Policyweekly

Redefining Slum Dwellers:
Insights into Nigeria's Urban Challenges and Opportunities

Policy Recommendations

1   There is a need to develop and implement large-scale, accessible housing programs that cater specifically to low-income earners.

2   To aid slum dweller formalisation, the government should consider a resident database.

3   There is a need to Invest in comprehensive urban planning for future population growth.

4   There is a need to address the root causes of rural-urban migration by improving economic opportunities and social services in rural areas.

5   There is a need to actively engage slum dwellers in decision-making processes that directly impact their communities, particularly housing and basic services.

Introduction

Slums emerge and proliferate across various regions globally due to many factors. On the one hand, rural-to-urban migration, economic stagnation, persistent poverty, and reliance on informal economies drive rural dwellers to urban areas in search of green pastures. On the other hand, systemic factors such as high unemployment levels, inadequate urban planning, political dynamics, and social unrest exacerbate rural migration. In turn, rural migrants, often faced with the high costs of housing, turn to slums for shelter. "Slums" or "shanties" exist in urban areas, contrasting the gleaming skyscrapers and big shopping malls across Nigeria's bustling cities. Millions reside in these informal settlements, characterised by cheaper, low-standard housing, poor sanitation, limited access to essential services, and vulnerability to environmental hazards.

Often, the public's reactions to slums and ghettos are rooted in classism and class discrimination, manifesting in slum levellings and evictions. Governments, by refusing to acknowledge their role in slum formation and expansion, foster intolerance towards slum residents, which in turn legitimises forced relocations. Ultimately, this attitude reflects a broader unwillingness to address the systemic issues contributing to slum formation and expansion, further entrenching discrimination against the urban poor.

Frequently, the term "slums" conjures images of poverty, leading to the presumption that only the most impoverished members of society inhabit these areas. However, the reality is more nuanced. Within the confines of slums, one finds a diverse cross-section of individuals, from government to private sector employees. Many average Nigerians teeter precariously close to the brink of becoming slum residents, with just one missed paycheck separating them from this fate, a consequence of a free-falling economy. By 2025, an estimated 1.6 billion people (one-third of the world's urban population) are expected to face the affordable housing challenge. With Nigeria's rising urbanisation rate, the increasing demand for affordable housing may cause a widening housing gap without a targeted policy intervention. It is, therefore, crucial to shift the perspective and recognise slum dwellers not as nuisances but as partly victims of systemic failures and bad governance.

This edition of Nextier SPD Policy Weekly explores the causes of slum proliferation in Nigeria, examines the government's strategies to address the slum crisis, reviews successful approaches, and emphasises the importance of addressing the underlying factors rather than merely treating the symptoms.

Understanding the Causes of Slum Proliferation

The proliferation of slums in Nigeria is complex and multifaceted, with multiple factors, from economic and social factors to government policies, contributing to their persistence.

According to the National Bureau of Statistics (NBS), sixty-three per cent of persons in Nigeria (133 million) are multidimensionally poor, prompting migration from rural to urban areas to pursue economic prospects. Consequently, urban centres cannot meet the increased demands for affordable infrastructure and housing development, resulting in the emergence and expansion of informal settlements. Individuals needing more means to secure safe and affordable housing in formal urban locales are compelled towards more economical yet informal settlements, which frequently lack essential amenities and are branded as crime havens.

The cliché that slums are havens for criminality oversimplifies the complex dynamics of poverty and crime. When people from low-income backgrounds are densely packed into slums, social and economic pressures can lead to crime, but it is crucial to understand that crime is often a symptom of deeper issues such as lack of standard education, unemployment, inadequate housing, and limited access to social services. Rather than attributing crime solely to the environment, addressing these underlying causes can significantly reduce criminality and improve safety in slum areas. Community engagement, investment in infrastructure, education, and job creation are key strategies for mitigating crime and fostering social cohesion in slum areas.

Additionally, the inability of rural migrants to access quality education, healthcare, and social safety nets in the urban scene leaves them in a dilemma, forcing them to seek cheap, insecure housing in slums. Also, limited job opportunities, particularly in rural areas, drive people towards cities for better prospects. However, lacking qualifications or skills often leads to underemployment or informal work with little pay, trapping them in a cycle of poverty and hindering upward mobility. Other contributing factors to the proliferation and growth of slums include insufficient government funding for affordable housing, weak urban planning, and inconsistent regulation enforcement. Poorly implemented land ownership policies create hurdles for low-income individuals seeking formal housing, pushing them towards informal

solutions. Additionally, corruption within urban development projects, such as misallocation and diversion of funds, hampers infrastructure improvements, compounding the difficulties slum communities face.

Furthermore, violent conflict in Nigeria aggravates the spread of slums through various channels. Banditry in Northwest Nigeria has forced people to flee violence, leading them to settle in urban areas like Abuja, often in pre-existing slums or contributing to new ones due to limited resources and affordable housing. Additionally, conflicts disrupt agriculture, infrastructure, and economic growth, driving rural residents to urban areas in search of necessities, intensifying pressure on urban resources and expanding slums. Social tensions also rise, resulting in discrimination against displaced populations, hindering their integration into formal society and worsening the slum crisis. Conflicts divert government resources from housing development, hampering efforts to tackle existing slum issues and accommodate newly displaced people. For instance, conflict in Northeast Nigeria has led to millions settling in overcrowded urban areas, worsening the slum problem. Similarly, the Lake Chad Basin crisis has caused rural-urban migration and strained urban infrastructure in northern Nigerian cities due to resource scarcity. These factors are interrelated and vary in impact across regions and communities.

