

FHSMUN 45

UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Combating Urban Poverty

Contributor: Alicia Bolton Updated August 2023

COMMITTEE BRIEF

Introduction

In the ever-changing twenty-first century, the one thing that has remained constant is the steady increase of urbanization- the process in which people migrate from rural areas to densely populated urban centers. As of 2022, the globe hit its milestone population of 8 billion people, raising the percentage of people living in metropolitan cities to 56%. The appeal of employment opportunities and industrialization are factors for the shift from rural to urban, and the percentage is only estimated to increase.

While industrialization has brought both technological enhancements and economic growth to developing and developed nations, allowing both to begin filling the inequality gaps, a new disparity is rising. Urban poverty occurs when a person faces a lack of shelter, nutrition, access to essential services, sanitation, security, and other factors that vary depending on the state and region. Today, 1/3 of the global urban population lives in impoverished, overcrowded, and often hazardous slums or informal settlements. While slums are found in developed countries, they are disproportionately found in Least Developed Countries (LDCs) and current developing nations. Slums are generally built without meeting adequate housing requirements. They are usually constructed in locations where occupants do not possess security of tenure or land rights. As a result, they face constant threats of eviction. Many governments need to first take the most basic steps required to guarantee adequate housing, as well as work towards ending the process of removing people from their homes without observing the due process of law to make way for urban development or beautification projects like the controversial Beijing Beautification Campaign (2018). Mass evictions like this leave hundreds of people homeless, in worse conditions than where they once lived.

Before the start of the COVID-19 pandemic, poverty started a historic decline between 2015-2018, falling globally from 10.1% at the beginning of 2015 to 8.6% in 2018.² The pandemic reversed the statistics rising from 8.3% in 2019 to 9.2% in 2020. The COVID-19-induced business closures and layoffs affected nearly every sector of the economy, especially the informal economy. In 2020, 60% of the world's employed population spent at least part of their time in the informal sector, according to the International Labour Organization (ILO). During the pandemic, 60% of those working in the informal industry experienced a drastic wage decrease.³ The slump in demand for goods and services resulting from the pandemic and the restrictive measures during lockdowns caused a loss of income for informal workers, whose livelihoods depended on consumption-driven industries. In addition to the raised

¹ Lopez, J. (2018, February 27). *No end in sight for Beijing's controversial "beautification" campaignJu*. That's Online. https://www.thatsmags.com/china/post/22510/no-end-in-sight-for-beijing-s-controversial-beautification-campaign

² Swarna, N. R., Anjum, I., Hamid, N. N., Rabbi, G. A., Islam, T., Evana, E. T., Islam, N., Rayhan, M. I., Morshed, K., & Md. Juel Miah, A. S. (2021). Understanding the impact of COVID-19 on the informal sector workers in Bangladesh. *PLoS ONE*, 17(3). https://doi.org/10.1371/journal.pone.0266014

³ M. Niaz Asadullah, "Understanding the Impact of COVID-19 on the Informal Sector Workers in Bangladesh," NIH National Library of Medicine,

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8970377/#:~:text=About%201.6%20billion%20workers%20in,the%20hardest%20hit%20%5B4%5D.

unemployment rates, Coronavirus had a disastrous effect on those living in informal settlements. The often overcrowded and compact housing meant for rapid spreading. Poor air conditions and the lack of accessible healthcare contributed to the disproportionate number of Covid-19 deaths in the urban poor compared to the middle and upper classes.

The world may still be reeling from the pandemic, but little has been done for the urban poor. Economists, including those at the International Monetary Fund (IMF) and World Bank, specialists, and businesspeople assert that the tragedy of the ever-increasing slums results from poor city planning, inadequate savings, and the lack of action led by local governance. Improving surrounding infrastructure, supporting small businesses, and providing stable education and accessible healthcare will be vital to any multistakeholder solution.

Leading Causes

Countries worldwide are beginning to urbanize rapidly as more people migrate from rural areas to cities, leading to population growth. While industrialization has opened a gateway for employment opportunities, it's not the only reason for shifting toward cities. Urban migration happens for several reasons, be it forces of migration, low incomes from agriculture, governance, etc.⁴

The pushing and pulling forces of migration is one of the most significant factors when speaking about the growing urban sector. Some people are pulled to cities by job prospects, education, better security, or access to health facilities. However, there is an increasingly growing migration rate due to natural disasters and sustained ecological changes. According to the U.N. High Commissioner of Refugees, natural disasters force an annual average of 21.5 million people from their homes each year. In the case of Haiti, the devastating 7.0 magnitude earthquake in 2010, killing 250,000 people, left thousands homeless in its wake. Three years after the earthquake, Haiti's main public square, Champ de Mars, was transformed into a densely populated tent city. While the survivors ultimately moved elsewhere, the temporary structures remained eleven years later when a 7.2 magnitude earthquake (2021) and Tropical Storm Grace entered the fray. The two left a devastating impact on citizens residing in the island nation, leaving thousands more homeless. Some immigrated to the United States, Brazil, and Guyana, while others in the countryside moved more toward cities for better access to healthcare services. Unfortunately, the compound effects of the preexisting political crisis from the assassination of President Jovenel Moise in July 2021, socioeconomic challenges, food, and gang-violence

