d'Ivoire several years ago deferred new capital projects in infrastructure, in order to save \$120 million and free funds for other management functions. It follows that priority is likely to be given to maximising the continuation of returns from past investments: this will require unprecedented efforts in maintenance and rehabilitation of existing stock.

1.8 Summary

In most circumstances of the developing countries, the management of urban areas can be defined as the exercise of continuing responsibility for actions to achieve sustainable improvements in living conditions and productivity in urban areas. This should not be confused with organisational management, which like so many other ideas of urban management, deals with only a part of the entire management responsibility.

The highest priority actions comprising urban management will differ from time to time and from place to place, as particular conditions and contexts will determine them. These actions are of two kinds: tasks which affect the conditions, goods and services which a given urban area produces (such as the provision of water or education), and management processes which are performed in all of the tasks.

Management has the responsibility to see that tasks are performed, but need not carry them out itself. The actors which perform the tasks of management are of three kinds: governmental or in the private or community sectors. After failing to perform well, central governments are giving up their past roles as leaders in attempting to manage urban areas. They are placing the burden upon local governments, who also

have a poor record as urban managers and who are ill equipped to perform better. In many instances, private and public sector actors are now being sought to take on a greater burden for achieving improvements under the guidance and encouragement of government.

2. TASKS OF URBAN MANAGEMENT

In the following, a generalised picture of urban management tasks is presented, so as to identify the challenge facing urban management and to show the scope and variety of actions which it calls for. The challenge is partly defined by the objectives which motivate the management effort. Here well-known objectives of improving urban productivity and the quality of urban life are assumed, in order to illustrate the effects of objectives on the choices of tasks. The result is a set of activities which is different in many instances from the tasks of governments as currently set down in laws or policies of delegation. This challenge of a management approach to cities and towns is, therefore, not just to broaden the scope of tasks beyond time-honoured responsibilities; it is also to see these responsibilities in terms which are different from those in which governments view their current operations. For example, a task becomes one of providing a supply of water with all that that entails, rather than just continuing the existing operations of treating and piping water to users.

The challenge to urban management also arises from the problems which must be faced in executing tasks and from the generally unsatisfactory level of performance of tasks which prevails. Both of these aspects - problems and performance - are given comment in the following pages.

Regardless of whether urban management is performed by one or by many organisations, it is clear that local government must take prime public sector responsibility, now that central government has shown it cannot provide the resources necessary, that it cannot organise adequate management and that it cannot respond to the specialness of local conditions. So, it is useful to examine processes and tasks from the perspective of local government, in order to shed more light on what is involved.

With this in mind, the range of tasks is presented in two groups. The first contains those tasks which logic and the lessons of experience suggest it could be possible for local governments to take major responsibility. The second group appear to be beyond the scope of most urban administrations. Nevertheless, management responsibility for them must be taken, if sustainable improvements in conditions are to be realised in human settlements.

2.1 Possible Management Tasks for Local Government and their Performance

2.1.1 Provision of Water

Water is essential to production and to life itself. Poor water quality, frequent and sometimes lengthy disruptions in supply, inconveniently located sources and high costs typify water-supply services in most urban areas. Often, the rich receive subsidised piped services, and the poor must buy from vendors at expensive prices.

The general inadequacy of water supply and the inequity of its pricing and distribution signal a prime failure of urban management in most places. This failure is across the range of management processes. The scale of new water needs is not anticipated; additional sources are not located and secured; new treatment facilities are not built until demand has long outstripped supply; existing sources are too often not protected, whether they be ground-water sources, requiring the limitation of development on recharge areas, or rivers in danger of pollution; there is commonly much wastage in current supplies from improperly installed distribution networks and inadequate maintenance; frequently, there exist pricing policies which favour large consumers and encourage wastage in consumption.

Thus, shortcomings in water quantity and quality are generally not due to technical problems but to poor management: for example a study in Manila claimed that 48 percent of water supplied in 1977 was "unaccounted for". Although there could be leaks, about half the current losses could be attributed to administrative weaknesses such as lack of metering or unauthorised connections. (Roth, 1987) Furthermore, many payments are in arrears because of inadequate accounting and enforcement: such ineffective administration together with low water tariffs, has starved water providers of the finances to meet unsatisfied demands. In many cases, water agencies are unable to recycle whatever revenue is produced by user-charges into maintenance of the water service, and this eventually results in substantial losses through leakages and, thus, further losses in revenue. Few public water agencies have been able to obtain sufficient revenues to finance internally a substantial portion of their investment requirements.

Many authorities find it difficult to enforce payment for piped water or to deny water to nonpayers because it is so essential. Aside from the moral problems, the administrative difficulties of collection can be enormous. Sometimes, no attempt is made to charge for the amount used, but charges are billed at rates related to property values or to the supply-pipe diameter.

Low-income communities are frequently served with communal standpipes which are operated and maintained by residents' groups or by franchised individuals.

Where piped water supplies are not available, urban dwellers obtain water from nearby wells or from stagnant or flowing surface water bodies. Many of these are traditional sources which can no longer serve properly the urban populations which have grown around them. Even where supplies are adequate, contamination can be severe and a major source of ill health. Safer deep wells are too expensive to bore and maintain for general use, although communities have contributed labour to the development and maintenance to reduce costs. Little is done to promote rain-water collection where this is feasible.

Where water supplies are extremely insufficient and additional sources are too expensive to tap, recycling of water is not promoted by authorities. Even recycling by industries is rare. Little is done to protect local sources of water from contamination or from actions which will block the recharging of aquifers. Should the need be recognised and policies agreed, as in the strategic land use plan for Madras, building construction is not actually stopped from covering aquifers.

2.1.2 Provision of Drainage

The preservation of natural drains and the creation of artificial ones is a task common to urban governments of all sizes. Simple technology is adequate for basic facilities, and common-sense usually discourages widespread construction in drainage channels. In most low-income residential areas, costs have been saved by using open and, often, earth-lined channels, but, in the poorest neighbourhoods of fast-growing settlements, there are simply not enough drains built. In most urban areas, the prevailing lack of adequate drainage presents special problems for the poor. The sites they occupy are often cheap and affordable because they are liable to flooding. Storms can turn unsurfaced roads and paths into impassable mires, erode roadbeds so that they are difficult to traverse even when dry again and, in some cases where the prevailing sanitation technology does not provide adequate protection, bring about surface dispersion of untreated human faeces.

Inadequate maintenance is all too common, with the result that unclean or collapsed drains fail to channelise flows, and puddling and flooding result. Where drains are concrete-lined and, possibly, closed or covered, it remains a problem to keep them free from blockages by solid wastes and repaired against the crush of carelessly driven motor vehicles. Regular street-sweeping is not performed, where this would reduce drainage blockages as well as remove solid wastes. These tasks typify the

classic problems of urban public-systems maintenance: they are the responsibility of a low-level agency starved for funds, which gives care and cleaning of drains low priority, because there is little immediate consequence of failing to take such action, especially where rains are seasonal. The construction and maintenance of drains do not lend themselves to financing by means of user-fees, because use is general, and the degree of individual use unassessable.

2.1.3 Provision of Sanitation Services and Disposal of Wastes

Waterborne sewerage systems are usually the focus of governments' interests, despite the fact that they serve a minority of the residents and hardly exist outside the largest urban areas. Their capital costs are very high, and where sewage is treated, operational and maintenance costs are usually high as well. In most cases where sewers do exist in developing countries, they are not properly maintained and protected from damage. As a result, sewage is sometimes able to penetrate water-distribution systems, where these have cracks and leaks. Treatment of sewage is commonly not adequate, poor maintenance being a frequent cause.

Health risks are not necessarily increased where very few are served by sewers, for pit latrines and septic tanks can be safe, if properly used and maintained. Perhaps because widespread use of these is seen to take direct provision of sanitation largely out of the hands of public authorities, governments neglect to give technical guidance on the choices of available technology, construction of facilities, and their proper operation and maintenance. Where pit latrines or septic tanks are not suitable because of urban densities or soil conditions, public authorities sometimes operate collection systems. These are rarely sufficiently financed to provide an adequate frequency or quality of service. In many urban extensions, especially squatter and other illegal housing areas, no sanitation systems exists at all and residents use nearby fields and vacant lands as outdoor toilets.

Though solid waste is commonly thought to be no more than a nuisance, uncollected waste blocks drains and provides a breeding medium for disease vectors. In developing countries, 30 to 50 percent of the urban solid waste generated is not collected. (Cointreau, 1982) Slums and shanty areas are where the lowest levels of service are provided because municipal officials give the neighbourhoods of the poor little attention, and the collection workers find less to motivate them in the form of recyclable materials.

Funding of collection and disposal is usually from general municipal revenues. Direct user-charges are not common, because residents consider waste management a basic responsibility of government, and there is no

practical way to shut off service to one who does not pay. Where the service is tied to another service which can be stopped, such as water supply, user-fees are possible.

Solid-waste management often suffers more than other municipal services when public funds are in short supply. Refuse collection and disposal services can take as much as 40 percent of municipal revenues (Cointreau, 1982): yet few municipalities have a system for generating funds for regular maintenance, replacement and expansion of the vehicle fleet. There are substantial capital costs involved for equipment which is usually imported, creating problems of spare parts and maintenance, but, because they lack funds, administrations are attracted by credit arrangements aimed at selling them expensive high-technology vehicles and mechanical equipment.

Most existing systems make inefficient use of equipment, because collection workers are poorly supervised, and vehicles are badly maintained. Usually, there is no planning unit within the institutional structure; records are not kept on maintenance, worker effectiveness, vehicle loads and daily trips. The operation is often fragmented, leading to lack of co-operation: collection is the job of one agency, transfer and disposal another, and maintenance belongs to a third. Though the solutions to problems are frequently sought in mechanisation, the real problems are probably ones of organisation and management.

Hazardous and noxious wastes pose a particular threat to the environment. Manufacturing industries produce liquid wastes which can foul water-courses or percolate into ground-water sources. Hazardous solid wastes, which grow in volume as manufacturing activity increases, are not generally recognised by managers in local government as dangerous and are not removed from public exposure. In addition, manufacturing processes and, even, solid-waste disposal by combustion produce fumes and gases which irritate or harm. Yet, few public authorities recognise the seriousness of the problems which result, much less take actions to reduce these effects.

2.1.4 Provision of Transportation Services

Without adequate movement systems, people cannot reach jobs and producers cannot obtain materials and services or market their goods without wastes. These wastes translate into less productivity and erosion of competitiveness for producers, higher costs for consumers, and less money within households for other needs. Yet governments have been unable to organise movement so that a reasonable level of efficiency and safety is achieved, not to mention comfort.

Institutions responsible for public transportation are relatively well developed in only a few developing countries. The quality of service provided is generally unsatisfactory, requiring passengers to tolerate unreliable schedules, severe overcrowding, vehicles and drivers which are dangerous and fares which are difficult to afford. Portions of cities and towns are not covered by convenient services; their total areas can be substantial.

The fundamental problem for management is to achieve reasonable levels of service, comfort and safety, without incurring costs which exceed the fees which users find affordable. This problem has probably not been successfully dealt with by governments anywhere in the developing countries. Often, the provision of public transport is left to the private sector which operates a variety of vehicles at low standards of safety and comfort but at affordable costs, even if sometimes illegally or semi-legally.

Traffic congestion is widely perceived as the outstanding problem of urban roads. New road construction, road widenings and other substantial improvements are infrequent because of their enormous capital requirements, and the demands they make for specially skilled staff. Road pricing schemes to reduce car numbers can be expensive, but the scheme in Singapore where vehicles with few riders pay fees for entering the central area during peak hours has been working successfully since 1975.

Traffic management, a cheaper way than road investment to reduce congestion, is neglected. In San Jose, Costa Rica, peak hour parking restrictions (especially on bus routes), parking meters, and the designation of loading areas greatly relieved conditions in the business district which had slowed traffic to as little as 10 kph. (IBRD, 1988) Slow moving rickshaws, bicycles, or even animal drawn carts are mixed with cars; busses have to fight with all others for their places. Similarly goods vehicles compete with all others for space. New road construction is not an option for governments as noted, yet management of traffic which would establish priorities for movements essential to production and to greater equity is almost totally absent. Basic technology such as traffic signals is not widely used, and often badly maintained. The larger cities are able to control junction flows with police at key junctions.

