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## **In Search of A Chance: Urban Opportunities, Poverty and Vulnerability in Northern India**

In India poverty is overwhelmingly a rural phenomena, and poverty research, analysis and policy development have focused largely on the rural poor. However, nearly one-quarter of India's urban population live below the official poverty line<sup>1</sup> and the urban poor face a unique set of challenges. Uttar Pradesh (UP), the largest state in India and one of the poorest; accounts for 20 percent of India's poor. The level of poverty is lower in Uttar Pradesh's cities and towns (30 percent of urban residents are poor as compared to 34 percent of the rural population) and the rate of progress has been faster in the 1990s. For this reason, and because it is believed that urban areas offer superior opportunities and services, policy makers in India often assume that urban areas will act as strong magnets for rural-to-urban migrants looking for new opportunities. However, the pace of rural to urban migration in Uttar Pradesh has been surprisingly slow during the past decade. Although there is a body of analytic work on the urban poor in other parts of India, there has been only limited efforts to examine the unique constellation of problems and constraints faced by the urban poor in poor and underdeveloped northern regions. There are significant gaps our understanding of the factors that motivate or limit migration to UP's cities and towns, the economic strategies pursued by the urban poor, and the opportunities and barriers they encounter, including barriers linked to social factors such as caste and gender. Like their rural counterparts, the urban poor, particularly men and women from lower castes, lack "voice" in the political arena. It is important to understand more about the ways that urban slum dwellers interface with political structure in the city, and whether (and how) they are able to secure public benefits and services.

To examine these questions, a qualitative and participative study of urban poverty in Uttar Pradesh was carried out in two large cities (Kanpur and Lucknow), three medium-sized cities and five smaller cities and towns during October 1999- April 2000. Staff from several Indian NGOs visited these sites to lead a series of exercises drawn from the methods of Participatory Rural Appraisal (PRA), including wealth ranking and social mapping exercises, social capital and household case history interviews, and focus group discussions concerning government programs, and the special problems and circumstances of urban youth and women. Informants were purposively chosen to be typical of low-income individuals residing in poor urban settlements (established slums and unrecognized squatter settlements). The study was designed to serve as a comparison to the qualitative component of the 1997 UP/Bihar Poverty Study, which examined the condition of the rural poor using a similar set of field exercises.

The qualitative research has been augmented by selective analysis of several rounds of India's National Sample Survey (NSS) for Uttar Pradesh, including a special module on poverty and access to services administered as a part of the UP state-sample of the NSS 55<sup>th</sup> Round (1999-00).

We propose to present a paper at the Urban Symposium on the key findings from the urban study. These are summarized briefly below.

### **Findings**

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<sup>1</sup> Using official 1999-00 poverty lines from the Indian Planning Commission, with welfare estimates corrected for changes in survey design (see Deaton "Adjusted Indian Poverty Estimates for 1999-2000)

While there are multiple motives behind all migration, the poorest and most disadvantaged migrants (“push migrants”) were those who left their villages to escape debts, feuds and oppressive attached or bonded labor relationships with wealthy landlords or patrons. Those primarily motivated by “pull” factors traveled to the city in search of higher wages or entrepreneurial opportunities. Most of these migrants were slightly better off and often continue to hold rights in village lands and/or to maintain strong economic and social ties with family members there. They are better poised to succeed in the urban areas as a result of these advantages. Other factors named by informants as conditions that improve a household’s chances for upward mobility included possession of a useful skill, prior possession of capital or capital assets, a low dependency ratio, lack of shocks, access to credit, limiting consumption, and residence in a favorable location (e.g. near markets).

