SÃO PAULO INTERNATIONAL SEMINAR

Urban Policies, Land and Social Exclusion:
A Comparison between India and Brazil
(SET UP)

Sub-project: Social Exclusion (SLUMS)

"Dealing with Slums in the Context of Metropolization:
Comparison of Public Policies in São Paulo and Mumbai
(since 1950)"

Marie-Charlotte Belle

Ph. D. Scholar
Centre d'Etudes du Brésil et de l'Atlantique Sud
Centre Roland Mousnier (UMR8596)
Sorbonne University - Paris IV

SeTup

<u>Similarity in General Background: How Did These Two Megacities Develop?</u>

São Paulo and Bombay[1] both began to develop in similar circumstances in the 1950s when there was an urban explosion all over the world. Although it started ten years later, Bombay's growth was more significant than São Paulo's because it occurred over a shorter period. This population explosion was undoubtedly one of the indirect effects of the partition of the subcontinent into India and Pakistan, but it was also spurred by the first wave of "economic liberalisation" initiated by Indira Gandhi in the 1980s. Generally speaking, it is these circumstances that enabled Mumbai to overtake São Paulo and be ranked among the world's top megacities.

Table 1: Megacity Rankings Since 1950.

| 1950	1975	2000	2015
1. New York 12.3	1. Tokyo 19.8	1. Tokyo 26.4	1. Tokyo 26.4
	2. New York 15.9	2. Mexico 18.1	2. Bombay 26.13
	3. Shanghai 11.4	3. Bombay 18.1	3. Lagos 23
	4. Mexico 11.2	4. São Paulo 17.8	4. Dhaka 21.1
	5. São Paulo 10.0	5. New York 16.0	5. São Paulo 20.44
		6. Lagos 13.4	6. Karachi 19.2
		7. Los Angeles 13.1	7. Mexico 19.2
		8. Calcutta 12.9	8. New York 17.4
		…19. Cairo 10.6	…23. Bangkok 10.1

Source: UN-HABITAT, "Urbanisation faits et chiffres", UNHSP/BASICS1/02
http://www.unhabitat.org/mediacentre/documents/backgrounder5_fr.doc

---

[1] Bombay was renamed Mumbai in January 1996 at the insistence of the new Shiv Sena/BJP (nationalist) government. The name comes from the goddess Mumba Devi worshipped by the peninsula's first inhabitants.
The name Bombay will be used in this document with reference to actions and events preceding 1996 while the name Mumbai will be used when referring to later events.

Map 1: São Paulo and Mumbai Metropolitan Areas.

*O Grande São Paulo* is the result of the integration of urban municipalities (*municípios*) in the metropolitan region.

Município São Paulo : 1 509 km²

Região Metropolitana de São Paulo : 8 051 km²
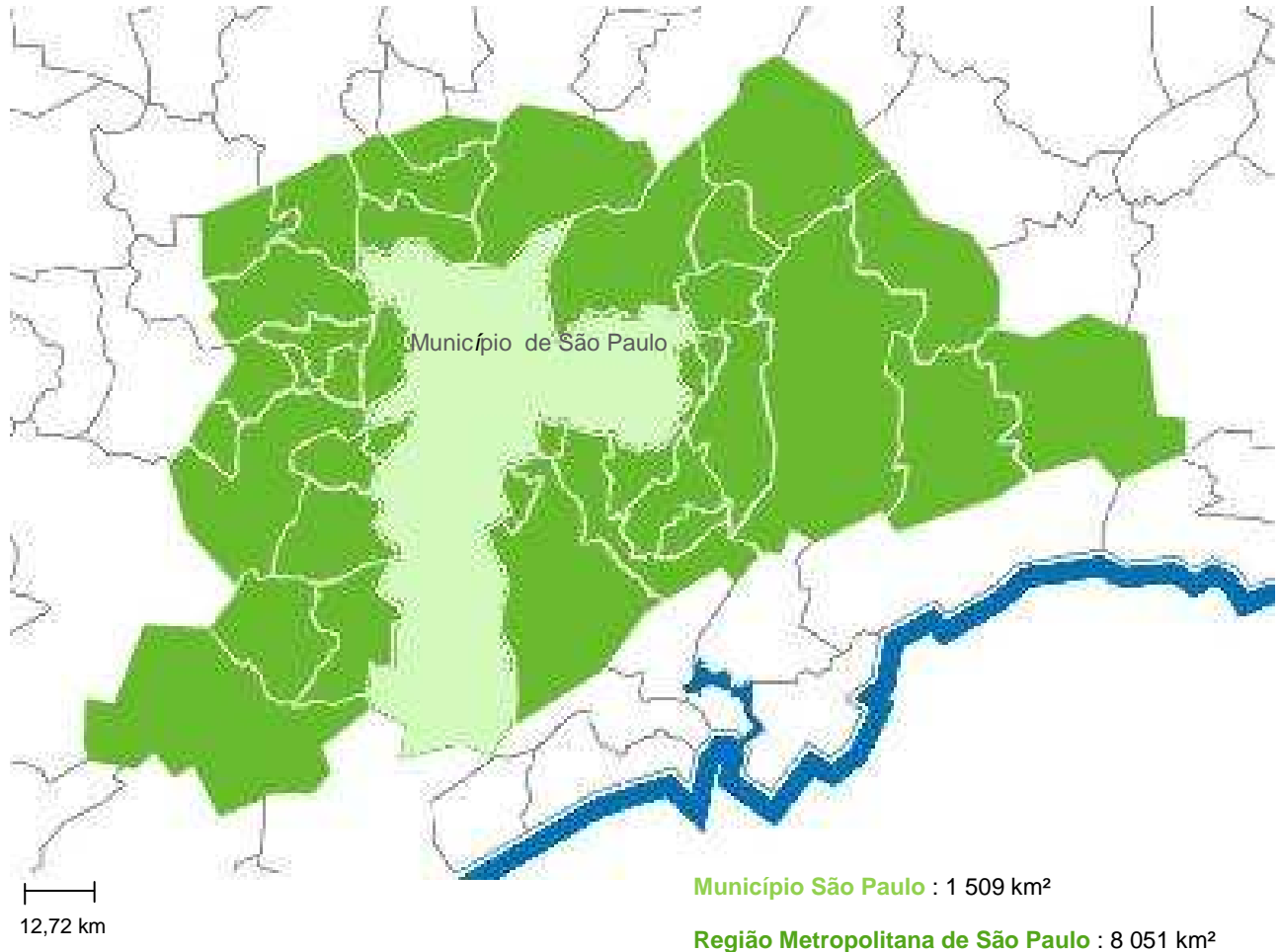
The São Paulo Metropolitan Region :

São Paulo is surrounded by thirty-nine urban municipalities[2] which were gradually integrated into the city during its metropolization.

---

[2] Arujá, Barueri, Biritiba Mirim, Caieiras, Cajamar, Carapicuíba, Cotia, Diadema, Embu, Embu-Guaçu, Ferraz de Vasconcelos, Francisco Morato, Franco da Rocha, Guararema, Guarulhos, Itapecerica da Serra, Itapevi, Itaquaquecetuba, Jandira, Juquitiba, Mairiporã, Mauá, Mogi das Cruzes, Osasco, Pirapora do Bom Jesus, Poá, Ribeirão Pires, Rio Grande da Serra, Salesópolis, Santa Isabel, Santana de Parnaíba, Santo André, São Bernardo do Campo, São Caetano do Sul, São Lourenço da Serra, São Paulo, Suzano, Taboão da Serra, Vargem Grande Paulista.