Virtually no attempt is made to regulate vehicle loading on major roads in urban areas in a way which would reduce damage to surfaces. This and the common inability of government at any level to effectively ensure construction to design standards by monitoring contractors' work have greatly increased the requirements of maintenance.

Street lighting for safety is better done on major roads, while directional sign posting is intermittent or commonly lacking altogether. It is common for access roads to be of notably lower standard in low income residential areas. They are likely to be unsurfaced or lacking altogether, although reserves for them may be provided.

2.1.5 Provision of Health-related Services

The health of a population is one measure of its social development: it is moreover, a factor in the ability to produce goods and services. The costly and critical nature of health facilities and services make them a matter of governmental concern throughout the world. General living conditions which are conducive to good health also are matters for government, because they cannot be tackled on a household basis.

Governments provide varying amounts of primary health care and emergency medical services through hospitals and clinics in cities and towns. In some cases, concern extends to programmes of pre-natal and post-natal care, care for the elderly and the like. Inoculation programmes are common, especially when a serious infectious disease threatens. However, programmes of food handling inspection are rare, other than in abattoirs. The provision of public toilets is almost unknown in the developing countries. Public health information campaigns are sometimes carried out, but usually by national government.

Some of the key health related functions of urban management have to do with the control of disease vectors. In malarial areas, programmes of mosquito control have suffered badly from neglect. Fly and rodent control are tied to the removal of sanitary wastes and rubbish, and these function as noted elsewhere, are often poorly performed, especially in the neighbourhoods of the poor.

Problems besetting health-care provision are typical of those for urban services. Funds are insufficient, expenditures on the maintenance of buildings, medical equipment and vehicles are neglected, record-keeping is poor, there is too much centralisation of responsibility, and planning is weak. Charging user-fees which recover costs greatly discourages use of services, so subsidies are common to make programmes effective.

Public ambulance services are extremely rare and of poor quality and have great difficulty responding rapidly to calls, because of heavily congested roadways and poor communications systems with which to signal needs. The linking of ambulance services to health-care services is often inadequate, and ambulance crews rarely have appropriate training. Emergency equipment in vehicles is frequently lacking.

As with many other services, the urban poor suffer the greatest deficiencies in access to health-care services. If clinics and the like are not too distant, they are inevitably understaffed and under-equipped. Substantial waiting time characterises services to the poor, which tends to weed out all but the most desperate cases for treatment.

In these circumstances it is not surprising that there has been a rapid growth in health services provided by the private sector. These are almost entirely given to the treatment rather than the prevention of illness and are available only to the minority with incomes sufficient to pay the full cost of the care.

Governments, often at local levels, attempt the application of building and land use regulations, to achieve - among other aims - greater health and safety among urban residents. These regulations strive to ensure adequate sanitation, sound construction, deterrents to fire, the penetration of light and air into and around buildings, the provision of adequate living space, the exclusion of dangerous or obnoxious activities or materials from population concentrations, and limits upon the number of people using available services.

Enforcements of these regulations is most noticeably weak in low income residential areas where sympathy for its purpose is severely undermined by the unaffordably high cost of complying with their requirements. Compliance is also often lacking because of the insensitivity of regulations to local ways of life. Efforts to raise enforcement levels of both kinds of regulations have led to severe acts of building destruction by governments in developing countries. Where this has resulted in the demolition of many houses, it has obviously contributed to worsening housing shortages and has built popular resentment against urban management by government overall.

2.1.6 Provision of Security and Safety Services

Protection of the public from crime and disorder is far less achieved than the numbers of police personnel would suggest. Enforcement of laws and regulations, although given much attention by administrations, is noticeably weak because of widespread corruption and extortion, factors linked to the low pay and inadequate training of police staff. It is not uncommon for police to be the objects of fear and hatred in poor sections of the community, where they receive little co-operation. This compounds their ineffectiveness in dealing with high levels of crime. In the face of a increasing incidence of criminal activity directed at individuals, households, and business premises which police seem powerless to affect, there has been a growth in the private sector provision of security services to those able to pay for it.

Fire-protection and rescue services exist in most cities and towns of any size in developing countries, but the service is usually very poorly equipped and staffed. The few fire-fighting stations may be distant from the mass of residential areas, especially those of the poor. Programmes of fire prevention are virtually non-existent, whether they be public-education campaigns or periodic inspections by the fire-prevention services.

As previously noted when discussing health, building regulation is conducted in almost every urban areas out of concern for safety. It does not involve the expenditure of public funds for capital facilities, except for equipment, and sometimes generates income of its own through application fees.

It is known that streetlighting is given high priority by low income communities, because residents are more subject to physical attack and theft moving about at night as pedestrians and because of the poor conditions of roads and pedestrian ways they must travel. It is a feature of the Bustee Improvement Programme of Calcutta and other slum improvement projects. Minimum maintenance is not beyond the skills and equipment of local authorities, but very few are able to systematically check facilities and respond readily to small failures such as damaged fixtures or expired lamps.

2.1.7 Employment Generation

Employment generation is not usually seen as significantly dependent upon urban management decisions because direct investments by the private sector are more influenced by national policy than local, and because these decisions are often taken in company offices outside the national boundary, as a consequence of the global nature of economic activity. Nevertheless, urban management decisions can be effective in locating new investment thrown up by expansion of the national or regional economy. Policies, such as those of decentralisation of industrial investment or the exploitation of particular minerals or of agricultural potential, may produce industrial development projects managed by central or regional government departments and parastatals. These are funded from general public revenues and at times involve major external borrowing. The response of local government urban managers is typically one of accommodating such new development with services and sometimes land.

Larger human settlements often engage in programmes which provide - sometimes at subsidised costs - land, services, and occasionally buildings in attempts to attract manufacturing and service industry. Even these undertakings may be the products of national or regional authorities, such as the industrial development

corporations of many Indian states or the Kenya Industrial Estates in Nairobi. They achieve mixed success. One study found a high rate of vacancies among the industrial estates created in a variety of urban areas of Kerala, India by a state agency. (Mars, 1977) Kenya Industrial Estates, after experiencing a high take up rate of its properties, appeared to be winding down as financial constraints make it increasingly hard to continue the high levels of subsidy which were involved. (Njenga, 1990) Government land allocated for industrial use in Kano, Nigeria remains undeveloped for the most part and is thought to be held for speculative purposes. Instead, new industry comes up illegally at unplanned locations on the town's periphery. Yet, it must be noted that these programmes do not generate job opportunities so much as they provide physical facilities in support of income-generating activities.

Subsidisation is frequently a key feature of these programmes, although it is commonly disguised as below market rents or prices for publicly owned land and/or buildings. Funds for services, buildings, and land where it is not already in the public domain are usually provided from the budgets of the separate central or regional government agencies responsible for each of these elements, and thus are not raised locally.

Small scale enterprises offer more scope for local management of employment generation, although they are thought individually to have less capability to expand employment and increase incomes as their medium and large scale counterparts. However, they do employ more than half the industrial labour force in developing countries and account for a large part of total output. (Baum and Tolbert, 1985) Some projects, such as those in Calcutta, have attempted to provide space, services, and facilities for small scale industries and services through modified versions of the industrial estate. Spaces at advantageous locations have been created as elements of residential area upgrading schemes for the poor in Brazil and Malaysia. Strategies for improving access to credit have been proposed and in isolated cases implemented, as again in Calcutta. Also, there are some programmes to teach basic business management skills, often run by non-governmental organisations, as in South Africa. Here again, it is not often that such efforts are planned, funded, and operated by local level government organisations. However, there is a growing involvement by NGOs in employment generation through support to small scale enterprises.

There is one area where local management decisions have strongly affected small scale manufacturing and service industry in many cities and towns of the developing countries, but in a negative manner. This is in the regulation of land use to satisfy policies seeking the spatial segregation of residential activities. This widespread practice has resulted in the harassment or

cessation of a variety of activities employing large numbers, many of them poor. Such treatment is sometimes extended to informal sector economic activity which locates itself along major roads to catch passing trade; it is relocated or simply demolished to remove its unsightliness and its interference with pedestrians and drivers. Whereas other management objectives are assumed to justify these actions, in all too many instances it appears that relative costs and benefits are not being properly assessed and weighed when making decisions, in part because neither the institution nor the institutional capacity to do so is present.

2.1.8 Protection of the Urban Environment

Recognition of environmental issues has drawn new attention to a host of persistent problems well known to a variety of disciplines and professions engaged with urban affairs. Examples are poor health conditions due to inadequate water supplies, human and solid waste removal, and surface water drainage, and due to contamination of water supplies by percolation into underground sources or run off into reservoirs or rivers.

The new emphasis given by an environmental perspective raises the urgency to deal with certain of these conditions. Prominent among these is air pollution by dust or ash (from factories or unsurfaced roads) and by noxious gases (from manufacturing processes and motor vehicles). Also outstanding are the dangers of landslides and erosion created by the construction of buildings on hillsides.

It has been noted that there is a link between poverty and degradation of the urban environment, in that low income households reduce the quality of their environments in order to lower their living costs. This contributes to a descending spiral of ecological damage which takes away from the productivity and well being of the urban poor. (Leonard, 1985)

Few, if any, local governments in developing countries have responded adequately to these problems, whether or not they are seen in environmental terms. They have especially been unable to monitor the qualities of air and water and then to devise effective actions for treatment of unacceptable conditions. They have not been effective in separating housing from dangerous industry, relying mainly on regulations which cannot overpower the survival strategies of the poor, who lack access to suitable locations for housing. Governments have rarely attempted to raise public awareness of hazards and to keep the public informed of dangerous circumstances when they arise.

2.1.9 Provision of Other Services

It falls to government to perform a number of tasks which are not directly life-supporting but have important functions in the social and productive framework. These are ones beyond the resources and organisational abilities of individual households, or do not attract the commercial interest of the private sector and must be tackled by government acting for collective interests. The scope of such services varies enormously from country to country and, even, from city to city. Only a few examples are given here.

Unless means can be found of obtaining recreational space free of cost from, say, land developers, there is reason to anticipate that new land purchases for parks and playgrounds will be beyond the means of very nearly all local governments for the foreseeable future. However, even when obtained, recreational areas must be kept up, and although maintenance costs are relatively low, care of open spaces not in prominent locations is given low priority, because the results of negligence are far from dramatic or threatening.

Local markets are often important to the social and commercial lives of the urban poor. Their construction, maintenance and regulation are most often financed from license fees and stall rents. Consequently, their provision and operation are functions which urban administrators often perform reasonably effectively and efficiently.

Wholesale markets for foods can be important to production, retailing and consumption in both an urban area and its region. Although they may be created by the private sector as well as government, there is a significant need for public management to ensure their efficient operation by giving attention to the movement of vehicles to and from them and to services such as waste collection and removal. Only in the cases of a few large cities do governments recognise their roles in such management: unfortunately, this has occasionally given rise to strategies involving relocation of wholesale markets without adequate consideration of the effects on local employment and related commercial activity, thereby increasing other management problems.

In many instances, local governments undertake to plan the arrangement of land uses in human settlements. This is done not only to guide land and building regulations toward the health and safety aims mentioned earlier. It is also done to promote convenience, economy in the use of resources, aesthetic qualities, and other matters of general welfare. Implementation of these plans is generally poor outside central business districts and the residential areas of the minority who are wealthy or middle income. Even there, widespread corruption, favouritism, misused political pressure, and lack of interest by courts and law enforcement agencies have prevented the achievement of many intentions.

Frequently the policies to be implemented are inappropriate to the circumstances where they are applied, so that political and public confidence in the purposes of these plans is badly eroded.

2.2 Management Tasks Beyond the Scope of Local Government

There remain several essential functions which support urban life. In theory, a concern to manage urban affairs would encompass them, to ensure they are performed in the interests of social and economic development. In practice, they seem far beyond the abilities of local governments of the developing countries at this time, and they are usually taken up by higher levels of government or by the private sector.