⁴ Cities Alliance. (n.d.). *Slums and slum upgrading*. Cities Alliance. https://www.citiesalliance.org/themes/slums-and-slum-upgrading

⁵ "There could be 1.2 billion climate refugees by 2050. Here's what you need to know," 2022, Zurich Insurance Group,

 $[\]frac{https://www.zurich.com/en/media/magazine/2022/there-could-be-1-2-billion-climate-refugees-by-2050-here-s-what-you-need-to-know#: \sim: text=According%20to%20UNHCR%2C%20the%20UN%27s, temperatures%20%E2%80%93%20between%202008%20and%202016.$

worsened the already dire situation.⁶ Much like the previous earthquake, many found themselves living in camps or in temporary settlements, which they feared could be permanent.

The low income in agriculture is also to blame for the increasing number of rural youth seeking to move to urban centers. Worldwide, the percentage of those who work in agriculture has dropped from 44% in 1991 to 26 % in 2020, according to the ILO.⁷ With agriculture heavily dependent on weather and soil fertility, it is often difficult to profit from their harvest. Consequently inspiring the next generation to seek employment elsewhere. The rapid migration to metropolitan areas has made it difficult for cities to plan accommodations around the influx. So, people have taken to creating their shelters instead, leading to the rise of slums.

Slums and Facing Eviction?

The word 'slum' is used to describe informal settlements within cities that have inadequate housing. Such settlements lack essential municipal services such as water, waste collection, storm drainage, and paved sidewalks. They are often built on land that occupants cannot legally claim. Today, more than 1.05 billion people live in slums worldwide, though it is expected that 4.6 billion people will live in urban slums by 2050 as the population increases in urban areas. Slums can exist in most metropolitan cities across the globe; however, there is a disproportionate amount of slums in the global south and developing nations compared to MDCs

As a result of the growing population, in addition to migration, residents attempt to meet their immediate need for shelter with temporary construction. Often made of recycled materials, these shelters must be structurally sound and easily destroyed. In the outskirts of Chittagong, Bangladesh, slum dwellers face uncertainty every day during the rainy season. As the slums are located near canals, heavy rains spark residents' fear of rising floods that have been enough to destroy homes and cause lasting damage to the neighborhoods. The waters are heavily polluted due to improper waste management and drainage congestion, access to clean water is decimated; as a result, families are forced to drink the polluted water to stay hydrated. Contagions in the water also pose health issues; the water is stagnant even after the rainfall is gone due to the lack of a post-management system. This creates an uninhabitable environment for families to live in, so – if they are able, many do not have such a luxury – they move to other low-income neighborhoods or slums in the surrounding area.

Natural disasters and climate change are not the only events that evict people from their homes. Unfortunately, in most cases, it is the government that evicts slums, and they do so in an arbitrary manner, rarely providing notices in advance. The government can do this on such a

⁶ Center for Disaster Philanthropy. (2022, October 6). *2021 Haiti earthquake and tropical storm grace*. Center for Disaster Philanthropy. <a href="https://disasterphilanthropy.org/disasters/2021-haiti-earthquake-and-tropical-storm-grace/#:~:text=According%20 to%20the%20World%20Food.low%20education%20rates%20and%20cholera

⁷ Booth, A. (n.d.). *The reason we're running out of farmers*. BBC News. https://www.bbc.com/future/bespoke/follow-the-food/the-reason-we-are-running-out-of-farmers/

⁸ Kieran McConville, "Why do people live in slums?" January 19, 2023, Concern worldwideUS, https://concernusa.org/news/why-do-people-live-in-slums/.

broad scale because the occupants do not have security of tenure – meaning that they do not own the land rights to their homes. Some authorities claim that residing on the property is illegal as occasionally it is private ownership, which makes eviction and demolition easier. Amid the Covid-19 pandemic (2020), in the city of Bogota, Colombia, officials from the Mayor's Office and Colombian Public Force executed an order that caused the eviction of the 46,000 square-meter plot of land located in the barrio of Altos de la Estancia, leaving over 700 families homeless. The government justified the evictions by claiming the homes were built on unstable property, and residents were in danger of possible landslides. Following the evictions, people in the community reported that they had been violently attacked by the Mobile Anti-Disturbances Squadron (ESMAD) officials – the Colombian Police Force – who were carrying out the eviction order. Those affected by the order were said to have also been victim to the mass layoffs induced by the pandemic, most of whom worked under the informal economy. Now no longer being able to provide for their families nor have shelter to shield themselves from the elements, residents were either forced to relocate to other slums or emigrate.