The Mumbai Metropolitan Region consists of:
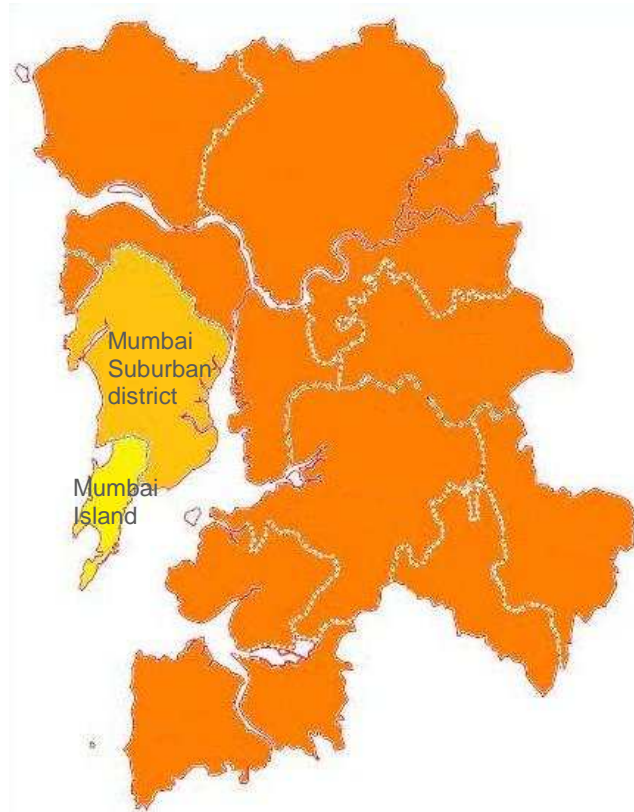
Greater Mumbai : 468 km²

Mumbai Metropolitan Region: 4 355 km²

8,72 km

- ▪ Mumbai island or Mumbai Municipal City: the southern part of the peninsula which is the original heart of the city
- ▪ Mumbai Suburban District: includes the suburban areas which were the first to be integrated into the Metropolitan Region
- ▪ These two zones constitute Greater Mumbai.

- ▪ The Greater Mumbai Metropolitan Area: consists of villages and the municipal corporations of Thane, Kalyan, Vasai, Virar and Navi-Mumbai.

These three zones taken together form the Greater Mumbai Metropolitan Region.

The metropolization process is closely linked with economic growth. In fact, it could be said that urbanisation and metropolization stand for the somewhat excessive reorganisation of the city's area necessitated by economic development. It is therefore interesting to note that economic development and urbanisation occurred almost simultaneously in these two cities. São Paulo and Mumbai engineered their growth at a time when they lacked the necessary infrastructure to support such a high level of development.

During the second half of the 20th century, Brazil and India underwent an economic transformation due to both internal and external factors. The Second World War had forced them to resort to import substitution and manufacture the goods they required. Later, the central governments of both the countries formulated voluntary policies for the development and modernisation of their countries (*Plano de Desenvolvimento Nacional* and Five-Year Plans). In 1956, Juscelino Kubitschek launched *O Plano de Metas* with the aim of stimulating Brazil's growth by industrialising its entire territory under

the "Cinquenta anos em cinco"[3] project. As for India, having proclaimed its Independence in 1947, it decided to follow the "Indian path of development" based on industrialisation with a dominant public sector: the so-called "commanding heights" of Indian economy. This desire for progress and modernisation impelled and sustained the urbanisation process.

Urban development followed the pace set by economic growth. The impressive growth of cities set in motion the process of metropolization. These urban centres were thus transformed into hypercities in terms of both area and concentration of economic activities. Beginning as municipalities, their development spread rapidly to peripheral areas. In the first phase, the surrounding areas were integrated into the urban core and during the second phase, they were treated as autonomous areas that benefited from the metropolis' dynamism even as they participated in it. These new centres then developed their own growth structure. This led to the spread of urban activity but in a context of spatial discontinuity.

To manage this exponential economic and territorial growth, the governments set up a planning mechanism, particularly with reference to urban areas. However, the speed of development and the stakes involved were such that there was a discrepancy between the effects of the urban policies taken up for implementation and the ground realities. The irruption of slums[4] was the immediate result of this territorial and social distortion.

Generally, slums are clusters of squalid dwellings deprived of all urban and social services and amenities. Inhabited by low-income groups who cannot afford proper housing, these slums occupy land that is unfit for habitation, accentuating thereby the spatial effect of urban discontinuity. Apart from this general interpretation, each nation has its own definition of slums. In São Paulo, the term favelas conjures up images of unsafe shelters (made of wood, cardboard, tin-sheets…) built illegally by the inhabitants themselves on unoccupied private or public land. They are far from the cortiços, the rented flats in shabby tenements built during the early stages of expansion to house the working class and industrial labour. In India, the term slums refers to dilapidated and overcrowding buildings, unfit for living because of their hyginenic and physical precariousness. The authorities identify three categories of slums [V. Dupont et M-C Saglio-Yatsimirsky, 2008]. The zopadpattis or jhopad pattis are "clusters of huts"[5] on vacant land belonging to private or public owners and occuped by vagrants and homeless people. The chawls are small run-down buildings in which entire families live in a common room followed by a succession of additional rooms that tend to vanish during surveys conducted to assess the population of slum areas. The Patra-chawls are cheap residential and authorised constructions consisting of iron sheet. It must be pointed out that Mumbai's pavements dwellers are not included in the city's slum population even though their living conditions are equally pitiable. The definition of the slum is therefore subject to the assessment of local authorities. By differentiating between the different types of dwellings, the authorities create two parallel cities, one modern and the other run-down, thus allowing different types of public action. By including in their records only a portion of the squalid dwellings in their areas, São Paulo and Mumbai conceal the impact of these urban settlements on the city's landscape and complicate the comparative studies that depend on the variable definition of the term slum.

---

[3] "Fifty Years in Five Years."

[4] This term refers to the slums or zopadpatti of Mumbai and the favelas of São Paulo.

[5] Term used in the Human Development Report 2006 "Beyond scarcity: Power, poverty and the global water crisis", United Nations Development Programme, Kevin Watkins, UNDP – PNUD, Palgrave, 2006, p.37.

<u>Urban Policies Dealing with Slums (since the 1950s): How Have the Governments of Mumbai and São Paulo Managed the Development of Slum Areas?</u>

The difficulty of adapting public action in São Paulo and Mumbai to their peculiar urban needs gave rise to a new set of problems due to the severity of spatial segregation and social exclusion. Owing to the high speed of development maintained by the public authorities, the administrations of São Paulo and Mumbai were not in a position to efficiently manage in real time the new challenges facing them.

The government's attitude towards slums illustrates this delicate vacillation between frenzied economic development and sensible urban management.

The methodology adopted in this article is based on the comparison of the urban policies formulated by these two megacities to deal with slums in order to bring out the similarities in their general trends. To make it easier to understand, we have divided the study into periods in order to maintain the chronological order and add an analytical dimension. Each period witnesses the emergence of a different approach towards slums on the part of the government.