2.2.1 Energy Provision

Energy is fundamental to life and production in settlements. There are many sources of energy, from electricity, gas and vehicle fuels to the wood and charcoal which is favoured by so many of the poor. All these are generally outside the scope of local government to manage. However, it must be noted that virtually no urban managers recognise the need to establish policies and launch action, however limited, for intervention in, or support of, the provision of energy. Consequently, local government takes little or no part in ensuring adequate present and future supplies of energy for manufacturing and services, nor for the unmet needs of residents, especially the large majority of poor, who in many instances, are facing a future of severely depleted sources for their firewood or charcoal.

Few developing countries are provided with gas through public-service systems, but most medium and large-sized urban areas are electrified. The provision of electricity services has commonly been afflicted by inadequately skilled staff, bureaucratic bottlenecks in operations, slow decision-making and political interference, but the importance of any one of these factors will vary considerably from country to country. Planning, development, operation and maintenance of electricity provision to towns and cities are usually carried out by a large company or authority which is state-owned. These are usually done with little co-ordination with other efforts at urban management. It is common to find illegal buildings which have been given power supply connections and even more common to find squatters who have made illegal connections to their houses. Given the widespread failure of urban managers to provide for the needs of the poor, a lack of co-ordination such as this can be an actual benefit to low income groups.

Funding makes heavy claims upon internal and external financial sources, and capital outlays in the energy

sector, in general, are expected to continue to grow rapidly. Most energy enterprises experience weaknesses of inadequate revenues and excessive costs to which overstaffing is a large contributor. They have tended to lose their ability to generate their own financing, because tariffs have not been raised to meet sharply rising fuel costs. There is little managers at local government level can do about these problems, because energy provision and distribution are largely outside their domains.

2.2.2 Educational Services Provision

Although education is essential to building productive capacity, public sector schools almost everywhere are short of space and staffed by teachers whose low pay discourages dedication and quality. Probably, no local government in developing countries can claim resources sufficient to change this situation. The necessary geographic scope of an educational system and the scale of resources required are reasons enough for education to remain beyond the capability of local government in most developing countries for the foreseeable future. Also, planning of education at a local level is difficult, because information is usually poor on the availability, use and condition of facilities and equipment or on unit costs, sources of finance, educational results or careers of school leavers.

Recently, the largest portions of many national budgets was going to education. Most of this is financed from public funds, principally from general taxation. In some cases, fees have been charged for primary schooling, but these rarely cover more than 10 to 15 percent of recurrent costs. (Baum and Tolbert, 1985) A higher proportion of costs of secondary schools tends to be met by fees charged to users' families.

2.2.3 Provision of Telecommunications

Communication is so essential to social life and production in an urban area that, when it cannot be had readily through telephones and the like, it will be achieved through journeys which are wasteful of time and of transport system capacities already overtaxed. However, the nature of telecommunications systems dictates that they be operated at the scales of regions or nations: consequently, they are not managed locally.

Though there are cases of it being clearly otherwise, telecommunication systems in developing countries tend to be restricted and backward. Frequent breakdowns occur, making service unreliable, and widespread public and private access to lines is lacking everywhere: despite its importance to national economic development and a large unsatisfied demand, the provision of telecommunication services has been accorded low priority. Though costs are paid through user-fees, these are rarely set at appropriate levels, and their collection is

not adequately carried out, starving the authorities of new funds.

2.2.4 Provision of Food

All but the smallest of rural settlements are unable to produce the food upon which their people thrive. As vital as is the provision of food, it is rarely recognised to be a challenge requiring the attention of urban management. This is so even where malnutrition within cities and towns is common and when shortages of basic foodstuffs occur with regularity.

These two greatest problems are created by events and circumstances well beyond the control of local government. Virtually no effort is made by urban managers at local level to deal with them except to take part in food distribution occurring in rare famine relief projects. However, little attention is paid to the ways in which urban dwellers supplement purchased foods with others grown within urban areas, a practice affected by government actions which other management concerns prompt. Those most affected by shortages, malnutrition and interference with intracity basic food production are the poor.

2.2.5 Provision of Housing

Housing conditions for most urban residents in developing countries are commonly not up to a reasonable standard and too often are appalling. The prevalence and growing numbers of slum and shanty town dwellings are widely known, and too many occupy sites with higher exposure to such threats to health and safety as arise from pollution, landslides and flooding. This is a result of the failure of strategic planning and infrastructure management in human settlements. However, it is also a result of the lack of access to land for growing numbers of people requiring urban housing. Land record systems which are fundamental to a workable process of land transactions are very often inadequate or altogether lacking.

Most countries have public programmes which claim to provide shelter. These programmes vary from the construction of complete houses, through the provision of subsidised serviced or unserviced plots, to the provision of credit and technical advice for self-help construction. The application of inappropriate standards of construction and land development has usually caused projects to miss most of their target groups among the urban poor because the intended recipients have been unable to afford the results. Now, some policies attempt to lower costs to users by changing to standards which permit cheaper materials, gradual development, low land consumption per unit and lower cost locations.

Even so, governmental programmes to construct houses have rarely provided for more than 10 percent of annual demand and have clearly failed to have effect upon the lowest income groups where need is greatest in both quantity and quality. (Baum and Tolbert, 1985) The continuing presence of poor housing conditions, the frequent occurrence of squatting or of illegal structures, and the growing numbers of households in these circumstances are clear evidence that governments are generally performing this management task badly. The scale of expenditures involved in constructing housing and purchasing land for it, and the dominating charge it makes upon household incomes have caused housing development programmes to be rich sources of personal gain and political favouritism. This has continually diverted the benefits of most programmes away from the low income households which were their targets.

2.2.6 Protection of the Regional and Global Environments

Emphasis on environmental matters has identified towns and cities as concentrated sources of damage to systems in their regions and of contributions to global ecological threats. Excessive deforestation to provide fuel for urban populations, the fouling of water courses with insufficiently treated human and industrial wastes, factory chimney discharges which produce acid rain, and motor vehicle emissions which add to the destruction of the ozone layer are frequently cited as examples.

In the developing countries, these are situations which cannot be properly addressed by the governments of urban areas themselves. The consequences of their continuation may bear very little upon the living conditions or productivity of a given city or town, whereas the costs of ceasing them may very well do so, or may reduce the resources available for the highest priority tasks. Some of these consequences are really quite marginal coming from urban areas in the developing countries, as in the case of motor vehicle emissions which affect the ionosphere.

Nevertheless, where there is strong reason for a management response - such as with contamination of a water source used by others - higher levels of government have typically done little more than profess concern and perhaps undertake studies of conditions. Financial and technical assistance is not made available to local governments so that they might better tackle the causes of environmental degradation.

2.3 Summary

If cities and towns are to be effective and efficient centres of production and satisfactory environments for habitation, important tasks of urban management for local governments are the provision of water, drainage,

sanitation, transportation, health related, security and safety services, the generation of employment, and protection of the urban environment. The overall performance of each of these in developing countries is often very inadequate. Providing energy, educational services, telecommunications, food and housing are equally important but generally beyond the scope of local institutions. These, as well, achieve far too little in practice. Whether the result of government management or non-governmental initiatives, the tasks of providing water, energy and transport tend to be performed better, while the performance of housing, waste-removal, and telecommunications services are commonly among the worst. As a rule, the poor living in urban areas receive a lower quality and quantity of service in the performance of these tasks.

Although some of these deficiencies arise from technical shortcomings particular to a task, there are similar causes which appear in several tasks. These have to do with such matters as inadequate staffing, insufficient financing, lack of coordination, poor maintenance, strategies and policies which are not comprehensive enough and failure to appreciate that the task is one which must be managed. Such deficiencies have to do with actions common to all of the tasks because they are general to management. They are examined in the following section as general processes of management.

3. PROCESSES OF URBAN MANAGEMENT

Every task of urban management seems to require the performance of basic processes which they have in common. Here they are identified as planning, coordinating, resourcing, developing, operating, and maintaining. Planning and coordinating arrange what is to be done, resourcing provides what is used, developing provides what needs to be created, operating delivers goods and services, and maintaining sustains the operations.

Whereas the others, in principle, can be wholly performed by other actors under the watchful eye of the urban manager, substantial planning and coordinating must remain with the manager. The responsibilities of managing are to determine what needs to be done (which means settling on objectives and priorities), arranging that it is done, and then ensuring that it is done. To do this, the various elements being managed must be put together to gain the power of their coordination and cooperation. Setting priorities is critical where resource limitations are crippling results. Planning and coordinating, which arch over all of the other management actions, perform these functions.

3.1 Planning

Planning looks to the future with certain objectives in mind, recognises the interrelationships among all matters within the universe of interest (including the relationships among the various acting organisations), identifies present and future problems and opportunities, considers various sets of appropriate actions and recommends the selected action sets. It is most effectively done from a perspective which views all tasks together, encompassing the totality of management activities.

In its over-arching position, planning is a process of urban management which gives strategic guidance to ongoing activities as well as to growth and change. An orientation towards social and economic development is consistent with the needs of the less developed countries. From objectives such as these, criteria can be obtained to set priorities for management tasks and processes. This means formulating policies about the location of new construction, about additional or improved services and about the social groups which will be the beneficiaries of services. These must be policies which appreciate what is happening in urban areas and anticipate where trends will take affairs. This planning process is necessary to provide the rationale for all the tasks.

A prime function of planning is to continually set priorities among objectives, tasks and processes. Priorities will arise from the character of the objectives of management, of the conditions it is attempting to manage, and of the context in which management is operated (the actors involved, their relationships, etc.). Consequently, it is doubtful that priority concerns can be pre-determined for any particular town or city, although that is the implication of some approaches. For example, the Urban Management Programme of the World Bank, UNCHS, and UNDP singles out for attention elements of urban land, infrastructure, finance, and the urban environment. (UMP, 1991) It is more likely that priorities will vary from place to place and from time to time, with the consequence that an essential function of managing an urban area is to establish and maintain a sense of what are the priority concerns. Of course, it follows that the tasks which logically deserve the greatest attention are those which respond to the priority concerns.

Planning, as an over-arching urban management process, probably does not occur in the developing countries. It is rare enough in developed countries where attempts at it, such as in corporate planning as practised by U.K. local government, have failed to realise its potential. In only a few instances, such as in Metropolitan Manila, forms of capital programming have been attempted to plan and co-ordinate the public investments of a multitude of agencies and departments, though there is

little evidence that these new practices will be sustained.

Even so, these attempts fall short of planning such as that which envisages future levels and kinds of service provision, which formulates programmes of operation and maintenance as well as of capital expenditures to reach them, and which arranges coordinated actions among the actors of the governmental, private and community sectors. Performed from an administrative position where it embraces many agencies, their tasks and their resources, proper planning can define problems and opportunities and formulate strategies which link the intentions of many actors.

Even in a very simplified form, this process is hardly performed at all. Its closest approximation is the planning, often performed but far less often implemented, concerned primarily with guiding the physical changes in cities and towns. However, such planning has conspicuously failed to provide effective guidance, even within that limited scope, largely because it has usually been conducted as a self-contained technical function in areas of bureaucracy distant from political and administrative decision-making about management. It is not practised at administrative positions in government where it is easily recognised as a management process. Buried in local authority departments of engineering, works, town planning or physical development, or in equivalent central government ministries, its purposes and potentials are not generally appreciated by senior administrators. This physical planning is viewed as a device for instilling and maintaining order and aesthetic appearance in the arrangement of land uses, buildings and the movement of traffic, but not as a component of a process which guides the coordination, resourcing, development, operation, and maintenance of management tasks, like those examined in the previous section of this paper.

In all but the largest cities of the developing countries, the fragmentation of urban management responsibility has dispersed attempts at planning, and it has avoided confrontation with the question of where urban management as a whole should be trying to lead events. There are no offices or officers of government assigned responsibility for an overall planning process - other than as subsumed in the overall brief of a chief administrator - and there are no skills acquired for this purpose.