COVID-19 and Impact on the Informal Sector

COVID contributed to a global recession due to sanctioned lockdowns. The pandemic precipitated job losses and a devastating contraction of economic activity in nearly every industry. However, it arguably had the most significant impact on the economy's informal sector. The informal economy is the diversified set of economic activities, enterprises, jobs, and workers that the state neither regulates nor protects. According to the IMF, 60% of the world's population participates in the informal sector. Although prevalent in developing economies, it is still vital to advanced economies. While the informal sector is difficult to measure, it is estimated that close to 95 million people, all of whom were workers in the informal sector, fell below the extreme threshold of the poverty line during the pandemic. Gender inequality rose quickly as millions of female informal workers were forced to stop at the beginning of the pandemic. Women make up 80% of domestic workers globally, and 72% of them lost their jobs as a result of the pandemic.

During the pandemic, Sub-Saharan Africa experienced mass business closures; 41% of all business closures were woman-owned, compared to their male counterparts, with 34% of their enterprises shut down. In Nigeria, millions of people have long supported themselves in the informal economy. The informal economy contributes about 65% of the nation's gross domestic product (GDP). ¹² In early 2020 about 300 textile mills closed, resulting in 700,000 people losing

⁹ Peoples Dispatch. (2020, May 13). *Violent evictions in Bogotá, Colombia amid the coronavirus pandemic*. Peoples Dispatch. https://peoplesdispatch.org/2020/05/13/violent-evictions-in-bogota-colombia-amid-the-coronavirus-pandemic/

¹⁰ Five things to know about the informal economy. IMF. (2021, July 28). https://www.imf.org/en/News/Articles/2021/07/28/na-072821-five-things-to-know-about-the-informal-economy#:~:text=The%20 informal%20economy%20is%20a,important%20part%20of%20advanced%20economies

¹¹ "COVID-19 BRIEF: Impact on Women and Girls," U.S. Global Leadership Coalition, https://www.usglc.org/coronavirus/women-and-girls/#:~:text=In%20fact%2C%20women%20make%20up,the%20pandemic%20in%20March%202020.

¹² Solidarity Center Podcast. (2022, May 26). *Nigerian informal workers demand decent work!*. Solidarity Center. https://scfreshdev.wavemotion.dev/podcast/nigerian-informal-workers-demand-decent-work/

their jobs. More people turned to the informal sector, now 80% of Nigeria's employed population works there. According to the IMF, the informal economy employs approximately 5.5 million people in Lagos State alone—roughly three-quarters of the state's 7.5 million labor force¹³. However, the wages from working in the informal sector are unsteady as there is no minimum wage, nor are there any laborer's rights. Additionally, informal vendors, namely street vendors, must watch for the local governance and police forces who might collect levies or try to harass vendors to evict them from the roads they operate, which often end violently. Women involved in the informal economy also experienced gender-based violence; reports from January 2020 to July 2022 detailed 7,349 reported incidents. Most reported cases came from women working in domestic employment or in cross-border trade because of the ill-defined laws.¹⁴ In 2021, a year after the pandemic most informal workers cannot get back to the Cooperative Society, as many livelihoods were wiped away since most are no longer in business or are operating with extreme difficulty.

Combatting Urban Poverty

Combatting urban poverty is an ambitious goal that many governments have tried to achieve, and have often failed. One such challenge to the possible progression into combatting it is the stigmatization of the urban poor. The Poverty Reduction Strategy Paper (PRSP) for Cambodia details the issue why; some authorities and un-impoverished city dwellers tend to blame the poor for their conditions and stigmatize them as socially undesirable, criminally inclined and even mentally defective. On the subject, the paper states that unlike the rural poor who are considered to be victims of poor administration and underdevelopment, the urban poor are deemed to be responsible for their predicament. Thus, they are given lower priority for assistance; even informed personnel in donor agencies downplay the privations of the urban poor to justify anti-urban grant and lending policies. Governments worldwide have also enforced hostile architecture into city planning: the design of public spaces in a way that prevents unwanted behavior. Some examples could range from the under-road spikes in Guangzhou, China, which bar the homeless from sleeping underneath the Huangshi Highway, to sectioned benches and one-way-out train tickets from Bournemouth, England for the same demographic. This tactic does not provide a solution and only enables for the cycle of poverty to continue.