A different process was used for analysing the urban policies of each megacity. In Mumbai, since the planning mechanism is rigid, it was decided to consider it as the starting point of the public trends visible in the development plans for Greater Bombay[6] and as the finishing point of the key actions and programmes launched by the authorities, keeping in mind the choices made in the development plan. In São Paulo, the government took a long time to draw up appropriate development plans. The latter mainly indicated strategies for territorial expansion but did not propose any ideas regarding future urban policies. The approach adopted to analyse São Paulo's development is based specifically on programmes and public actions undertaken in relation to slums. Changes in the way the governments have dealt with slums have thus been examined through the study of actions and programmes based on expulsion and urbanisation which directly affect these urban areas.

I. Plans to Improve the City and the Marginalisation of Slums (1940-1950)

It should be noted that conditions were quite different in Bombay and São Paulo during this period. In fact, São Paulo was affected by the problem of *favelas* much later, while Bombay was invaded by pockets of makeshift dwellings quite early due to the political situation created by the country's Independence and Partition which brought a massive influx of refugees from the newly-created Pakistan.

In both São Paulo and Mumbai, there was a delay in implementing urban policies suited to the new spatial scale. Overall, urban questions were treated as a part of the general strategy for bringing the changing city up to the required standard. In the initial stages of metropolization. During the period 1930-50, the government was essentially concerned with plans for beautifying the city and launched schemes for improving and reorganising spaces that were already urbanised, but neglecting the first disorderly settlements built by the city's new dwellers. Hence, there was no attempt to deal with issues of such strategic importance as slums when they first came into existence. The government probably did not understand the seriousness of the problem and the consequences of these settlements for urban space. The question of slums was thus brushed away from the sphere of public management.

---

[6] From 1996 Bombay was renamed Mumbai to satisfy the demand of a Hindu nationalist movement started by the Shiv Sena/BJP combine.

1.1 Master Plan for Bombay and Slum Clearance

In Bombay, ***An Outline of the Master Plan for Greater Bombay 1948***[7], prepared by the Bombay Municipality looked at the slum problem only from the viewpoint of the lack of housing and space for leisure. Besides, the maps of Bombay Island[8] and Greater Bombay[9] did not show the areas occupied by slums. At this time, the authorities failed to identify and record this type of urban settlement. According to this report, it was necessary to give top priority to the construction of housing for low- and middle-income sections of the population on vacant plots and provide the necessary infrastructure to connect them with the rest of the city. It was therefore decided to ignore these "unauthorised" settlements. There was no proposal to integrate them into the urban space. On the contrary, it was decided to undertake "slum clearance" projects only after this period of construction to build up a reserve of land for constructing more buildings to house displaced slums dwellers.

The land "freed" in this manner was to be converted into green areas, allowing the government to reacquire illegally occupied lands. One of the reasons for the proliferation of these unhealthy makeshift dwellings in Bombay was the Maharashtra government's rent-control policy adopted in 1947[10] which froze rents of flats in privately owned buildings. This policy was pursued during the following decades in an attempt to regulate the market. Despite the amendment of this law in 1986 and 1993, house-owners still have no incentive to maintain their buildings. The negative effects of this regulation have not diminished. On the contrary, they have only aggravated the shortage of housing, the problem of old and dilapidated buildings and the proliferation of self-constructed makeshift dwellings.

1.2 Public Management of Urban Expansion and Modernisation in São Paulo

There was no strategic planning during the early years of urban growth. There was limited public intervention mainly for the purpose of beautifying the urban landscape and to encourage activities leading to modernisation. The question of providing housing for the working class arose only when dealing with problems of sanitation and public hygiene.
It should be noted that in São Paulo the phenomenon of *favelas* made its appearance only during the 1970s, much later than in Bombay.

The first urban plan for São Paulo was drawn up in 1930 when Prestes Maia was the Prefect. The ***Plano de Avenidas da Cidade de São Paulo*** was intended to slow down the vertical growth of the city centre as well as the outlying districts. It was supposed to "remodel" the city's layout. It proposed urban expansion on the basis of a radial-concentric model structured around major arterial and radial roads connecting the centre to the suburban areas. It also recommended restrictions on new construction in the city centre and encouraging it in the peripheral areas to decongest the city. It echoed the principles of the ***Código de Obras Municipal***[11] whose purpose was to reduce the height of buildings by imposing an elevation ratio. Until these two measures were introduced, São Paulo did not have any regulations for controlling land occupation. Nevertheless, this plan had a limited impact because it dealt only superficially and partially with the city's structural problems. In fact, the urban model that was selected only encouraged the movement of a section of the population to the city's periphery.

---

[7] An *Outline of the Master Plan for Greater Bombay,* N. V. Modak and Albert Mayer, Bombay Municipality, 1948

[8] The term Bombay Island*,* hardly used now, refers to the Bombay peninsula.

[9] Greater Bombay includes the total area of Bombay Island and the Bombay Suburban District

[10] Mumbai Rent Control Act (1947)

[11] Promulgated by *Lei 3.427 of 1929*. Also called *Código de Obras "Arthur Sabóia".*

In 1947, the government became aware of the early effects of metropolization. As a matter of fact, the first unauthorised settlements appeared in the peripheral areas after 1945 due to the congestion of the city centre. This impelled the government to contemplate the adoption of a master plan and a scheme to demarcate urban zones so as to redistribute activities and take serious action to bring about changes in the urban structure. This led to the emergence in 1958 of the **"Estrutura Urbana e Aglomeração Paulistana" study** conducted by Louis Joseph Lebret during the tenure of Mayor Toledo Piza[12], which took note of the beginnings of a rift between the city centre provided with all the amenities and the peripheral areas which were spreading horizontally due to the influx of low-income sections of the population. Nevertheless, no planning was undertaken even after the submission of this report. There were isolated measures without any perspective of long-term development that dealt only with restrictions on the height[13] of buildings, the organisation of communication networks and the improvement of the sewage system.[14] It was also in the 1950s that the first plans were drawn up for areas inhabited by high-income sections of the population.

At this time, the administrations of Bombay and São Paulo did not initiate any significant measures for the benefit of their low-income population who suffered from the effects of expansion and were forced to move further away from the city centre. In the case of Bombay, top priority was given to freeing occupied land to build more houses and provide modern amenities to the city's inhabitants. In São Paulo, the main aim of public action was to ensure the smooth flow of traffic and rationalise the use of space. The measures introduced were thus essentially aimed at the city's development and modernisation. These were the foundations on which urban development took place by neglecting the interests of slum dwellers.

---

[12] Mayor of São Paulo from 1956 to 1957.

[13] In 1957, *Código de Obras "Arthur Sabóia"* was revised because of the excessive congestion of the city's central district.

[14] The first *Plano conjunto de Águas e Esgotos para a Capital* was prepared in 1947.

II. Encouraging the constrution of public housing (1960-70)

Table 2: Growth of Slums in the Município[15] of São Paulo and Greater Mumbai from 1950 to 2001

Year	Total Population of Greater Mumbai[16]	Year	Slum Population[17]	Proportion of slum population as compared to total population (%)
1941	1,800,000	1941	-	-
1951	2,994,000	1951	-	-
1961	4,150,000	1961	498,000	12 %
1971	5,971,000	1968	1,000,000	20 %
1981	8,243,000	1976	3,250,000	41 %
1991	9,926,000	1981	4,200,000	51 %
2001	11,914,000	2001	5,823,000	48.8 %

Sources: BMRDA, 1994

Adhikari, Sanchayeeta, "Urban planning and Politics of Slum Demolition in Metropolitan Mumbai", 2002

Year	Total Population of Município São Paulo	Year	Slum Population[18]	Proportion of slum population as compared to total population (%)
1941		1941	-	-
1951		1951	-	-
1961		1961		%
1973[19]	6,560,547	1968	71,840	1.1%
1980	8,558,841	1976	375,023	4.4 %
1991	9,644,122	1981	891,673	9.2 %
2000	10,338,196	2001	1,160,597	21%

The most recent estimates of the changes in the slum population of *município* de São Paulo were made in 2004 by the *Centro da Metropole*. According to *Atlas Metropolitano*, EMPLASA there are at present in RMSP 2,797 *favelas*, 2,018 of which are located at the district's edge.