3.2 Coordinating

Coordinating, also over-arching all tasks and processes, joins together the actions of several agencies and establishes programmes and budgets. It links various acting organisations in defining overall priority needs and opportunities, in deciding what is to be done and in performing actions in the right sequence at the right place. Actions are ordered in time by programming and

matched to likely available resources by budgeting. Coordinating puts great stress upon creating and strengthening lines of communication and increasing the flow of information along them. One outstanding function of coordinating is to connect priority concerns of management rather than treat them separately, in order to gain greater efficiency and effectiveness.

The complexity of urban situations - and, therefore, of useful responses to problems and opportunities - gives coordination a key role. Actions will inevitably be divided among many organisations and, yet, must be performed in concert for efficient use of resources and for effects to be realised at necessary points in time, since few developing or operating programmes will achieve their intended purposes unless concerted action is taken. In the developing countries, it is common to find there is joint responsibility among different levels of government for the same service. Turkey provides an example where streetlighting - obviously local in nature - involves all tiers of government, with local government sharing with central government the funding and with a national agency providing the planning. (IBRD, 1988)

The other key processes of urban management - resource generation, development, operation and maintenance - each require continuous complex interaction and co-operation among a myriad of actors, but few structures for urban management in the developing countries are set up to achieve this. Adequate coordination builds in maintenance considerations at the design stage and consolidates information from various sources in order to monitor maintenance needs. In the process of resourcing, co-ordination provides the basis for capital programmes, operating budgets, packages various requests to the same fund sources and organises cost recovery for the expenditures of several agencies.

Appropriate coordination needs to be envisaged in the planning process, because the most effective and cost-efficient programmes frequently require attention to several normally separated areas. In reality, actors are placed instead in competition with one another for limited funds, skilled manpower and equipment. Moreover, as noted above, planning is not adequately used for management, although it is one of the most powerful mechanisms for rationalising competition and weakening perceived divisions between actors. Transport is a prime example: problems of access and equity require integrated treatment of private vehicles, taxis, buses and, perhaps, trains as well as traffic management and improvements to road and rail networks, plus concern for how land is used. However, the reality is that these activities are all fragmented in different agencies and dealt with in ways which conflict rather than reinforce.

Coordination reduces the waste of duplicated actions in developing and operating. Where conflicts occur, they can be reduced or removed. Moreover, a variety of acts can be ordered and timed so that they are mutually reinforcing, achieving more results for the same efforts and expenditures. In fact, most development and most operations essential to good urban management require diverse actions by a multitude of actors, so they are impossible to perform without a degree of coordination.

3.3 Resourcing

Proper resourcing is essential to sustaining the actions which improve urban living conditions and urban productivity. Ways must be found to provide ample resources continuously for as long as a problem exists or an opportunity is not fully exploited. Beyond the needs of new problems and opportunities, resources must be continuously available for operating existing services and for maintaining the facilities and institutions utilised. Strategies produced by planning must reflect this. A concern for sustainability is partly a recognition that managing, itself, is continuous.

The major resources required for urban management are human, financial, material, institutional, and informational. The skills and capacities of human resources are to be found not only in government but in the private and community sectors. Sources of finance are similarly in all three sectors. Land available to the three sectors is the most important material resource, but facilities, equipment and materials are also of concern. Important institutional resources encompass organisations in the three sectors, their frameworks of formal relationships and legislation which grants powers to organisations. These include powers to buy and sell, to tax, to borrow money and to utilise generated revenues. Institutional resources also include powers to regulate such matters as land use, building construction, public-vehicle operation and water tariffs. Information may be the only significant resource which some actors can contribute to the urban management process. This is especially true of community based organisations, but may even be the case among government agencies such as those which perform planning. Flows of information are critical to management, such that the quality and quantity of this resource may determine the effectiveness and efficiency of management efforts.

3.3.1 Human Resources

Human resource problems have been not so much lack of staff as lack of proper skills, capabilities and attitudes. Governments in developing countries have tended to employ large staffs at all levels, prompted by desires to maximise employment opportunities, but technical abilities needed for the operation of the tasks of urban management have commonly not been adequate to

sustain expected levels of service. This has resulted in inefficiencies which have raised costs and delivered service of poor quality to beneficiaries.

Too many governmental officers, at all levels, are notably deficient in attitudes which sustain or improve service delivery and its management - impartiality, honesty, service orientation, self-motivation, risk-taking and efficiency consciousness. Particular inadequacies have been noted in those skills required to manage properly, especially skills of planning and maintenance.

The development of managerial skills deserves to be singled out for particular attention. Appropriate styles of management vary from one culture to another, and some of the needed skills will vary from place to place. In general, however, the management of human settlements requires familiarity with a range of processes, from planning to maintenance, in which formal training is rarely provided. Furthermore, this familiarity is not often experienced, since many managers come from the ranks of specialists: yet, it requires broad perspectives across many sectors of investment and across periods of time. Managing is dynamic, requiring initiative and risk taking. It requires interpersonal skills, because the basic material it works with is people, and it requires political skills, because of the competition for resources directly and indirectly managed. A manager is not a specialist: he or she must manage specialists each of whom has responsibility for a single resource or service or part thereof. This kind of management requires particular knowledge about urban systems - how they operate and interrelate and how the requirements of those systems are linked to objectives such as economic growth and improvement of living conditions. These requirements define a high level of technical competence and judgement, but, because of the low salaries, of the general shortage of highly skilled officers in government, of the extreme rarity of appropriate experience or training and of hiring practices which favour other characteristics than skill and ability, few persons in developing countries with urban management responsibilities have these characteristics.

Hiring practices in governments have too often sought to obtain a job for a particular person, rather than to obtain the proper person for the job. Salaries are generally low at all levels and unable to attract or hold good staff with technical and managerial skills. Local government suffers doubly in finding and retaining skilled and experienced staff. It is clear that highly trained personnel commonly leave public service to work in private firms for larger salaries. This has created an obstacle to building and sustaining institutional capacity, leaving the efficiency of many training programmes in doubt. Moreover, it is disruptive of continuity, adding another element of inefficiency, as new staff members must learn procedures, experience, relationships and so on for themselves and must

structure their personal working networks. However, competition is not just with the private sector. Local administration is equally constrained, because competent personnel prefer to work for central government: part of the preference is for the higher salaries which higher levels of government can afford, because of their superior access to revenues.

Local governments tend to be overstaffed at low levels of skills and understaffed at high levels. Consequently, planning and supervision of technical services and financial administration are usually poor. This means that, with regard to a function such as maintenance, there might be adequate staff numbers to undertake the tasks but that there is a shortage of management attention, which produces neglect.

Training programmes have been used, to some extent, to upgrade skills at all levels of government, although, until very recently, most emphasis has been placed on central-government employees. Staff training has, in some cases, been offered in classical disciplines, such as architecture and engineering, rather than in the operational requirements of managing urban services, such as traffic management, community organisation and cost accounting. Processes of planning and maintenance have been given very little room in training programmes: training for urban planning is almost always about physical development and land use, and not about the full range of urban management concerns, while maintenance has tended to be neglected, in favour of training for skills used for new capital development projects.

3.3.2 Financial Resources

Financial resources take the form of income generated by an organisation, grants to it from outside, and the loans which it can raise. Governments generate funds through such devices as taxes, user fees, license fees, and betterment levies. Some, as in Zimbabwe and China, are urged to be entrepreneurial with resources such as land and facilities to earn income, but this is still uncommon. Private sector businesses and individuals draw from their earnings, whereas community sector organisations can at best obtain donations from their supporters and income from any assets with which they are endowed. Grants to government organisations are usually from the income generated by government at a higher level. National or international parent organisations give grants to institutions in the community sector.

The funding of capital projects and operations in urban areas in developing countries has usually been carried out in the absence of adequate planning, the Integrated Urban Infrastructure Development Programme of Indonesia being a notable exception (van der Hoff and Steinberg, 1993). Projects are given priority for calls on

money and manpower without regard for the part they might play in a developmental or operational strategy. Operations tend to be funded on the basis of historical commitments, rather than with an eye to new purposes and priorities, and not as part of coordinated programmes. Sources of funding tend to reflect the somewhat isolated quality of individual projects and operations - water distribution from user fees or a central government ministry, streetlighting from a central government grant and local taxes, for example. Since successful funding is the prime mover of action, this situation of separateness has the effect of removing much of the control of action to many different centres.

The costs of developing public facilities and operating public services have been funded from central government sources, often in the form of grants financed from taxes. Where funds were lent, repayments have usually been extracted as user fees, as in the cases of electricity or water supply, from local taxes, such as on property, or from various licensing fees (although these have not often been sufficient to recover real costs, especially if interest-rate subsidies are acknowledged). However, in most countries, funds from central governments are declining, reflecting a fiscal crisis at that level. Only in a few cases are central governments shifting resources with responsibilities when they decentralise: responsibility is being handed down without the matching revenue raising authority.

Programmes of grants from central government are troublesome in several ways. The grant level can fluctuate unpredictably from one year to the next, making budgeting extremely difficult. Grants can be designated for capital-facility construction, inducing local governments to construct new facilities which they cannot operate and maintain. Grants can cover deficits in operating expenditures, effectively rewarding poor fiscal performance.

Too much dependence upon (or unexpected increases in) grants can bring about poor use of them, as was found in Nigeria. When its grant system was expanded enormously during the late 1970s, federal funds were diverted to unauthorised uses without consultation, large increases in state-government salaries were approved, local budgets were delayed because they were brought under strict control by the states, and the size of the grants acted as a disincentive to local authorities developing their own sources of revenue. (IBRD, 1988) Grants also can discourage efficiency at local levels - as was the case in Sri Lanka and Indonesia, where virtually all local staff salaries are paid without regard for the financial health of any single locality, thus stimulating growth in employee numbers without necessarily benefiting local-government capacity. Reliance on grants can reduce local autonomy, as in Colombia,

Ecuador and Mexico. Local governments tend to see them as substitutes for taxes and user-fees which they must impose, so they reduce the accountability of local government without giving it assured sources of revenue.

Local-government borrowing is at a low level: in some cases, local governments have not been incorporated in a way which gives them the legal status to borrow. Although one study of large municipalities in developing countries has shown that only a very small percentage of local revenues was obtained through loans, large municipalities are more likely than small ones to use debt-financing. In any case, there are limited opportunities for local governments to find loans in most developing countries. National governments are short of capital even for loans. Commercial banks are generally small and may be encouraged by government policies to favour private sector activities. Moreover, both the institutional structures and the experience are lacking with which commercial banks can assess the credit rating of local governments.

Most local governments do not have adequate revenue-collection authority. Central governments usually let local governments employ only a few revenue sources and subject these to limits (in Thailand, for example, central restrictions on local tax rates caused the percentage of local expenditure financed by local sources to decline between 1977 and 1982 (IBRD, 1988)), and most local governments obtain poor yields from the sources which exist. The combined result is financial resources far below the level required for funding local services and for paying back loans. Another significant problem arises when there are too many individual revenue sources. Then, it is difficult for a local authority to concentrate its efforts on obtaining good results from sources with the most potential.

Property taxes are an important source of revenue for most local authorities; however, collection rates are low. Available data indicate that urban local governments in developing countries generally obtain only 5 to 25 percent of their recurrent revenues from property taxes. (IBRD, 1988) Furthermore, in most Asian and Latin American countries, it appears that property-tax revenues have declined in real terms. Property tax has advantages as a source of local revenue. All municipalities have some taxable real estate within their jurisdictions, and, even in small towns, there is a broad property-tax base which allows tax to be spread across a wide spectrum of the population and a low rate to be used. Because improved services increase property values, taxation based on good property valuation recovers service costs directly from those who benefit, and, when it is desirable to lift the cost burden on the poor, this can be done easily by tax exemptions. However, improvements in taxes on property fact strong

opposition from property owners whose political strength reflects their roles in the local economy. In less developed countries, where commerce and industry are relatively weak (or have been until recently), property owners can dominate local and national government decision-making.

Taxes on commerce, industry and the professions are often important local revenue sources. Local taxes on industry, commerce and services contribute over 80 percent of revenue to San Salvador and over 50 percent to La Paz. (IBRD, 1988) Business licenses are the second largest source of locally generated revenue in the Philippines, but few local governments in the developing countries apply broadbased sales taxes. (IBRD, 1988) Central governments often prohibit it, and, in any case, sales taxes are difficult to administer.

