

Book Review

Imtiaz Alvi, The Informal Sector In Urban Economy: Low Income Housing In Lahore, OUP, Karachi, 1997.pps 323. Price Rs. (Pakistani) 535/-.

Cities play an increasingly important role in the economic standing of nations. Urban areas, with their anonymity and fast pace, can be non-conducive to societal cooperation. Social capital and trust are more difficult to develop and sustain in large groups. In many cases, interactions between parties are not repeated and therefore there is no incentive to develop reciprocal relations.

In urban settings, people tend to cluster together in small communities and networks of support, but trust and goodwill for those outside immediate groups is minimal. High levels of intra-group social capital and very little inter-group social capital (referred to as "bridging social capital") may have profound effects on inequality, private sector development, government and public welfare.

The low-income population of Lahore did not have access to urban services and housing at affordable prices because of high urban land prices, ineffective planning, inadequate supply of serviced land, and lack of access to established financial markets. This resulted in severe overcrowding and subsequent deterioration of the housing stock.

The book focuses on the need for strengthening the capacity of local institutions to prepare and implement integrated urban development programmes to arrest the decay in urban living conditions. It also suggests the ways to improve municipal services and to develop strategies to deliver services and shelter to the urban poor. The author has also highlighted the issue of delivering services and shelter to the urban poor.

Lack of housing remains one of the most urgent and formidable problems confronting developing nations today. Despite various efforts to tackle the issue, the problem remains unsolved. Considering the high population growth rate in Pakistan, the problem is likely to get more acute in the near future. The time is therefore ripe to review the policies for housing for the urban poor, to evaluate the current state of knowledge. This book seeks to clarify the scope and limitation of self-help housing both as a concept and as a practice and to contribute to the current state of knowledge by presenting a case study of Lahore.

The book under discussion is a very laudable effort on a critical topic especially considering the fact that Pakistan is a developing economy subject to such problems. The author takes into consideration the various models used by different organisations in order to highlight the major hindrances to development in developing countries.

The writer has supported his arguments and points of view with the extensive use of mathematical data in the form of statistical figures depicting the various populations and housing trends in Lahore.

The Informal Sector in the Urban Economy is a critical in depth and revealing study of the development models applied in the developing countries since the Second World War in order to combat underdevelopment, poverty and homelessness.

The recent formal-informal sector approach to development is the main focus of this analytical work. The book attempts to demystify the role and vitality of this development approach by investigating the urban land market, construction materials market, and construction labour market in the urban economy.

It examines the politics of development and shelter policies and the role of the various interest groups in Pakistan since its foundation in 1947. The effects of these policies and the real beneficiaries, in the face of the growing poverty and homelessness in general and in Lahore in particular, are discussed.

The book clarifies the philosophical and practical limitations of the popular development model and cautions against romanticising it as the prescription for all the developing countries.

It goes on to describe the historical and geographical background of the case study. The chapter investigates the nature and extent of structural imbalances and the poverty that prevails in Lahore. The evolution in the city over the last 2000 years has also been described. The effects of the political and economics changes on the economic, social and physical fabric of the city are discussed.

The issues of squatter areas in the city and the low income housing policies adopted by the state are analysed in a broader social, political and economic context. The chapter investigates the increasing importance given to the issue of low income housing by the Pakistani government and

describes how such problems of housing the poor have become an important feature of national politics that no future Pakistani government can ignore.

Alvi reveals that squatting is not an isolated process, which continues unabated. It shows that squatting activity influences many individuals, groups and political parties. The investigation suggests that squatter settlements gradually become a sub sector of the housing market. Despite the dubious status of land in the squatter settlements, both houses and land are sold on the market. The functioning of this market is compared with the conventional housing market in Lahore.

Lastly he investigates the use of building materials, which are used for house building in the squatter settlements of Lahore. The study shows that many of the assumptions held by academics and popular conceptions about the use of construction materials by the poor are unfounded in the case of Lahore. The survey results suggest that in the squatter settlement surveyed, the use of the second hand building materials is nominal and the majority of the households use new building materials. The sources of purchase for these materials are also examined. Findings concerned with the use of building materials and the sources of procurement of the materials in the squatter settlements are compared with similar processes taking place in the conventional areas surveyed. The comparison reveals that squatter settlements are an integral part of the construction sector and the important consumption points for the building materials produced and traded by the capitalist and petty commodity modes of production.

Though the author supports his assertions with rational use of statistical data occasionally we find that he finds it hard to keep the interest of the reader intact. Too much use of statistical inferences as well as facts and figures makes the material very unappealing to the reader at times. Besides this the author has used some of those tried and tested models that have resulted in little success earlier. The use of tried models takes away some of the gloss of this book. The fervour and enthusiasm created by the author at the start of the book somehow loses its pitch somewhere midway and especially at the end of the book where the author ends on a very cautious note.

However Alvi has taken a very bold stance in evaluating modern urban problems and their solutions. Overall a good book for students, avid readers and intellectuals and teachers by an author who holds a Ph.D in development planning from the University of Birmingham and has been associated with monitoring, assessment and planning for the National Rural

Support Programme (NRSP). The author at present is the Deputy Programme Director, Programme Support Unit at IUCN, Pakistan.

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