During the period 1960-1970, the slums expanded. Their number increased and they became more unsafe. Urban flows were interconnected and the city spread out to become a metropolis. The social rift widened further. The slum problem became more complex as the slums got embedded in the metropolitan framework. What attitude did the authorities adopt towards the growth of slums?

---

[15] Term designating the São Paulo district.

[16] The figures have been taken from the statistics given by MMRDA, *Regional Plan 1991-2011*, Part 1, Chapter 3, MMRDA

[17] Indian statistics include *zopadpatti* in the slum population. In some of the census operations, the population of *chawls* (rented tenements) was not counted. *Pavement dwellers* are not included in the statistics.

[18] The *cortiços* (dilapidated buildings situated in the city's central district) are not counted among slums in Brazil.

[19] After 1973, the data has been obtained from Camila Saraiva e Eduardo Marques' study "A dinâmica social das favelas da região metropolitana de São Paulo", Seminário sobre estrutura social e segregação espacial, Centro dametropole, 2004

At the instigation of the Central Governments, the local authorities launched programmes to provide housing constructions for slum dwellers. Bombay was severely affected by this problem. The government launched "improvment" and "rehabilitation" programmes to release free areas for the construction of buildings. In São Paulo, the layout of the land and the political situation called for different solutions. The local authorithies lay down land conditions which stimulate housing constructions.

On the whole, housing policies required low-income households to move to the city's periphery as the first development plans gave no thought to this section of the population.

2.1 First Steps Taken to Rehabilitate a Portion of Bombay's Slums

In 1956, at the instigation of the Union government, there was a change of direction in approach to the slum problem. As a matter of fact, the Indian parliament passed a law known as the Slum Area (Improvement and Clearance) Act to draw attention to the problem of slums. Under the pretext of improving dilapidated buildings,[20] most of the city's poorer neighbourhoods were classified as slums to make it possible to undertake rehabilitation programmes. One of the direct consequences of this law was that the local authorities turned their attention to houses of this type. In 1954, a law authorised the Bombay Municipal Corporation (BMC) to demolish dwellings on illegally occupied slums.

Under the *Development Plan for Greater Bombay* of **1964**, the local authorities defined their future policies for the management of these areas. A special chapter is devoted to housing and slum clearance. Although the two subjects are related, they should be approached separately. Illegally occupied lands come under the purview of public management. In order to assess the exact number of slums on urban lands, the report depends on a survey conducted in 1956-57 (after the Slum Area Act was passed) which updates the results of the survey conducted before the Second World War, The first survey, carried out by the Bombay Municipal Corporation, counted 85 slums occupying an area of 133 hectares (330 acres). The new survey counted 144 slums in the City (extending from Backbay to Mahim Bay) with a population of 4,158,000 persons spread over an area of 355 hectares (877 acres).

The most important slums have been identified and located in the following Wards:
- o Colaba Koliwada Village and Old Fort, Ward A:

A fishing village situated at the southern tip of the peninsula in the part of Mumbai frequented by tourists.
- o Fanaswadi, Ward D
- o Worli Koliwada, Ward G

An old neighbourhood inhabited by textile workers in the centre of Greater Bombay that is now part of by a rehabilitation project.
- o Dharavi, Ward G

A former fishing village situated along Mahim Creek, at the junction of Mumbai City and suburban Mumbai. It is the largest slum in terms of both population and area. At present, architect Mukesh Mehta has been asked by the government to take up the task of clearing this strategically located slum and redeveloping it into economic hubs and residential areas for the middle and upper classes. The aim is to create a modern district fully integrated with the rest of the city and permitting an extension Mumbai City towards the north.[21] This *in situ* rehabilitation programme is innovative as the principal role has been assigned to the private partner. By putting architect Mukesh Mehta in charge of the

---

[20] The Slum Area Act of 1956 is aimed at *chawls*, dilapidated old buildings as well as slums consisting of makeshift dwellings illegally built on public or private land.

[21] The narrowness of the peninsula prevents the expansion of Mumbai's central economic district. By recovering the land presently occupied by the Dharavi slums the city's business district can be expanded towards its northern end.

Dharavi Redevelopment Project, the municipal administration has delegated its powers as an urban developer to a private actor.

o Kamatipura, Ward H

It is a poor district known for its numerous brothels situated off the main Tardeo Road, which has now become a much coveted site for the municipal authorities.

These areas are pockets of poverty in the heart of a modern city and they have to be removed or rehabilitated so as to be integrated into the urban fabric.

It should be noted that the maps attached to the development plan do not show the slums in the rest of Greater Bombay and only those in the City[22] (Wards A to G) are pinpointed. A large portion of the city's poorest population was thus ignored once again while drawing up public policies. Bombay's suburban areas lying beyond Mahim Bay did not benefit from the survey conducted in 1956-57 and were therefore not included in the development plan. To justify this absence, the report alludes to the unsafe nature of the hovels and their essentially "vagabond" population.[23] This clearly shows that in terms of government policy, Bombay Island continues to be disconnected from its fast growing suburbs. The southern end of the island is the most attractive zone from the economic viewpoint because all financial, commercial and industrial activities are concentrated there. For this very reason it receives special attention from the local authorities. Run-down areas spoil the image of Bombay as a "modern city". It is therefore important to solve the problem of slums in this part of the city.

The development plan thus does not deal with the slum problem in its entirety or at the metropolitan level. It opts nevertheless for two types of solutions: eradication of slums from these areas or their rehabilitation. The underlying principle is that each occupied plot should be classified into one of the two categories so that it becomes eligible for the construction of new buildings to house the city's low-income population.

In 1971, the Maharashtra government obtained additional powers under the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act which enabled it to launch rehabilitation programmes and vacate occupied areas. In 1970, the **Slum Improvement Programme (SIP),** whose object was to provide basic amenities to these areas in the form of water, roads, drainage, electricity, etc., was launched in coordination with the municipal authorities and the Maharashtra government to follow up the actions envisaged in the Greater Bombay Development Plan of 1964. However, it was not possible to obtain the anticipated results due to lack of land and financial resources. It was difficult to incorporate the plots belonging to the central government or private owners into this programme. As clarified by A. Sanchayeeta,[24] a report of the Bombay Municipal Corporation prepared in the 1990s by K.G. Pai, Deputy Municipal Commissioner (Slums) indicated that the funds sanctioned were far from adequate to meet the programme's requirements. At the same time, the state of Maharashtra undertook the rehabilitation of old buildings under the **Mumbai Repairs and Reconstruction Programme**, 1969). *Chawls*[25] came directly under this measure which, once again, did not produce the anticipated results.

2.2 Assistance for Acquiring Land and Maintaining the Dynamics of Relocation of the Poor to the Periphery of São Paulo.

---

[22] The City is a generic term that designates *Bombay Island,* the southernmost part of Greater Bombay, which is the hub of all financial and commercial activities and where the affluent residential districts and shopping centres are located.