User-charges account for about one-third of all locally generated revenues in a sample of 25 cities in the developing countries. (IBRD, 1988) User-charges directly assign the costs of infrastructure and services to beneficiaries, spreading the responsibility for costs equitably, increasing the demand for accountability and reducing the need for general local taxes: although well-suited to finance local government, they are often underutilised. The Colombian cities of Bogota, Cali and Cartagena have been exceptions, but, the procedures there might be losing their effectiveness under the weight of growing populations of the poor and declining economies. The betterment-levy system operated by the city of Cali, since 1946, is reported to be facing a crisis, because it cannot recoup the total costs of investments serving low-income residents, especially in its illegal settlements. This occurs despite cross-subsidisation from wealthy areas. (Alvarez, 1987) However, by charging a price which exceeds the average cost for one service, some cities have been able to create surpluses to be used for other spending programmes. This was done in Jakarta in the early 1970s and in Nairobi. (IBRD, 1988) Difficulties with user-charges are in their administration and collection, a situation very similar to that of property taxation. Betterment taxation in Jakarta has suffered because the tax department has been slow in giving notice that an area would be improved, because it has been difficult to trace landowners where transactions have been illegal, and because there are no adequate data on land values. (IBRD, 1988)

Private-sector performance of tasks can tap different sources of financing by going to commercial banks. However, as noted already, banks are not yet able to provide a large pool of investment capital in most developing countries. Therefore, both the private and the public sectors depend upon the private-household sector to supply the financial system with long-term savings, and, with few exceptions, the magnitude of such savings is not great in the developing countries. In many

of them, there are forced savings schemes - the most famous of which are the Brazilian and Mexican housing banks - and some of these earmark funds for urban areas, usually for housing and related infrastructure. These schemes, it should be noted, are created by government. The private sector is forced to operate on the basis of extracting adequate fees from users of its services and it will not carry out cross-subsidisation to any great extent, although this is not unknown in education and health care. Consequently, its activities are limited to areas where profits are possible and user-fees can be assigned and extracted without great difficulty.

The community sector is very limited in its ability to obtain funding from sources other than government or the private sector. Fund-raising that makes direct appeals to personal household savings in developing countries cannot bring substantial sums to many community-sector organisations. Some are able to obtain grants from developed countries through the international-community network, but this is most often on a project-by-project basis. Operating funds are from the same sources, perhaps supplemented by small user-fees or membership subscriptions.

Financial management requires the information provided by accounting systems. Rarely are these systems designed to show the relationship of funds expended to services provided. Instead, they are used to restrict the spending of funds to authorised line items. Where programme accounting exists, it almost always lacks automation to reduce the delays which now make much reporting almost useless. In any case, local authorities cannot fill accountancy posts or cannot fill them with qualified personnel, and they are not able to substitute computerisation to compensate.

Budgeting by local authorities is, in many cases, not adequately supervised by central government. Most countries require submission of annual budgets from local governments, but few carry out detailed examination of these budgets and monitor compliance with them. Local budgets tend to be revised many times, rendering them almost useless as agreed programmes for expenditures.

3.3.3 Material Resources

The important material resources for use in urban management are land, facilities, and a number of key pieces of equipment. Although given less attention than financial resources in practice, good management recognises that these, along with human resources, are ultimately what are utilised in the performance of most management tasks. This lack of proper attention is reflected in the common failure to adequately maintain the facilities and equipment which are available.

Land has become a major problem for urban management. Colonial history and/or traditions of group ownership endowed many governments with substantial resources which have now been severely depleted. With very few exceptions, such as land banking in New Delhi or nationalisation of certain classes of land in the urban areas of Iran, there have been no substantial programmes to replenish supplies in recent years.

Very often, the supply has been squandered through allocation of large land parcels at prices that did not represent replacement values, much less the real market prices. Much land has been dispensed to favourites of successive governments, in order to consolidate political power. Yet, at a fundamental level, it appears that decision-makers had no good sense of the pace of urban growth and of the role which land would play. Few set up programmes to finance future land purchases; few anticipated the rises which have occurred in urban land prices - often fuelled by other governmental policies stimulating urban growth or restricting the supply of land for particular urban uses - until levels were reached which made substantial purchases in advance of urban development impossible. The consequences have been widespread: in most cities and towns of the developing countries, government lacks land in the proper locations for new public facilities, such as schools and playgrounds, and for public systems, such as roads. Land purchase is no longer an option for most governments: in most places, it is too late to build a land bank as did the Delhi Development Authority.

Other devices are in use which provide a small degree of help. In several cases, where land-use controls have strength, private landowners are forced to provide land for public purposes in exchange for permission to build or to build in ways not usually permitted. The governor of metropolitan Jakarta has not allowed private housing development unless it provides land for community facilities. In many places, subdivision regulations require private land to be given up for roads and, sometimes, for community facilities and open space, although practice is usually not as good as theory, especially in low-income areas. Urban land readjustment or land pooling extracts public land from private ownership in the few countries where it is successful. Over-all, there is growing widespread evidence that adequate amounts of land for public-sector programmes of all kinds cannot be obtained with the financial resources and political will at hand. Reports from city after city echo the situation in Jakarta, where governmental planning of schools and the like cannot be implemented, because there is far too little money with which to purchase sites in a market of skyrocketing prices.

Land available to the private sector has been rapidly rising in market cost. This reflects a growing scarcity of urban land in relation to demand. Significant among the bottlenecks obstructing an adequate flow of urban land into the market are the absence of adequate land registration systems, the uncertainties created by co-existing multiple land ownership systems, the lack of sufficient public services to make land usable, the constricting application of land use controls by governments, and speculation by elements of the private sector itself.

Within the community sector, religious organisations sometimes possess substantial supplies of land. These are utilised from time to time for urban development projects, but are not noticeably being replenished. An exception appears to be the continuing donations of land from individuals to organisations of the Muslim faith in some countries.

Facilities and equipment have been a major product of development efforts. Nevertheless, they are in short supply compared to the need. They are resources which are consumed slowly if properly maintained, and maintenance is usually cheaper than replacement. In Nigeria, the Middle East, and other places, at one time, extraordinarily large amounts of available investment capital and shortage of maintenance capabilities encouraged rapid exhaustion of plant and equipment. Now, maintenance is still lacking, rapidly reducing a resource which it is difficult to replace, because funds for replacement no longer exist.

The public, private and community sectors each possess substantial plant and equipment which can, and do, play a part in urban life and production. Many of these have a capacity for additional use which is not commonly acknowledged. This applies particularly to government schools, playgrounds, and even some offices, to some offices of business and commercial meeting places such as cinemas, and to the places of worship, other meeting halls, and open spaces of the community sector.

Buildings, machinery and equipment lend themselves to sharing. Although experience has not been recorded, it is likely that some sharing does take place - of offices, vehicles, photocopying machinery and computers, for example. For any single agency to share the plant or equipment of another widens its resource base, but sharing depends upon co-ordination and co-operation which can be difficult to achieve between various levels of government and even more so among public, private and community sectors. One of the resource contributions from community sector actors is often buildings and equipment, such as meeting space, private vehicles and tools.

To sum up the situation regarding material resources,

the high price of urban land is a source of major problems of management, even where the private sector participates in performing tasks. Bottlenecks severely restrict supply in the face of rapidly expanding demand. Though much more is needed, substantial supplies of plant and equipment exist which are being misused and badly maintained, forcing their early replacement on the ever-fewer occasions when that is possible. Little sharing of plant and equipment seems to be occurring, although this could increase their effectiveness.

3.3.4 Institutional Resources

Above the local level, there is no organisation with a specific brief to manage a given city or town. At local level, governmental institutions are commonly very weak and underdeveloped in all but the largest cities. A typical local agency lacks official responsibility for most management tasks and would have no capacity to carry them out, if they were assigned. In virtually no case is there an institution with an over-all capability for managing a city or town. Few local governments have the powers required, if they are to approach urban management as the chief actors. As noted earlier, most lack authority to raise revenues through taxation and license fees, and, in the majority of developing countries, probably all but the largest are not incorporated as legal entities permitted to borrow money in the private commercial sector or to enter into legal partnership agreements with private or community sector organisations. Without being legal entities, they are unable to own land, even if central government were disposed to grant them power of compulsory purchase. In many countries, local governments outside the largest cities are not empowered to control physical development.

Economic planning is done by a central ministry; financial planning is performed separately by the many agencies involved in management tasks; capital-development projects are usually planned individually in relation to their own project objectives and finance; urban planning which is restricted to not much more than physical design tends to be performed in a low-level department of a large city's administration or of a central- government ministry. Partly as a consequence, there are few suitable planning instruments for urban management. Existing physical plans, where they occur, tend to be unrealistic about financial requirements and political support. More to the point, they are usually overly complicated in content and form - indulging in excessive detail as to data, problem descriptions and proposals - and overly precise about their intentions. As a result, they are seen as confusing, rigid and irrelevant. Although capital-investment programmes and budgets are common at national level, they are rarely prepared for individual urban areas: the exercise to programme capital

expenditures across all public investment sectors for Metropolitan Manila (Metropolitan Manila etc., 1982) is still considered unique.

As with planning, there are no local-level institutions with adequate capabilities to co-ordinate the processes and tasks of government, much less to coordinate the actions of government and the community and private sectors. Central-government ministries and parastatals with urban responsibilities so dominate local governments that the latter are unable to coordinate a number of key actions, even if their chief administrators have the vision to try. Current attempts to increase partnership with the private and community sectors make very apparent the absence of any over-all coordinating body or mechanism.

In an attempt to deal with lack of co-ordination, special-purpose authorities have been created, for example in large Indian cities and several Nigerian state capitals. All of these were founded to engage in physical development, usually with planning, but never were they intended to operate services and maintain them. However, this has often been necessary, because no other institution existed to take over completed facilities and systems. Although popular in the late 1970s as an institutional form likely to overcome poor coordination when developing projects, they have lost favour. Development authorities are empowered as are few local-level institutions. Occasionally, they are given substantial public land resources which they are able to sell or lease to generate funds, but, usually, they can buy land compulsorily, can sell it and can retain the proceeds. They can also borrow funds. However, they are not often given powers to raise revenue through taxes and license fees and must be financed by central or provincial governments. Often they are given the power to regulate land use and building construction.

Typically, there is no institutional capability to perform maintenance at local-government level. Whereas maintenance units might exist in some large central-government ministries and parastatals, they are almost unknown in local government. Too often maintenance is not recognised as a responsibility which must be assigned to some part or personnel of a local government department. It is unlikely that local governments, except in the largest cities, allocate sufficient resources to what has so far been considered a low-priority process. Consequently, suitable skills are not developed, records are not kept, and maintenance procedures are not institutionalised.

Private sector institutions are generally plentiful and often strong enough to take on substantial urban management functions. Although they have virtually no capacity to perform overall planning and coordination, they can tap substantial financial and material resources,

and can command adequate skills within the narrow areas of their individual interests. Where adequate profits can be made, they have shown they can produce public services. Nevertheless, there are a multitude of smaller urban areas in the less developed countries which lack sufficient entrepreneurial activity to generate private sector agents with sufficient experience and capacity for the performance of management tasks.

Community organisations which might participate in management processes are weak or altogether lacking in many urban areas. One cause is the lack of historic community ties among the many new migrants. Another is the cultural diversity of urban populations. Community organisations are expected to mobilise local private resources as well as to improve the full range of management processes through their cooperation. In Ghana, for example, there is a long tradition of community responsibility and work in towns and villages. Throughout the developing world, many governments are seeking the creation of more and stronger community based organisations. Staff skilled for this purpose are sent out to work in neighbourhoods to create or strengthen community organisations and local cooperatives. In Zambia, Ethiopia, and Mexico among others, this is done through the structure of the ruling political party to create grass-roots level units which are active in the affairs of their localities.