Inclusive Urban Growth: How the National Development Plan 2021-2025 Addresses Slum Dwellers' Concerns

The Nigerian government recognises its constitutional obligation to provide affordable housing for its citizens. The National Development Plan 2021-2025 outlines a multipronged strategy to achieve this, building on successes from previous initiatives. Key agencies like the National Housing Programme and the Federal Mortgage Bank are collaborating to deliver housing units and facilitate mortgage access.

The national urban development policy emphasises slum reduction and sustainable housing. It aims to decrease the slum population and slow rural-urban migration. Regional Development Boards will be established to promote sustainable urban regeneration. A robust mortgage market with long-term funding is planned, incorporating mortgage-backed securities and aiming to reach 20% of urban dwellers with financing options. This strategy also encourages homeownership through incentives and partnerships with financial institutions. Overall, the plan seeks to improve housing affordability, reduce slums, and create equitable access to infrastructure through collaboration between government and private sectors. This aims to achieve sustainable urban development, bridge the urban-rural divide, and empower Nigerians through homeownership.

On the Flip Side

While While the aspiration to provide slum dwellers with permanent, safe housing is commendable, national and sub-national governments in Nigeria face significant constraints that can hinder the implementation of sustainable resettlement programmes. In "The Mystery of Capital," Hernando de Soto argues that lacking formal property rights is a crucial barrier to economic development in many developing countries. He posits that "in the midst of the poorest neighbourhoods and shantytowns, there are trillions of dollars, all ready to be put to use only if the mystery of how assets are transformed into live capital can be unravelled". Many people, including those living in slums, possess assets like land or homes but cannot convert them into capital because their ownership is not officially recognised. This lack of formalisation means they cannot leverage their assets to access credit, secure investments, or engage in legal transactions, leaving them unable to participate in the formal economy. As a result, they are excluded from broader economic opportunities, reinforcing cycles of poverty and informality.

Applying de Soto's theory to slum dwellers, the lack of formalisation is a significant hurdle. Without official titles to their homes or land,

slum residents cannot use their "assets" to secure loans, start businesses, or obtain insurance. This also extends to employment, as many slum dwellers work in the informal sector without legal protections, stable incomes or formal records. Significant policy changes are needed to integrate them into the formal economy, such as formalising property rights and creating legal frameworks for informal business operations. Additionally, tackling bureaucratic barriers and corruption is crucial to facilitating the transition from informality to formality, ultimately unlocking the economic potential within slums and promoting equitable development.

Furthermore, building new affordable housing is just one part of the equation. Resettlement programmes for slum dwellers in Nigeria face financial and logistical challenges. Building sustainable housing requires significant upfront investment, while maintaining existing infrastructure is a struggle for many states. Land scarcity and the disruption of social networks further complicate relocation efforts. Alternative solutions like slum upgrading programmes can be more feasible. The Slum Networking Project (SNP) in India demonstrates a successful collaborative approach. By prioritising essential infrastructure upgrades like sanitation and water access and involving residents in the decision-making process, the SNP improved living conditions within existing settlements. This model can be adapted to the Nigerian context, with NGOs potentially bridging financial gaps in resident contributions. By focusing on collaboration and resident participation, slum upgrading programs can offer a more sustainable solution than traditional resettlement efforts.

Recommendations

1. **Affordable Housing Programmes:** Develop and implement large-scale, accessible housing programs that cater specifically to low-income earners. This could involve public-private partnerships to construct subsidised housing units or provide micro-loans to residents for incremental housing improvements. Slum dwellers can be plugged into this institutional process by utilising the National Identity Number (NIN) database, which mandatorily captures every Nigerian.

2. **Resident Database:** To aid slum dweller formalisation, the government should consider a resident database. This would document key information for residents, facilitating service delivery, property ownership pathways, and targeted interventions to improve living conditions and integrate them into the formal economy.

3. **Urban Planning and Development:** Invest in comprehensive urban planning for future population growth. This includes zoning regulations, designation of green spaces, and infrastructure development to accommodate new residents in planned areas with proper services, reducing the pressure on existing slums.

4. **Rural Development Initiatives:** Address the root causes of rural-urban migration by improving economic opportunities and social services in rural areas. This could involve agriculture, education, and healthcare investments to create a more balanced development approach and discourage people from moving to already congested cities.

5. **Community Engagement and Empowerment:** Actively involve slum dwellers in decision-making processes that directly impact their communities, particularly housing and basic services. This could be done by partnering with community organisations to design and implement solutions that address their specific needs and empower them to improve their living conditions.

Conclusion

Tackling Nigeria's slum crisis is not just the sole responsibility of the government; it requires collective action. Everyone has a role, from supporting NGOs and community-based organisations to advocating for inclusive policies and holding authorities accountable. Nigeria must

move beyond viewing slum dwellers as a problem, which requires a fundamental narrative shift. They must be recognised as valuable members of society, capable of contributing if given the opportunity. Stigmatisation and discriminatory policies only exacerbate their vulnerabilities. By understanding the root causes, recognising the agency of slum dwellers, and implementing multi-pronged solutions, Nigeria can move towards a future where everyone can access safe, dignified housing and the opportunity to thrive. It is about alleviating poverty and building a more equitable and just society where everyone can reach their full potential.
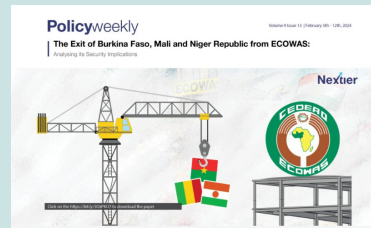
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