[23] Term used in the Report on the Development Plan for Greater Bombay 1964, Municipal Corporation of Greater Bombay, Government Press, 1964.

[24] SANCHAYEETA, A. "Urban planning and politics of slums demolition in metropolitan Mumbai", conference paper, 2004.

[25] Cheap single-room tenements given on rent located on Bombay Island. The *chawls* correspond to the *cortiços* of São Paulo.

According to a survey conducted by the *Prefeitura de São Paulo*[26] in 1973, the slum population numbered 70,000 or 1% of the population of the *município.* Until the 1970s, although São Paulo was not particularly concerned about the slum problem, it was affected by the poverty of the inhabitants of the *cortiços*[27] situated in the city centre and those living in shacks that had come up on its periphery. Added to this problem was the shortage of infrastructure in the form of street lighting, sewage system, etc. At the same time, according to a survey carried out by the state of Maharashtra, 21% of the population of *Bombay Island* lived in slums. This numerical difference is indicative of the divergence of the policies followed by the two cities. Bombay opted for a systematic counting of its slums dwellers in order to notify them for rehabilitation programmes while São Paulo pursued housing and planning policies that stressed the impermanent nature of the slums and constantly pushed its poorer population towards the periphery (*remoção*).

The Military Rule in 1964 centralised the decision-making process, particularly in the management of public affairs. Local authorities were encouraged to draw up development plans and public housing policies to streamline the city's expansion. Financial instruments like the System for Financing Housing (*Sistema Financeiro Habitacional*) and the National Housing Bank (*Banco Nacional de Habitação*) were created by the central government to encourage the construction of houses and finance schemes to give low-income groups easy access to housing. The Federal Housing and City Planning Service (*Serviço Federal de Habitação e Urbanismo*) was put in charge of providing technical assistance to municipal bodies for drawing up their master plans. Until then, there was no comprehensive vision behind the housing policy which was approached piecemeal.

However, these development plans did not translate the central government's intentions into reality. Even as the central government was encouraging the local authorities to take up the planned development of cities, the Mayor of São Paulo, Faria Lima,[28] and the central government started drawing up respectively in 1968 and 1970 the **Plano Urbanístico Básico** (PUB) and the **Plano Metropolitano de Desenvolvimento Integrado** (PMDI). Both these documents were innovative insofar as they defined the position of São Paulo vis-à-vis the surrounding metropolitan area. Nevertheless, they followed the same goals as the earlier plans. They focused mainly on the communication system through the expansion the road network and recommended the construction of metro lines in addition to publishing rules and regulations regarding land use to organise urban expansion in accordance with existing occupations. These plans favoured a general approach to the spatial organisation of land that would benefit metropolization. They did not recommend any policy to solve urban problems, particularly housing for the working-class population. On the contrary, the public housing policy implemented jointly with private actors drove the very poor away from the city centre with the result that the city's outskirts continued to be dormitory suburbs. The process of acquiring accommodation for low-income groups was based on the procurement of land situated further and further from the areas providing employment and on the construction of a *casa própia* without public funds. The financial instruments developed by the central government benefited people from higher social categories which led to a real estate boom. Low-income households seriously affected by the economic crisis were ignored by the authorities whose limited actions designed to suit the government's political exigencies were devoid of any reasonable development perspective.

However, in 1971 the Mayor of São Paulo, Figueiredo Ferraz,[29] implemented the **Plano Diretor de Desenvolvimento Integrado**, the first plan that considered development as a strategy and was based on a zoning law (*Lei de Zoneamento*) that would be enacted the following year. These two

---

[26] *Prefeitura de São Paulo: municipal administration of São Paulo.*

[27] Run-down working-class accommodation in the central districts of São Paulo. The *cortiços* correspond to the *chawls* of Bombay.

[28] Mayor of São Paulo from 1965 to 1969

[29] Mayor of São Paulo from 1971 to 1973.

instruments established a standard framework based on the division of the city into several zones and land in each zone was assigned for a particular use. Public management thus began to be based on long-term thinking[30] and these same basic zoning instruments are being used today to draw up present and future plans. However, this is bound to artificially increase the price of land that is likely to have a higher value in the future for construction purposes. Speculation has made its entry in the real estate domain and provoked a housing crisis. Access to land is becoming more and more difficult because the high price of land has led to a fall in the availability of plots for the construction of low-income housing.

The first development plans concentrated on finding the most efficient models for the development of urban spaces instead of defining the general direction to be taken to ensure a balanced growth. Thus working-class housing was developed without putting in place a proper management mechanism in a climate of speculation in the real estate sector which drove the poorer population to the city's outskirts and led to the development of settlements on land that was both unsuitable and dangerous.

The government progressively enacted urban laws that enabled it to take direct action regarding occupied lands. However, the actions taken with regard to slums concentrated mainly on slums in central districts because they were located in areas that were of strategic importance for the city's development.

The two megacities thus opted for the same strategy: the construction of houses for low-income groups. Nevertheless, since the situation related to the spread of slums was different in São Paulo and Bombay, the actions undertaken were also different. Fully aware of the fact that slums occupied vast tracts of valuable urban space, Bombay launched operations for their demolition and the rehabilitation of these zones. The programmes encouraged the construction of public housing that could provide rented accommodation to the poor. At the same time, São Paulo also implemented programmes for the construction of working-class accommodation and the acquisition of land that resulted in an increase in the price of occupied lands. These two political decisions led to the displacement of the city's poor who had to move further away from the districts where they worked. These actions and urban plans gave an impetus to the city's expansion. In the end, occupied lands were taken over by the real estate sector which pushed more and more people to the city's outskirts and further aggravated the problem of dilapidated and unsafe buildings.

---

[30] The environmental law (*Lei Estadual de Proteção aos Mananciais*, 1975) and the law on the division of land (*Lei Federal de Parcelamento do Solo*, 1979) were enacted around this time.
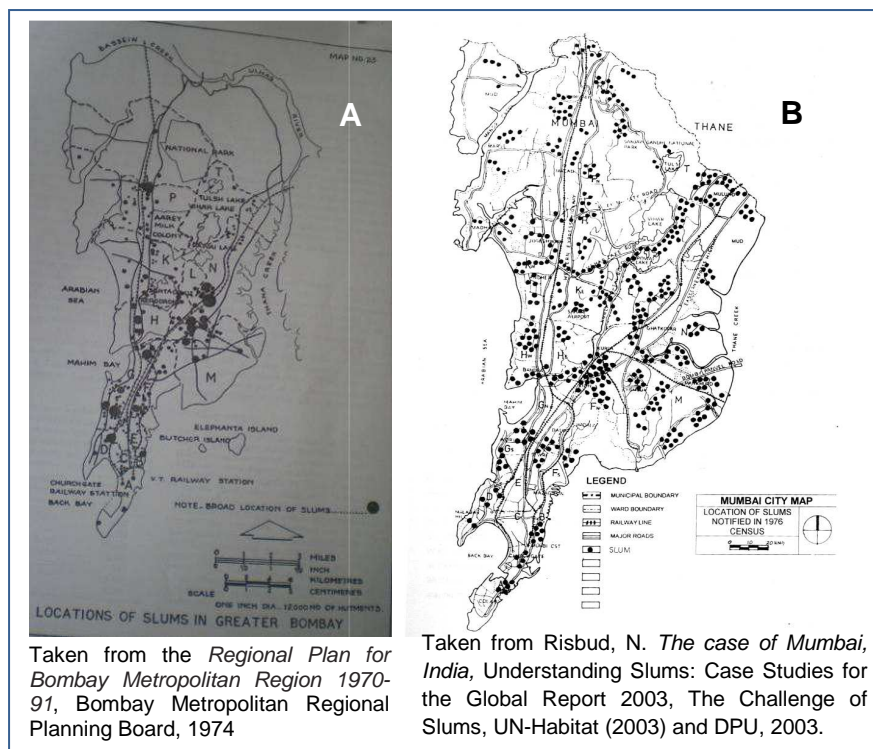
III. Slums developement (1975-1985)

Fully aware that its actions were doing little to stop the spread of slums, the government opted for the implementation of redevelopment programmes (Mumbai) and the development of occupied lands (São Paulo).