In towns and cities of the less developed countries, public and community sector institutions, and perhaps medium and small sized businesses, suffer from weak organisational management skills. They have difficulties with the full range of organisational management activities. Internal communication is poor, organisational objectives are confused, responsibilities are not clearly demarcated, and strategic planning for the execution of these responsibilities is rarely performed. Good personnel and financial management are particularly lacking. These difficulties greatly reduce the efficiency and effectiveness of the institutions actually available to participate effectively and efficiently in the management of human settlements.

3.3.5 Information Resources

Information is essential to the actions of management, so much so that the communication of it is universally singled out for attention if management is to be improved. Information is a comparatively scarce resource for managing cities and town in developing countries. Its value has not been appreciated in the past, so it is common that procedures for collecting, storing, communicating, and analysing it have not been put into place until recently, if at all. This deficiency is made harder to remedy because much of the value of information for management lies in its comparability to that of an earlier time.

Inadequate data hinders the creation of effective management strategies and reduces the possibilities for judging performance. This affects all six management processes identified here, but the effects are particularly notable in many instances on maintaining (for example, schedules of servicing, inventories of parts, and histories of facility condition are poorly kept or may not exist) and operating (for example, accounting of resource consumption and monitoring of performance are not regularly carried out). The trends toward greater decentralisation of government and toward increased consultation with communities each reflect attempts to obtain better detailed information about problems, opportunities, causes and effects, for urban management purposes.

It is rare that standardisation has been achieved of the kind of data collected, the form in which it is organised, and the manner in which it is stored. All of these are factors which inhibit or prevent the useful compilation of information from different sources or from different time; and they inhibit the comparison of data. At the same time, a significant amount of information exists which is isolated and unrecognised for its value to urban managers. This is not only within and among various levels of government, but it is to be found outside government among universities, business associations, banks, and community service organisations, to name only some. There is substantial scope for pulling this together to form a significant supplement to any government data base, especially around particular concerns such as the urban economy.

Electronic data processing equipment and skills have spread rapidly to all areas of the globe. However, these resources are not yet commonly available for urban management requirements. Land and property records of ownership and for taxation, and consumption records for public services billing are among the first which could benefit from more computerisation. Nevertheless, improvements to data processing will remain of little value in far too many towns and cities because the data collected for processing is insufficient, inaccurate, incapable of comparison, and/or irrelevant.

3.4 Developing

Developing is creating. As a process of management, it creates institutions of the governmental, private and community sectors, pools of equipment, and facilities such as schools, roads, and water mains which are necessary to provide services. It also can create capital goods, such as housing units which go directly to users among the urban populations as the result of a managed service.

Creating has two aspects: the first is the direct execution

of construction works by public-sector authorities, and the second is the guidance of private-sector activities to meet urban needs in accordance with a long-term strategy. Most urban development is carried out by the private sector, so that urban management needs to have some overview of the process and some system of incentives, disincentives, and sanctions to encourage desirable patterns of action and discourage or prohibit ones which are undesirable, unhealthy or dangerous. At the same time, the public sector has its own direct physical development programme which, although small in scale, is usually crucial to the enablement of the private-sector component. Therefore the management process must encompass both sets of actions in a coherent way.

In the previous decade, emphasis has been given to strengthening institutions capable of dealing with urban needs. With the encouragement and direct assistance of First World governments and international aid organisations, major efforts have trained and equipped government staffs around the globe to improve institutional performance. Most recently, institution building has focused on local government in order that it can more capably handle its urban management responsibilities. Some of these later efforts have been extended to community organisations.

The development efforts of government are commonly packaged as projects. The resulting isolation of tasks in projects increases the difficulty of establishing adequate relationships between developing and other management processes. Typically, a project is carried out with little concern for its role in any plan, for the drain it makes upon the over-all resource pool, for the capability to operate what results and for the prospects of maintaining what is created. The focus upon project execution, instead of urban management, has been supported by national and international lending institutions whose primary instruments - loans for discrete actions - do not fit the open-ended nature of the coordinating, operating and maintaining processes of urban management.

Public-sector developing has been the prestigious process of urban management, attracting the most skilled personnel - frequently foreign experts - and the greatest amount of new funds. Nevertheless, it has proved difficult for governmental agencies to retain capability from project to project, because they cannot carry the relatively high salaries which skilled personnel command and because many experts have traditionally been drawn from outside the country. In recent years, locally based consulting capacities in several developing countries, including Kenya and Malaysia, have reached levels where they can meet a significant part of governmental needs.

Although there are generally fewer shortcomings in public-sector development capacity than in any of the other processes of urban management, individual projects still suffer from problems of inadequate programming, funding and staffing. Actions depend upon money, staff, material and equipment actually being made available with the qualities and in the quantities planned. All too frequently, this is not the case. Those who are to act must have command of the resources they require: yet, in developing countries, there is a reluctance to decentralise or delegate authority. This means that local governments often have had little to do with construction efforts.

However, as pointed out above, most buildings are erected by the private sector. To guide and shape this private-sector developing, urban managers use a variety of rules and regulations, setting requirements for the construction of buildings and use of land. Government has also used incentives, such as loans, grants, tax concessions and access to land, to obtain a degree of control over private construction. Local governments have usually been too deficient in resources to utilise these incentives on any significant scale, except in the case of public land. In the development of offices, factories and high-income housing, private sector construction has often taken the shape of public management objectives, largely because it is observed that public intentions are usually, at a basic level, identical with market forces in these areas. However, standard management devices have achieved few of governments' intentions for development in the low-income areas which now comprise very large portions of most cities and towns, largely because of inattention to low-income lifestyles and insistence on unaffordable standards.

There is much interest in creating sustainable cities. This idea of sustainability is most often located in the context of environmental concerns and seeks a place of ecological harmony for human settlements in the larger world. It asks that they replace what they consume as much as possible and that they, thus, do not burden larger systems of which they are a part with harmful consequences or their wastes. This concept needs to be widened to include a concern that cities and towns are built so that the very activities which make them what they are can be sustained.

In general, the physical form and contents of urban areas have taken shape with little regard for either of the two views of sustainability. Only occasionally are systems, sewerage for example, put in place to reduce destructive effects beyond the boundaries of individual urban areas. Unrealistic and inappropriate ideas of urban construction and land use - often copied from other countries and other times - have been encouraged or demanded without realisation that there are not adequate

public or private funds, skills, institutions, enterprises, land and building materials to achieve them throughout the whole of a city or town and to do so continuously for an indefinite period.

3.5 Operating

Operations are the day-to-day activities of urban management which deliver services to the public. In this process, governments collect refuse, light streets, treat sewage and so on. Operating requires the ability to command resources of staff, money, equipment and materials in adequate amounts and of appropriate qualities for the tasks to be performed, but it is common for there to be a shortfall of all of these for operations in towns and cities of developing countries. Therefore, municipal operations in developing countries have been characterised by disruptions in services resulting from technical breakdowns, inadequacies in relation to demand, failure to operate some key services in particular neighbourhoods and low quality in general of the services provided. It is common for there to be different qualities and quantities of services delivered to different socio-economic areas. Operational performance is rarely monitored, and thus few data are available to describe qualities and quantities of services provided, operational efficiency and consumption of supplies.

At present, operating services is perhaps the most significant and substantial management activity of local governments in general. However, some public operations are being given over to the private sector through contracted arrangements. This relieves the burden on governmental staff and might increase efficiency but it does not reduce the public finance requirement if there is no direct cost recovery from the beneficiaries by the contractor. Private sector operations are directed towards the purposes of public management through governmental controls, sometimes backed by monitoring. Licenses and inspection programmes are common means of achieving compliance, but the results are often far from satisfactory. Corruption, inappropriate standards and shortages of capable staff all undermine effectiveness.

The scale of operations by the community sector is small, reflecting the size of donor support and other income which is regular and can be counted upon. Sometimes a government provides this support, paying a non-governmental organisation to perform an operation in the public interest.

3.6 Maintaining

Maintenance of urban facilities now attracts considerable concern, although, in the past, it has been greatly overlooked in the pursuit of capital-facility development,

because the results of its absence are not felt immediately. It requires the foresight of planning and the discipline of regular action and outlay of resources to be effective. The continuity of attention it demands calls for permanently available staff with very different skills from those in the capital-development process. It requires administrative attitudes derived from lessons of experience which have not yet been abundant in the histories of many developing countries.

Proper maintenance conserves facilities and organisations as reusable resources. This reduces the call on other resources and, therefore, can be important to sustaining improvements in urban conditions. Given that so many public facilities have been constructed with funds from extraordinary sources and that attempts at cost recovery, where appropriate, have generally failed, maintenance of these facilities would seem to be absolutely essential if the benefits they bring are to be sustained. Programmes to enhance the capabilities of government institutions have not effectively dealt with the steady movement of skilled staff out of public service. This is a major obstacle to establishing sustainable urban management which, in turn, can produce sustainable improvements in urban living conditions and production.

Because of poor maintenance, facilities become inefficient in the performance of their functions. Buildings decay, road surfaces break up, drainage channels become choked, and vehicles fail to run. Often, buildings and infrastructure require unnecessary maintenance because of misuse. Use requirements are badly enforced - such as weight limits on road surfaces - and sometimes the failure to involve users in design and development contributes to much abuse. Certain maintenance problems are the result of design or construction weaknesses; the technology employed might be inappropriate, requiring impossible levels of maintenance; low-cost construction might have been chosen to increase affordability, but the trade-off is increased maintenance; errors in construction and installation on-site lead to unexpected maintenance needs.

The management of maintenance is weak on several accounts. Record-keeping is insufficient, operating systems are poorly monitored, and systematic data collection is hardly ever carried out. Field inspections and tests to determine exact needs and priorities are generally lacking. Delays are common because tools, materials and parts are out of stock - the result of poor procedures for stores and stock controls. Supervision of personnel is inadequate or irregular, staff work is not appraised and job descriptions lack the specificity which can create a sense of duty and accountability. Maintenance operations are affected by cost-accounting, but accurate accounts of the costs of delivering

services are almost completely absent among the local governments of developing countries.

Too often it is not realised that institutions must be cared for and nurtured in the same way as physical facilities. Training centres and central-government offices charged with improving administration recognize the need, but administrations themselves - especially at local-government levels - seem incapable of adopting new ways of working and new levels of efficiency which institution-building programmes could introduce. Poor pay scales, limited prospects for advancement and failure to delegate authority strongly affect staff commitment and performance, and, with large staff turnovers so common, it is nearly impossible to keep people with skill levels which training and experience have produced. Continuity in the way tasks are performed does not survive in these circumstances.

There is a need to respond to changes in the operational environment with changes in institutions and their purposes. This is maintenance which causes institutions to evolve. Normally, efforts to modify institutions encounter the rigidity and resistance to change which typify bureaucracies throughout the world, and evolutionary maintenance, agile enough to keep pace with fast-changing conditions of the developing countries, usually proves too difficult to achieve. In-service training of staff in bureaucracies which can bring changes from within does not often reach down to levels of local government where urban management should occur. In the event, such training in developing countries is too often insufficient and inappropriate to produce adequate internal pressures for institutional change.

3.7 Summary

Resourcing, developing, operating, and maintaining have been identified as basic processes of urban management. Overarching these are two additional ones: planning and coordinating. These processes are continuous and are not particular to any task, but are required in them all.

Most attention has been given to developing new facilities and programmes, and resourcing associated with developing. Meanwhile, operating has been the thrust of most local governments' attempts at management, though in general it has been badly provided for. At the same time, planning, co-ordinating and maintenance have particularly suffered from neglect. Across the range of tasks and relevant processes, resourcing has failed to provide adequate means for managing towns and cities.

The emphasis on developing has drawn attention, and thus resources, from the other processes. Planning is little performed, and then only as physical planning.

This is usually a minor function of government. Simplified forms are known, yet they are not being put into practice to any significant degree. Without planning, effective co-ordinating is nearly impossible, and, not surprisingly, co-ordinating is generally lacking at key points in management efforts. Unfortunately, it is essential to handle the complexity of activities which urban management demands.