Urban vulnerability was described as greater to the extent that the urban poor lack the basic food security that agriculture/kitchen gardens provide for rural dwellers. The urban poor also have fewer traditional patron-client relationships that, though often exploitative, help to cushion the rural household. Even the poorest, however, were able to maintain a basic livelihood in cities by begging or scavenging; options that are generally missing in rural villages. Able-bodied urban workers without skills, literacy or assets frequently were only able to obtain casual daily wage labor, which offers little scope for economic advancement. Nevertheless, some informants said they had managed to start a small business, usually hawking, through small savings or credit, and had significantly improved their household income as a result. Scope for escaping traditional caste occupations appears much higher than in rural areas, particularly in mixed-caste slums, but examples of caste-homogeneous slums were found that had managed to turn a traditional scheduled caste occupation into remunerative livelihoods for their residents. Overall, the urban setting was found to offer significantly better economic opportunities than those in rural areas.

In some important respects, urban living was found to be less attractive than expected. Informants described significant disadvantages such as higher costs and appalling public health conditions (particularly water and sanitation). Conditions were particularly extreme in settlements that were not recognized by government. In these *unrecognized* settlements, water, sewage, electricity, schools and health facilities were typically absent unless established by NGOs or through community initiatives. Community members, however, were reluctant to invest in their own housing or local infrastructure due to insecurity of tenure.

Counter to expectation, even for *recognized* slum settlements, informants’ description of government services suggest that they are no better in urban than in rural areas. The low quality of public education fosters a tendency to remove children from school after basic literacy is attained in favor of apprenticeships in skilled occupations. Children, especially boys, thus commonly enter the labor force between the ages of 9 and 15. Government health services (hospitals, or in peri-urban areas, primary health centers) were not used by most informants (with a few exceptions) because they lack medicines and supplies and because health workers are overburdened and hence unable to render high-quality care. Most said they turn to the untrained medicine seller (*Jhola chap* doctor) or traditional healer (*ojha*) instead, similar to health seeking behavior reported by the rural poor. Every community visited complained of inadequate public provision of drinking water, and sanitation was poor in virtually all of them. A few informants said they had made use of private schools or hospitals, but these are beyond the reach of most urban slum dwellers.

Unlike the rural poor, many of the poor communities in the urban study had developed a strategy for collective political action to pursue better public services. These communities had organized initially to resist the removal of their community in city slum clearance initiatives, primarily by forging links with local politicians and influential individuals outside the slum. The resulting organizations and associations were, in some cases, subsequently used as a vehicle for petitioning the city for formal recognition, roads or linkages to water, sewage and electrical systems. Although these efforts were

seldom successful, they nevertheless have fostered the development of a relatively sophisticated understanding of the political process on the part of urban slum dwellers that is not shared by their rural counterparts.

There is recent evidence that urban growth, as a component of growth in the non-farm sector, is becoming one of the driving forces in poverty reduction in India and in UP. This supports the conviction expressed by many informants that an impoverished rural household's best chance of escaping poverty is to relocate to an opportunity-rich urban area. The current slow pace of rural-to-urban migration, however, suggests that the constraints to urban living, detailed above, are acting as a brake that inhibits the rural worker's search for non-farm employment opportunities. Many of these constraints could be eased, however, by appropriately designed and implemented public policies and services. Many of these policies and programs are already in place, in fact, but the challenge of implementing them effectively is still ahead.

The need for more effective pro-poor interventions, including risk coping and mitigation, is particularly acute in these urban slums. The urban poor are highly vulnerable and, in comparison with rural villages, there are fewer traditional arrangements to cushion against emergencies. Food security is a particular concern. Poor urban households are therefore more dependent upon programs provided by government and NGOs. Certain of India's Anti-Poverty Programs (APPs) also assume a special importance in towns and cities: in the commercially active urban setting, the poor are better placed to take advantage of self-employment/microcredit programs that promote entrepreneurship. To better meet the needs of the urban poor, the government should address a number of high-priority urban problems and requirements, including water and sanitation, regularization of unrecognized settlements, improvement of public education, revitalization of early childhood welfare initiatives, providing a wider range of micro-credit options and improving urban health through better disease prevention and curative services.