3.1 Redevelopment of Bombay's Slums

The **1973** *Regional Plan for Bombay Metropolitan Region* looked at development from a metropolitan perspective. Greater Bombay was defined in relation to its surrounding areas and the slums were dealt with accordingly.

Map 2: Location of Slums in Greater Bombay According to 1968 (A) and 1978 (B) Estimates

Taken from the *Regional Plan for Bombay Metropolitan Region 1970-91*, Bombay Metropolitan Regional Planning Board, 1974

Taken from Risbud, N. *The case of Mumbai, India,* Understanding Slums: Case Studies for the Global Report 2003, The Challenge of Slums, UN-Habitat (2003) and DPU, 2003.

The report is based on the 1968 estimates according to which there were 206 hutment colonies in the Greater Bombay area whose population amounted to 6 million. In 1976, the first official census conducted by the Maharashtra state put the number of huts at 902,015 and identified 2,335 slum pockets. 21.1% of the slum population was located on Bombay Island (Wards A to G) as compared to 83.3% in the suburban districts.

The most "critical"slums in terms of safety identified in the report are:

  o Lala Nigam Road, Ward A in Colaba between the institutional area and the Fort area.
  o Tulsiwadi area, Ward D along the Western Railway.
  o Worli, Koliwada and Dharavi, Ward G, mentioned earlier are located in the central part of Greater Bombay.
  o Bandra, Ward H is the buffer zone between Bombay Island and suburban Bombay.

These slums are concentrated in areas that are strategic for the city's development and are therefore the focus of public attention.

In view of the spread of these hutment colonies, the authorities have now woken up to the fact that they have a difficult task before them and unless slum clearance is followed by the provision of a sufficient number of new dwellings for the displaced population,[31] new slums will come up on the same land without any improvement in living conditions. Government is therefore inclined to adopt a more "moderate" policy giving preference to the improvement of occupied areas by providing them amenities and basic infrastructure.

To provide financial support for this policy, steps have been taken at the local level. It has been decided that a tax will be levied on each hut and a new law will empower the government to acquire private land. However, this law, the Urban Land (Ceiling & Regulation) Act, which allows the state government to acquire a part of privately owned land to construct houses for low-income groups, has had the opposite effect. The exemption clause has been used largely to obtain permission from the Municipal Corporation to construct houses on the portion that was kept aside for the Maharashtra Government. In 1976-77, the *Hut Renovation Schemes* sought the cooperation of the private banking sector for the renovation of these dwellings. The families identified in 1976, who had not yet been rehoused, were eligible for a loan from commercial banks through the intercession of the Controller of the Slums. So the ineffectiveness of the law (Maharashtra Vacant Lands (Prohibition of Unauthorised Occupation and Summary Eviction) Act, 1975) associated with these schemes proved to be a setback for the renovation of slum areas.

During the second half of the 1980s, a new approach was introduced to improve the living conditions of slum dwellers. Public action was no longer confined to the simple rehabilitation or improvement of these areas but focused on their redevelopment.

In 1985*,* the **Bombay Urban Development Project** was launched jointly with the World Bank which contributed a part of the funds. The approach, strongly influenced by the World Bank, deemed that slum management should include the regularisation of the land on which they stood and the provision of basic infrastructure. This project gave birth to two programmes: the **Slum Upgradation Programme** (SUP) and the **Low Income Group Shelter Programme** (LISP). The SUP introduced the notion of land-ownership by giving slums dwellers a thirty-year renewable lease together with civic rights and the possibility of obtaining a loan for the improvement of their houses. This law covers the lands under the jurisdiction of the Bombay Municipal Corporation and the Maharashtra government, but excludes the slums on lands belonging to the central government and privately-owned plots. An additional scheme was drawn up to identify eligible households. The LISP too has not produced the expected results. Under this scheme (LISP), the Maharashtra government was to provide land to the most underprivileged families so that they could build their own houses according to present norms. It appears however that this scheme did not cover the poorest categories. These different instruments introduced the notion of ownership. They depended on the participation of private actors who played the role of financiers (commercial banks, World Bank) or as intermediaries (slum dwellers' cooperative societies) to facilitate the renovation.

Simultaneously, the **Prime Minister's Grant Project** (PMGP) initiated by the central government sanctions an amount of US$ 20 million to improve the living conditions of Mumbai's slum dwellers, particularly those living in Dharavi, one of the largest slums. The cost of this programme in terms of investment is too high and not competitive as compared to the cost of the redevelopment programmes launched by other public bodies like the Bombay Housing and Area Development Board

---

[31] According to the Regional Plan for MMRDA 1996-2011, the annual housing requirement in the 1960s was 46,000 dwelling units and in the 1970s, 60,000 units. Out of this total, the public and private sectors provided 17,000 and 20,000 units during the two periods.

(BHADB) and the Bombay Urban Development Programme (BUDP). In the long run the PMGP is not a desirable scheme.

The effectiveness of slum improvement programmes is further reduced by the rivalry between the central government, the state government, the city administration and private owners who share the metropolitan land market between them. Programmes cannot succeed due to the unavailability of land and the involvement of too many authorities (central, state and local) has not produced the anticipated results.

3.2 Rise in the Value of Occupied Land in São Paulo.

Due to the housing crisis, the inhabitants of the *favelas* have organised themselves and are demanding access to lands provided with basic amenities. With the rise of movements supported by local associations, the authorities are juggling between repressive measures and regularisation. In São Paulo, the federal[32] and municipal[33] authorities initiated in the early 1980s a process for the **regularisation** of occupied lands which led to urban expansion due to the assimilation of illegally occupied lands. The Lehman Law and the decree of Mayor Setúbal[34] were the first instruments for regularising illegally occupied plots. By creating the *Supervisão Especial da Regularização de Loteamentos e Arruamentos*, the municiaplity aimed to "regularizar todos os loteamentos de São Paulo até o fim de 1982". It should be pointed out that these actions were not an integral part of any development plan and were initiated without any comprehensive goal in mind. Social programmes like **Proluz**, **Proagua**, **Promorar**, **Properiferia** and **Profavela** were implemented in association with the Municipal Urbanisation Undertaking (*Empresa Municipal de Urbanização,* Emurb), the Metropolitan Housing Company (*Companhia Metropolitana de Habitação*, COHAB) and local associations. These public actions were aimed at providing municipal services to illegally occupied plots so as to gradually eliminate them from the urban landscape.