Local government operations have been quite inadequate in both quality and quantity. Operating is commonly restricted by a severe shortage of resources of all kinds, yet it is usually conducted on the basis of past practice, without reviews which might change priorities and the tasks performed. The lack of maintenance steadily erodes the reach of existing operations. Private sector operators have moved into or have been encouraged to fill some gaps, but they avoid the difficult problems of the low income communities.

Overall, resourcing is insufficient for the tasks which are undertaken. This challenges notions that any improvements achieved can then be sustained. Human resources are especially deficient for effective management by local authorities. Skills, knowledge and experience are lacking as well as numbers of key personnel, usually those in senior positions. Attitudes of public servants are also deficient. Few persons in developing countries with municipal management responsibilities have the characteristics and background which would make them good managers. There are not the public funds to employ more and better staff. Revenues from local sources are meagre, have not grown as rapidly as the needs for them, and in some cases have actually declined. Grants from higher government levels which finance many tasks are not growing. The expectation is that local government will do more to raise its own funds through taxes and user fees. This they have little capacity to do, partly because of inadequate staff. General financial management performed within public authorities suffers in the same way. Little money is borrowed; not only are powers often absent, but revenues are inadequate to service large loans. The private sector is recognised as a major new source of financial resources for managing settlements. Land is increasingly in short supply for all urban activities, driving up prices virtually everywhere. This threatens public programmes and limits the role which the private sector can play in dealing with problems of low income populations. Facilities and equipment which are the fruits of so many development projects are, nevertheless, too few or too small to satisfy needs. Even this inadequate contribution is being lost through poor maintenance. Public and community sector institutions for managing settlements at the local government level are woefully inadequate for the tasks they attempt, and even more unable to undertake those additional tasks expected of them. Aside from a

shortage of skilled personnel, they do not practice good management of their own organisations which would raise their levels of efficiency and effectiveness. Despite attempts to build capacities, the maintenance of staff skill levels in many institutions is neglected. Finally, it must be noted that the quantity and quality of information with which to carry out both tasks and processes is commonly insufficient in relation to the expected results. A key factor is the absence of established and accurate routines for collecting relevant data and for its analysis.

Maintenance, as of late, is being given new emphasis. In part, this is recognition that it can be more cost effective than developing new facilities. However, adequate funds are not provided for all the elements it would bring into play: skilled staff, good management of them, records of maintenance performance, parts and materials, and so on. A basic failing is that in few situations are there bodies clearly responsible for carrying out maintenance.

4. RESPONSIBILITIES FOR URBAN MANAGEMENT ACTIONS

Having examined tasks and processes with only a general concern for where the responsibilities lie, there is need to examine more closely who can be involved in the management of human settlements and what roles they can perform.

To the extent that it is practised at present, urban management is performed by many separate organizations, each working on a single task in most cases. Government usually provides the structure for their relationships and takes responsibility for whatever co-ordination exists. Decision-makers in the vast majority of these separate organisations are unlikely to see themselves as urban managers. It is the rare public agency, private-sector company or voluntary organisation with a concern that extends beyond a limited purpose. Few of these have a concept that urban areas are entities to be managed for any purpose at all, much less for social and economic development in particular. Although the executive part of a typical local government might believe it is performing management, it is doubtful that more than a few look beyond the need to continue existing operations and to cope with public works projects.

4.1 For Management Tasks

Currently, most urban management tasks in developing countries outside of the big cities are performed by central and provincial governments. They and their parastatal institutions provide the bulk of power, education, health care, security, roads and

telecommunications. They also undertake most of the governmental efforts to increase housing and employment generation. Many of these are tasks entailing large development costs which central government alone is able to finance in most cases. These programmes and projects are usually financed by loans which are inadequately supported by payments from the beneficiaries, with national general public revenues making up the difference.

The performance of tasks above the local level of government has been faulty at a number of points. It tends to have particular trouble responding sensitively to local needs. The relationships between central government, local authorities and community groups are often poorly defined. Commonly, responsibility is not concentrated, and the boundaries of divisions of responsibility remain unclear. Moreover, central government has not been able to provide sufficient resources for the necessary tasks.

Local government typically has responsibility for only a small part of urban management. It usually tries to oversee the provision of water and sanitation services, solid waste disposal, traffic management, public transport and stormwater drainage. In the case of public transport, its own contribution may be minor relative to the private sector. Although it is not often a local-government concern, housing provision is usually greatly affected by building codes and planning regulations which are local government functions. Moreover local-government delivery of water, drainage, and access services to housing areas is a critical element of housing provision.

A task such as health care might be a local government function in the very large cities, although it is frequently performed in small cities by the local officer of a national ministry. Even in large cities, certain tasks remain the charge of higher government levels, such as the provision of energy and telecommunications, and, often, education; this can produce problems, as illustrated in the case of the last. In order to keep the national character of education, governments have tended not to delegate responsibility to local authorities for certain matters such as curricula and textbooks. Teachers, preferring the advantageous employment terms of central government and freedom from local pressures, have resisted decentralisation. However, the increasing complexity of education and the growing numbers of students, among other things, have overburdened ministries with administration. Moreover, they find it increasingly difficult to respond sensitively to local needs.

Of course, decentralisation also produces difficulties. It is unusual, although not unknown, for urban water-supply and sanitation services to be provided by

national institutions or through nationally or regionally interconnected systems. However, the resulting fragmented burden on skilled human resources is too heavy for most developing countries to bear. A shortage of skilled staff, too many untrained personnel, insufficiently autonomous management (which is frequently subject to political appointment) and inadequate accounting and financing systems are common features of the small entities serving individual cities and towns with these basic services.

Certain tasks tend to be governmental concerns because of their nature. The provision of drainage and of road systems remains a public function, because it is difficult for other sectors to organise them. The provision of telecommunications is a governmental undertaking in virtually all cases, and the management of it, from planning to maintenance, is conventionally in the hands of a national agency, without policies for any urban areas in particular. Yet, there are examples of private companies which provide telephone service in towns or villages in Latin America and the Philippines.

The private sector is very much involved in some key tasks. There is a substantial amount of education and health care provided by the private sector, and it is usually the main source of housing and of employment generation. There are countless instances of private-sector provision of public transportation in the developing countries, from the matatus of Kenya and Jeepneys of Manila to the private buses of Buenos Aires and Calcutta. Generally, governments restrict public involvement in the provision of transport to the operation - directly or through parastatal or companies - of mass-transit systems, usually buses, trams and trains, and to regulating the operation by the private sector of minibuses, jitneys, taxis, rickshaws and the like. Regulations might cover routes, fares, schedules, driver qualifications, insurance and vehicle condition. In some cases, the private-sector provides services without the agreement of government, as in informal or illegal activities where it violates licensing laws, land-use and building regulations, vehicle and driving standards, and employment rules. Yet in others, the private sector is reluctant to take initiatives. The provision of water is an example: the costs of providing large quantities of water and the difficulties in charging for services, among others, are reasons why water-supply in urban areas is relatively neglected by the private sector in developing countries.

Some responsibilities are being handed over to the private sector or are being carried out in partnership with government, such as the disposal of waste and the provision of housing and public transport. In Bangkok, Thailand, Istanbul, Turkey, and Kingston, Jamaica, bus routes that public operators deemed unprofitable were contracted out to competitive private operators who

earned profits without changing the fare structure. (IBRD, 1988) Deregulation of buses in Colombo, Sri Lanka, stimulated a very strong response from private bus operators who have managed to capture more than 25 percent of the market. (Roth, 1987) Governments in Hong Kong and Kenya have legalised forms of shared taxis, gaining minimal controls over their operations in the interests of public safety. A World Bank study claims that, in a number of cities, the fares of private bus services are 50 to 60 percent cheaper than those of publicly owned services, that there was little or no evidence to suggest that private services are less safe than public services, and that there was no evidence that services deteriorated on routes taken over by private operators. (Feibel and Walters, 1980, in Roth, 1987) Still, there are recognised disadvantages of competitive urban transport which include: (a) service is provided only when it is profitable, (b) low-density and poor areas tend to remain unserved, (c) competition leads to poor regard for traffic regulations, (d) maintenance of equipment is neglected, and (e) service regularity and reliability are not high, because of the individual decisions of drivers and owners.

In the same vein, some governments, notably that of Sri Lanka, are undertaking programmes which support housing construction by individuals. Public agencies work to improve access to funds for construction by households and to provide technical knowledge. The acute shortage of public funds for capital investments, the poor record of cost-recovery, the extremely high cost of urban land plus the accumulated evidence that benefits rarely reach intended recipients, are forcing withdrawal by many governments from the direct provision of housing. As part of this step away, these governments are nurturing partnerships with the private and community sectors, employing their own abilities as facilitators who can improve access to finance, land and technical knowledge.

In the case of other tasks, government and the private sector might share responsibilities with little regard for each other. For example, the private sector has been able to deliver a substantial degree of medical care - there are many examples of privately operated practices, clinics and hospitals, and a report has shown that the private health sector is strong and growing in five countries of West Asia and North Africa surveyed in the early 1980s - but government takes the lead in delivering health services in urban areas. (Roth, 1987) As with education, its participation tends to be dominated by central or regional institutions which provide funding, design and delivery, often failing to recognise the substantial role which the private sector already plays.

There are a growing number of examples of the community sector taking part in many of these responsibilities, especially the provision of housing and

neighbourhood-level water-supply, drainage and sanitation services. Construction and maintenance of local service networks, such as drains and roads, can, to some extent, be performed by community organisations or residents' groups, as in towns of Eastern Ghana. Self-help groups have taken part in planning and/or building local access roads, such as in the squatter-settlement upgrading schemes of Lusaka, Zambia. Overall this sector's role is still small, but it has become more substantial. International support networks are spreading rapidly, and, together with the direct support of international and national NGOs, they are mobilising an ever increasing number of local voluntary sector organisations which can participate effectively in the performance of urban management tasks.

4.2 For Management Processes

Planning to guide all management tasks and processes is not, in fact, performed by any of the actors, although physical planning is common within government. Co-ordination is a governmental function, attempted at all levels, for only government is concerned to make activities work in concert to achieve over-all management objectives. Development is mainly carried out by higher levels of government and by the private sector. Central government and the private sector mobilise resources for most urban management, but whatever its source in government, the amount has been too little for management requirements. Operations are shared by several levels of government, with local government taking a stronger role than in other processes, but the private sector operates many activities. Maintenance has been an area of confused and neglected responsibilities among levels of government. The private sector looks after its own services and facilities.

4.2.1 Higher Levels of Government

National and district economic planning by government often leads in the direction of over-all urban management, although it does not go far. Some physical planning of human settlements remains a central-government function, often remote and insensitive. National planning attempts to co-ordinate capital investments at urban levels. Yet, central government often splits tasks in a way which hampers co-ordination: for example, an education ministry is likely to share school construction with the ministry of works and technical and vocational training with the ministry of labour.

In less developed countries, central government commonly undertakes most public development in urban areas. Through its sectoral ministries, it tends to operate facilities inflexibly and without enough concern

for local conditions. Central government has been providing very nearly all the public money which is used for operating public facilities and services, where funds are not obtained from user-charges. Central government provides virtually all publicly owned land, and often provides land even for the private sector. Other than in the very largest cities, central government has also provided most of the public-sector staff for urban management, except for low skilled jobs in operations and maintenance; this is a reflection of its financial resources and the status accorded its employees. It, furthermore, provides much of the equipment for development projects and for operations. Central government has often developed facilities and, then, neither taken responsibility for maintenance of its creations, nor adequately empowered, equipped, or funded another to do it. Within government, the confusion about responsibility leads to maintenance being avoided.

4.2.2 Local Government

Limited physical planning has increasingly become a local-government function in large cities but one still with some measure of central control - usually final approval of policies and major control decisions at provincial or national level. Most local government is aware of the need for co-ordination but lacks power to control the various actors and the resources to provide incentives. Except where development authorities are created, local government continues to co-ordinate only its own resources and actions and not those of other public agencies. Some physical planning legislation gives local authorities powers to review national and regional agency proposals, but, even if the legislation implies compliance from higher-level agencies, there is virtually no power to enforce this.