The UN's 2030 Sustainable Development Goals highlights the eradication of poverty everywhere as their top priority. Goal target 1.4 hopes to ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance,

¹³ Olubiyi, T. (n.d.). *The informal economy in Nigeria*. THISDAYLIVE. https://www.thisdaylive.com/index.php/2022/07/11/the-informal-economy-in-nigeria

¹⁴ United Nations. (n.d.). *Gender-based violence factsheets: January 2020 - July 2022 in Nigeria*. United Nations. https://nigeria.un.org/en/192969-gender-based-violence-factsheets-january-2020-july-2022

¹⁵ Council for Social Development. (n.d.). *Poverty reduction strategy papers (PRSP) - all documents - sorted by CountryName*. International Monetary Fund. https://www.imf.org/external/np/prsp/prsp.aspx

natural resources, appropriate new technology and financial services, including microfinance. As part of their 17 goals, goal 11 targets sustainable cities and communities, and the UN addresses that the effort must focus on implementing resilient development policies to basic services and affordable housing. Cities from Sao Paulo, Brazil; Calcutta, India; Neza, Mexico; and Jakarta Indonesia are organizing self-help programs with local organizations to establish tenants rights groups, credit unions, and political movements. Trade unions in the developing world are key players in combating urban poverty, and they do so by joining efforts of community groups and political campaigns for social justice. Even philanthropies and government aid programs are providing funds to local grassroots organizations and government anti-poverty agencies. Now that investors are finally a part of the dialogue, it would not be too hasty to say that change is possible.

Conclusion

Prioritizing the creation of sustainable living for residents will require governments to commit significant resources to stimulate economic and human development initiatives, including the extension and improvement of critical infrastructure that serves poor communities. Governments should focus on investing in national poverty reduction strategies and involve city planners in creating sustainable living. Should both be put to use, will make continued expansion of urban areas more manageable. Though there is so much that needs to be done, tackling poverty is not too far away.

Guided Questions

- 1. What is the current state of urbanization and the rate of urban poverty of your country? Has the poverty rate seen fluctuation since the pandemic?
- 2. How closely has the government of your country worked with UN Habitat and UNDP in regard to combating poverty? Would your country be in need of financing by the IMF or the world bank, and would it be open to receiving Structural Adjustment Program loans or has it in the past?
- 3. Does your country have a large number of people residing in urban areas that live in informal settlements? What are the conditions they face? Has your country been known to mass-evict settlements, if so, has anything been done for the evicted?
- 4. What kind of an impact did Covid-19 have on your country's economy? How did it affect the urban poor? Did your country provide any relief to those negatively impacted by the pandemic, specifically lower-income families?
- 5. What steps are your country taking to ensure sustainability in urban areas?

RESOURCE REVIEW

United Nations Documents

UN General Assembly Resolution 70/1 - Transforming our world: the 2030 Agenda for Sustainable Development (2015): https://bit.ly/FHSMUN 70 1

This resolution adopted the 2030 Agenda for Sustainable Development, which includes SDG 1 as well as 16 other Sustainable Development Goals. This source would be useful for delegates so they are able to better understand the commitment of member states to eradicate poverty in all its forms and dimensions, including extreme poverty, by implementing strategies and policies that promote sustainable economic growth and social inclusion.

UN General Assembly Resolution 72/279 - The repositioning of the United Nations development system (2018): https://bit.ly/FHSMUN 72 279

This resolution emphasizes the need to enhance the UN development system's effectiveness in supporting member states' efforts to achieve the SDGs. This source best supports claims that call on improved coordination and integration of development activities at all levels, focusing on eradicating poverty and addressing inequalities.

UN General Assembly Resolution 74/206 - Implementation of the Third United Nations Decade for the Eradication of Poverty (2019): https://bit.ly/FHSMUN_74_206

This resolution reaffirms the commitment to eradicating poverty, particularly in the context of the Third United Nations Decade for the Eradication of Poverty (2018-2027). This resource will allow delegates to dive deeper and understand the importance of creating an enabling environment for poverty eradication, including through policies that promote economic growth, social protection, and access to basic services.

UN General Assembly Resolution 74/222 - Follow-up to the Second United Nations Decade for the Eradication of Poverty (2019): https://bit.ly/FHSMUN 74 222

This resolution focuses on the follow-up to the Second United Nations Decade for the Eradication of Poverty (2008-2017). This would be beneficial to delegates to read so they can better understand countries' views and understand the importance of addressing multidimensional poverty, social exclusion, and inequalities, and emphasizes the role of partnerships in achieving sustainable development and poverty reduction.

United Nations Economic and Social Council. "Speakers Call for Ambitious Action, Investments to Build Sustainable, Inclusive, Resilient Cities, Urban Communities, as Political Forum Continues ECOSOC/7137." (2023): https://bit.ly/FHSMUN_7137

This meeting regarding the need for action for urban communities, the impact of Covid-19, and climate change. This source would be beneficial for delegates to read this to better understand and explore policies and transformations needed to overcome the multiple crises that continue to threaten decades of progress made in development around the world