The regularisation of these lands only increased the pressure exerted by the real estate sector on the poorest sections of the population who did not have the means to buy either regularised or illegal land. As a matter of fact, the regularisation of the peripheral districts spurred the establishment of public and private infrastructure (schools, business establishments, etc.). Thus, in 1980, Emurb launched the *Plano Popular de Melhoramento* with the intention of building tarred roads in the peripheral districts which led to the introduction of new commercial establishments and attracted people from the middle class. The concept of "vacant lands" appeared with speculation in the real estate sector as newly regularised lands, or those expected to be regularised in the near future, were cornered by individuals and investors awaiting permission to build on them. From then on the development of the peripheral areas gathered speed with people investing in lands situated in rocky areas, very far from the city centre and from employment zones. Under the pretext of regularising the peripheral districts, the government encouraged the "gentrification" of these areas due to the unavailability of financial resources for the construction of public housing for the working class population. It thus allowed the private sector to invest in these new "open" areas. This resulted in a speculative bubble in the real estate sector further increasing urban and social inequalities. The low-income groups could no longer afford to buy land for housing and were relegated to neighbouring districts where laws were not so strict. The municipal policy of regularisation made the poor inhabitants of São Paulo even more insecure by driving them away from the older illegally occupied lands, which

---

[32] *Lei Lehman 6766/79* is a legal instrument permitting the opening up of new illegally occupied lands and regularising existing ones.

[33] *Decreto 15764/79* issued by the Mayor of São Paulo, Olavo Egidio Setúbal, who declared an amnesty for those living on unauthorised plots of land.

[34] Mayor of São Paulo from 1975 to 1979.

had now been assimilated in the official real estate market and were accessible only to people belonging to the middle and upper classes.

During the tenure of Mario Covas (1982-1985), the new master plan marked the beginning of a new phase by proposing the principle of public-private partnership to reduce public expenditure. "Urban Operations" (*operações urbanas*) were undertaken to provide amenities to illegally occupied areas and thus provide permanent housing for the working-class population. The "Interconnected Operations" system entered into its second phase when the following governments authorised builders to exceed the Floor Space Index on payment of a fee that was used for the construction of public housing. This regulation thus supported policies for financing housing for the working classes and also encouraged schemes for the construction of houses for the upper classes, the densification and verticalisation of some areas and gave additional advantages to promoters.

While tackling the problem of land development to curb the spread of slums, the government did not deal with the underlying causes of "favelisation" (lack of financial resources to buy land). The government's actions actually contributed to the continuance of the phenomenon instead of solving the problem of growing poverty and lack of access to proper housing. The construction of public housing suited to the economic circumstances of the poorest sections and the possibility of obtaining funds to buy land were absent due to the difficulties faced by the public finance system. Efforts were made nevertheless by the municipality to help the poor by providing funds for the purchase of building material so that they could build houses for themselves, but the results were not commensurate with the requirements.

The pressure exerted on the metropolitan organisation by the large number of unsafe dwellings forced the authorities to include illegal sites in the urban structure. Bombay and São Paulo continue to devise schemes to rehabilitate and provide amenities on these illegally occupied lands. However, the shortage of land in Bombay for the construction of public housing has obliged the authorities to lay down eligibility conditions for households seeking rehabilitation. In São Paulo regularisation policies have triggered speculation in the real estate sector. Once again, the results of the municipal policy have not benefited the majority of the city's poorest inhabitants.

Besides, these slum redevelopment programmes also involve additional expenditure. Private actors are therefore approached for financial assistance. The entry of the private sector into the public sphere is a trend common to both the megacities, the underlying reason being the lack of financial resources for the implementation of slum rehabilitation programmes.

IV. Slums Redevelopment and Urbanisation in public-privale partnership

The slums are now an integral part of the megacity. They have been recognised as one of the dynamics of the metropolization. process and metropolitan plans now incorporate this parameter in their development strategy. Illegally occupied spaces are thus meant to be permanently included in the city's structure. To achieve this aim, every urban actor is asked to help with the spatial and social integration of slums into the city's framework.

The lack of financial resources mitigated the effect of the redevelopment programmes encouraged the participation of private actors in the construction of public housing.

4.1 *In-situ* Development in the Mumbai Metropolitan Region

The **Regional Plan for Mumbai Metropolitan Region 1996-2011** is the last development plan prepared by the Mumbai Metropolitan Regional Development Authority (MMRDA). The plan report identifies the reasons for the failure of public slum rehabilitation policies: an insufficient stock of accommodation, recurrent speculation in the real estate sector, administrative and institutional differences regarding the issues of housing and urban development which makes it difficult to plan and coordinate joint and inter-related schemes in different parts of the city (Greater Mumbai and Mumbai Metropolitan Region). In 2001, the slum population in the Mumbai Metropolitan Region was estimated to be about 6,720,000 or 37.96%[35] of the total metropolitan population of which more than 5 million are to be found in Greater Bombay[36] (while more than four fifths occupy land in the suburban districts of Greater Bombay (Wards H to M). The plan expects the slum population to double during the next twenty years. This means providing twice the number of houses and one and a half times the present investment. It is therefore advisable to pursue *in-situ* development programmes in these areas while continuing to lease the occupied land to slum dwellers to promote its integration into the existing housing stock. To attain this goal without any increase in public investment, the government has called upon private actors and associations to assist in slum management. Henceforth, land and building regulations will provide an incentive to private land-owners to participate in public redevelopment schemes. By increasing the Floor Space Index in favour of builders, the authorities have encouraged the construction of public housing by private investors. Furthermore, the transfer of development rights (TDR) allows the government to control and regulate the location of land and building operations carried out by private actors. Private owners of unoccupied land are encouraged to cede their land to the government against Transfer of Development Certificates that permit them to construct their projects on another site. The government calculates the Floor Space Index permitted on the original plot and allows the owner to transfer it to a new site thus preventing the construction of new buildings on what are now protected lands. By allowing private actors to transfer land or construction rights, the government avoids further overcrowding of spaces lacking civic amenities and decides the geographical location of development projects in the metropolitan area without involving any public expenditure. The government can now tackle the urban renewal problem by providing basic amenities and converting public agencies into development promoters.

During the 1990s, the main purpose of the programmes drawn up by the government was to encourage private investment by opening up the real estate market and allowing slums dwellers access to land so as to reintegrate them into the urban framework. It should be noted that these measures were undertaken with the aim of improving the image of the concerned political party in the eyes of voters. The **Slum Redevelopment Scheme** is one of the first to use the Floor Space Index ratio to attract private investment. While pursuing slum redevelopment plans, the government has

---

[35] Data taken from "Population and Employment Profile of Mumbai Metropolitan Region", MMRDA.

[36] More than 48% of the population of Greater Bombay lives in slums.

increased the area available for construction on occupied plots in order to encourage commercial builders to construct houses for low-income groups. After the change of government in 1995, the programme was renamed *Slum Rehabilitation Scheme.* The principle remained the same but the programme's scope was extended so that all slums dwellers became eligible and additional incentives were given to builders (out of every 1m² of land they developed on Bombay Island, they were allowed 0.5m² for their own use). Recently, the Greater Mumbai Municipal Corporation has jointly launched with the World Bank the "Clean Mumbai" campaign under the **Slum Sanitation Programme** to provide the minimum sanitary facilities in all slum areas. The same desire to provide the city with an efficient and suitable infrastructure prompted a partnership between the government and non-governmental organisations to relocate families living along railway tracks in order to improve the city's transport network through the addition of new lines. The relocation of these households on unused lands or those categorised as 'No Development Zones' (NDZs) has moved them away from their place of work and other facilities like markets, transport, etc.