Local government has provided relatively few resources. Starved for funds, it cannot provide much staff, especially that with skills. It rarely owns land that has not been allocated to it from the national level. It has equipment for carrying out its operations, but this is usually meagre. Its institutions are weak; administration is commonly poorly developed and endowed with very limited powers and, in the large cities, administration is often divided into a multiplicity of units, each small and weak. Programmes of government decentralisation now taking place are partly intended to encourage or force local government to create and nurture local sources of revenue, but the results so far have not been substantial. Most local governments are so poorly staffed, lacking in experienced organisations and feebly empowered that they have been unable, so far, adequately to test the potential for raising revenues locally.

The developing process is performed little by local government, even for that portion which is public. As

already noted, local governments lack the capacity to perform most of the development which takes place, and they are reduced to trying to guide and regulate the main agents for building - the private sector and higher levels of government. In many instances, central or provincial government develops facilities and turns them over to local government to operate and maintain, as in road and sewerage construction, water provision and aspects of health care or education.

Insufficient funds, skills and materials cripple local authorities when they attempt to operate services and facilities. Yet, these operations are normally their greatest responsibilities. The quality and quantity of local government operations is commonly of a low standard and their scope is greatly restricted when compared to the needs and expectations of urban residents. If nothing else, local government is expected to operate services as has been done in the past. Even this is too often beyond its means. Demands grow and costs increase, but revenues are fixed and may decline in value as the result of inflation. Better staff are lured away by growing private sector opportunities. Plant and equipment become less effective, but are not maintained, refurbished or replaced.

Local government is normally charged with carrying out maintenance but, frequently, it does not feel the responsibility or resents the burden higher government levels may impose in it. Usually it is altogether lacking in necessary resources. For example, trunk roads are created by the central government in some cases of subdivision, the private developer builds access roads, often giving them to the public to maintain, and many local roads are built by central and regional government agencies as elements in housing or industrial- area projects; but, almost always, roads constructed by other agencies are given to the care of local administration, without any linked new funds for carrying out essential maintenance.

4.2.3 Private Sector

The private sector takes little part in planning, even physical planning, as an urban management process; it does, however, participate in planning individual projects. It is little concerned to coordinate beyond the needs of its entrepreneurial activities and individual projects or functions. However, the private sector has taken the main part in developing towns and cities in capitalist economies; it probably does so in many of the socialist economies of the developing countries, where individual efforts create most of the housing, and private enterprise is permitted to create the commercial sector and its facilities. Where there has been government failure to carry out operations - especially with regard to the needs of low-income households - the private sector has performed some functions, but without a

responsibility for the overall community interests. In recognition of this and of public sector shortcomings, governments have been encouraging the private sector to operate transport, solid-waste collection and disposal and, even, education and health care services, or to share in the operation of transport, water-supply and education services in ways which give more satisfaction to public goals.

The private sector mobilises the greatest sums for building, operating and maintaining human settlements; however, it does all this within areas of adequate profit or, in the case of households, to satisfy individual needs. Where collective needs are concerned, financing for management is limited to those cases where the private sector finds profit and to some situations where government adds its resources to a partnership to make adequate profits possible. Private sector financing of key management tasks is not yet very large, except in housing, transport and employment generation.

The private sector is responsible for providing itself with needed resources, but when it cannot get them, government has begun to feel a responsibility to assist, in order to obtain execution of certain urban management tasks by the private sector. The private sector provides significant, but small amounts of manpower and equipment for developing public projects, in addition to the large quantities of people, materials and machines which it mobilises to carry out the substantial tasks which it performs, especially in providing most urban areas with housing, food and employment opportunities. It has been the main source of land for development, although, in many urban areas, until recently, it has drawn heavily upon public reserves as well.

Where the private sector takes responsibility for maintaining its services and facilities, it will do so as long as profit margins remain acceptable. Otherwise, it will cut back, especially in informal-sector activities, such as the provision of taxis or busses, lowering the quality of operations and shortening the life of the capital investment. Some public- facility maintenance has been commissioned from the private sector; for example, studies in Brazil, Argentina and Kenya have shown that roads, sometimes, can be maintained more effectively by private contractors than by public agencies. In Ponta Grossa, Brazil, in the mid- 1970s, road maintenance cost 59 percent more when done by municipal workers than when done by private contractors.

4.2.4 Community Sector

The community sector in less developed countries takes a part in physical planning where it organises formal and informal housing areas on a community basis. At this same level, it can perform a limited degree of

coordination, but this does not extend much beyond its own actors and a few in the private commercial sector. The community sector has, altogether, played only a small part in actual development: the extent of housing provision and associated services achieved by non-governmental organisations is quite small compared to the over-all amount which exists. Like the private commercial sector, the community sector has taken up responsibility for some operations which government has failed to carry out, especially among poor communities.

The community sector provides few resources, but is being supported increasingly with resources from international non-governmental organisations, and, although it is responsible for obtaining its own resources, the sector has begun to receive assistance from government. Most of its financial resources are for housing construction and comes out of individual savings which are small for most households in developing countries, although for providing housing and services, households will make significant savings, leaving little for other tasks. Outside of its religious organisations, it possesses virtually no land and, usually, looks for this from government in any undertaking. It can provide manpower, but the quantity is small and tends to be unskilled. It cannot take responsibility for providing any significant amount of equipment.

The community sector performs some maintenance functions - co-operative cleaning of drains in Ghanaian communities has already been cited - but the total activity of this sector is meagre in relation to needs. Streetlighting, drainage and roads must present a problem of maintenance to local governments to which this responsibility would normally fall, for it is not possible to assign user-charges and financing is, therefore, from inadequate general municipal revenues. It is probable that the community sector, in many cases, does much to monitor maintenance requirements of local facilities, such as roads, drains and streetlighting, and, then, exerts pressure on government to respond.

5. CONCLUSIONS

There is much uncertainty about the nature of urban management: what it manages, what it does when it manages, and why it manages. The uncertainty extends to the identities of those who manage. As long as such confusion prevails, it is difficult for the responsibilities of management to be accepted and carried out with determination and effect.

Logically, it is human settlements themselves which are managed: the social, economic, and physical entities which are called towns, cities, and villages. The reasons for managing them may be various. Without clear

objectives, there is no particular agenda for action. Without objectives which have weight and substance, urban management can be a trivial activity. Objectives appropriate to development are offered by many different sources. From these can be taken a set to direct meaningful urban management and with which to evaluate management endeavours.

The scope of responsibilities is a function of the objectives and other factors particular to each case where urban management is undertaken. In relation to two commonly held purposes - to achieve social and economic development - this range of tasks is surprisingly large. Perhaps adequate and appropriate management is a much greater enterprise than it is widely held to be. This realisation lays bare the necessity to decide priorities among all those actions which management encompasses. The character and context of activities in a given city or town at a given time will determine, in relation to the objectives of management, just what the highest priority tasks will be.

In addition to those tasks which deliver goods and services, urban management, as viewed here, requires the performance of processes common to them all. In developing countries, the attention given each of these processes is usually in poor balance with the others. Developing tends to be over-emphasised, while maintaining is neglected and planning of a kind which serves urban management is mostly unappreciated and ignored. This surely reduces the effectiveness of the tasks carried out. Whereas the highest priority tasks will vary over time and from urban area to urban area, the processes must be performed whatever the chosen tasks. Therefore, the common neglect of these processes and the lack of capacity to execute them weakens the foundations of management efforts in a way which extends across the full range of its responsibilities. Moreover, without some degree of planning in relation to the appropriate objectives, it is difficult to set meaningful priorities among tasks.

The process of finding and mobilising resources occupies a critical position in every urban management endeavour. It is well known that every kind of resource is insufficient in most every case of developing countries, and this condition rightly receives much of the blame for the poor urban management which prevails. Governments - especially local ones - have not found ways to break apart the self-reinforcing connection between revenues too meagre to finance good staff and services, and staff and services too lacking to generate or collect adequate revenues. The widespread inability to tax and extract user fees remains a major obstacle to better urban management.

Resourcing is not sufficiently large and continuous to sustain many of the positive changes of the past, much

less to support the long term operation of new services. The neglect of maintenance adds considerably to the difficulties of keeping improvements from slipping away. Issues of sustainability are not normally tackled in strategies. Strategies focus too much upon developing additions to what exists, putting first call on resources which might better be used to maintain existing facilities and equipment and to continue existing services. Commonly, strategies do not even address how the physical form of urban areas might be made to fit with the kind and size of resources which are likely to be available in the foreseeable future.

The growing number of occasions when the private and community sectors have taken on certain tasks appear to increase the resources at hand. It should not be forgotten that some of these are situations where actions of long standing are simply being given formal, official recognition. In yet others, public/private partnerships and some privatisation of public functions are directly using public moneys, although they may be utilised with more efficiency and effectiveness. They also require the skills of officers in government who are able to organise, guide, monitor, and/or regulate their actions, and who can carry out all of the measures of assistance which enable these others to perform. This raises some doubts as to the potential of these other sectors - whatever the other advantages of their participation - to dramatically reduce the call on public resources.

Questions remain as to who actually manages human settlements at this time in the developing countries. It is doubtful that there are anywhere cases of a single institution conceiving of urban management on a scale appropriate to true development objectives, and able to exercise significant responsibility over key actions. Actions by central government to look after the affairs of any particular urban area are the efforts of many different agencies, without any clear leader.

Local governments are now expected to take the main responsibility for urban management. The present state of urban areas has resulted while this responsibility rested with central government and, to a lesser extent, regional government. These higher levels have demonstrated their inability to conduct urban affairs and are devolving or surrendering the burden to local authorities. Local governments are assuming more management responsibilities, but they exhibit basic weaknesses in their capacities to manage human settlements, most of which repeat difficulties which national and provincial authorities experienced but which may even be exaggerated at local levels. In addition to the lack of financial resources and of appropriate staff skills, which were already noted as self-reinforcing, they face other serious difficulties. One is that they do not have adequate influence over those who perform the tasks and processes of management:

running a city or town is a complex activity, and local governments are without a commanding position in governmental administration, they lack the resources for incentives, and they do not have the powers for control which would permit them to co-ordinate the many aspects of this complex activity. Another difficulty is the necessity for some of the key management tasks to be organised at national or provincial levels where, as a consequence, they are beyond the domain of local government: this is generally true of the provision of energy, food and telecommunication. Yet another is the absence of good organisational management capabilities within local governments which would make them more efficient and effective as institutions delivering urban management.

Managing does not mean doing, so much as it means getting tasks done. As this realisation takes hold, government administrations are increasingly engaging in new forms of working relationships with individuals, businesses, and community organisations, and with other public agencies. It does not appear that local government emerges as a leader in a

significant number of cases, a leader aware of the urban management responsibilities it is taking on and able to exercise them with telling effect. Complex and conflicting connections to central governments are frequently major obstacles to locally based effective urban management, and nowhere is central government made to follow the dictates of local administrations. Nevertheless, it can be said that urban management is more a matter of responsibility than of power (Mattingly, 1994).

Taking the view that typical fundamental purposes of managing human settlements are to increase urban productivity and improve living conditions, especially for the poor, in ways which are sustainable, and that management itself is the continuous exercise of responsibility to achieve these objectives, we find that this kind of management is indeed a formidable undertaking: vast and complex, and well beyond the present efforts of public authorities in developing countries. Across a range of key management tasks and throughout the spectrum of management processes - from planning to maintenance - there is no area which does not give cause for grave concern. Qualities and quantities of services are generally poor. The provisions of water, power and transport are typically among the least deficient, and those of housing, solid waste removal and telecommunication services are among the worst. Levels of planning, coordination and maintenance are extremely low.

It is difficult to find an institution with an appreciation of management in these terms, one which despite the prevailing shortage of resources, tries to keep a watchful eye upon a comprehensive range of urban activities, orders its actions by priorities, promotes and enlists initiatives among potential actors inside and outside government, and thus makes good strategic use of whatever capacity it possesses. Yet the potential is there, and it seems to grow year by year as the lessons of the past are assimilated. A most critical move toward its utilisation is to establish within those institutions acquiring this potential a clear picture of the nature of what is to be done and what are their responsibilities for managing such actions.

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