This general policy for the redevelopment of slums is based on a resolution adopted by the United Nations General Assembly in December 1988,[37] outlining 'a global strategy of shelter for all to the year 2000'. The aim is to encourage governments to henceforth take into account in their development policies population growth and current urbanisation trends instead of confining themselves to providing housing and conforming to usual construction norms.

---

[37] United Nations Resolution (A/RES/46/163) Habitat, Shelter for All, Global Strategy for Shelter to the Year 2000, UNCHS (Habitat), Nairobi, Decembre1991.

Map 3: Location of Slums in Greater Mumbai from the Mumbai City Development Plan 2005-2025.

Map taken from the City Development Plan 2005-2025, MCGM
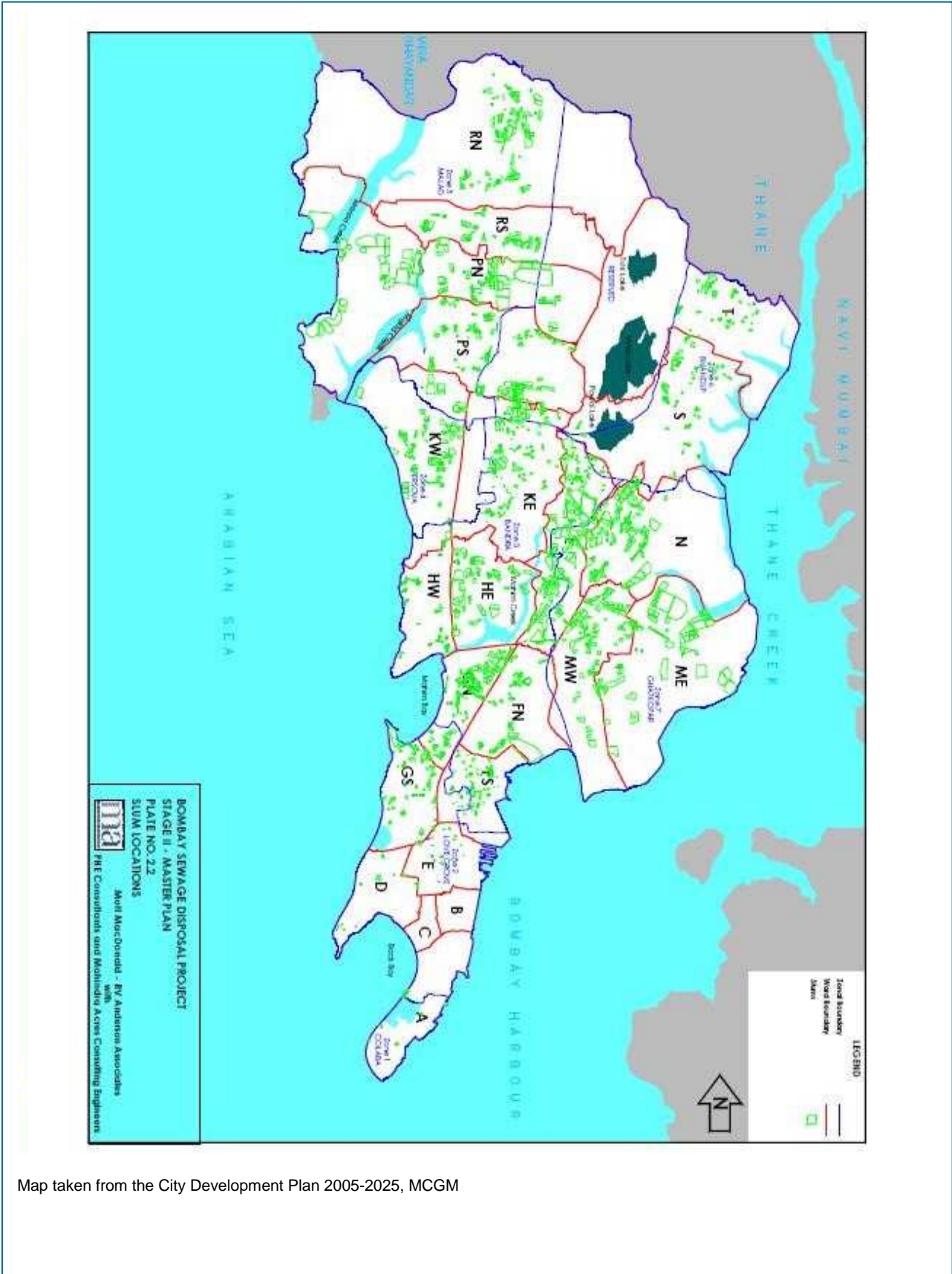
4.2 Restoring the "Social Function of Property"[38] in Greater São Paulo.

After 1990, the slums gained top priority in São Paulo's municipal policies. It was time to integrate these illegally occupied areas into the urban framework: the **urbanisation of *favelas***. During the tenure of Luiza Erundina,[39] a slum development programme was launched in partnership with the World Bank in environmentally fragile areas to provide them with public amenities. The municipal administrations that followed continued this policy, but they opted for housing construction programmes. The **PROVER[40]-Cingapura** and ***Bairro Legal[41]*** operations*,* though separated by a ten-year gap, were both aimed at replacing makeshift dwellings, especially those along the main roads, with housing complexes for relocating *favelados* and providing them with public amenities. The improvement of the surroundings and the regularisation of these lands led to an increase in land values and therefore additional expenses for their occupants. The result was the displacement of the old inhabitants who were replaced by a more affluent population. The process of 'peripherisation' continued despite public interventions as the latter always led to an increase in land prices while the purchasing power of the poorest sections remained the same.

To compensate for the spiralling prices of land, urban policies redoubled their efforts by undertaking public measures to improve the economic power of the poorest sections. Thus, in the first years of new millennium, the ***Morar Perto do Centro*** programme envisaged the revitalisation of the city centre by taking up issues relating to culture, education, housing, heritage as well as the economic condition of the central area's population in order to avoid their expulsion. This was a participative programme based on the mobilisation of several actors (inhabitants of *cortiços*, local associations, NGOs, public actors, religious authorities, financial organisations, etc.). The state of São Paulo also launched the programme *Renda Cidadã* to financially support the poorest families. A new generation of social policies was introduced with the assistance of private agencies (NGOs, local associations, etc.) to make the programme effective. Nevertheless, all these actions depended on the changes in the municipal teams who alone had the power to ensure the continuity of a project.

Plano Diretor Estrategico do Município de São Paulo 2002-2012 confirms and institutionalises the various urbanisation instruments (*Operações Urbanas* et *Zonas Especiais de Interesse Social* …) already in use and proposes rational modes of intervention to regulate urban spaces (floor space area) in various districts of the city, a real estate consortium (*consórcio imobiliário*), concessions for builders (*concessão urbanística*)…) in order to facilitate the provision of civic amenities to lands and buildings and thus avoid the problem of vacant lands. As the plan underlines, the aim is to match comprehensive metropolitan development with equilibrium and diversification of land use keeping in mind the welfare of the city's inhabitants. Although the plan does not devote this particular chapter to the problems of *favelas*, it states its intention of sharing public amenities and services on a priority basis between urban slums and "zones of special social interest" (*Zonas Especiais de Interesse Social*).[42] For the municipality, the watchword is to reaffirm the public function of property.

---

[38] The term " Função social da propriedade" is used in the *Plano Diretor Estratégico do Município de São Paulo, 2002-2012*
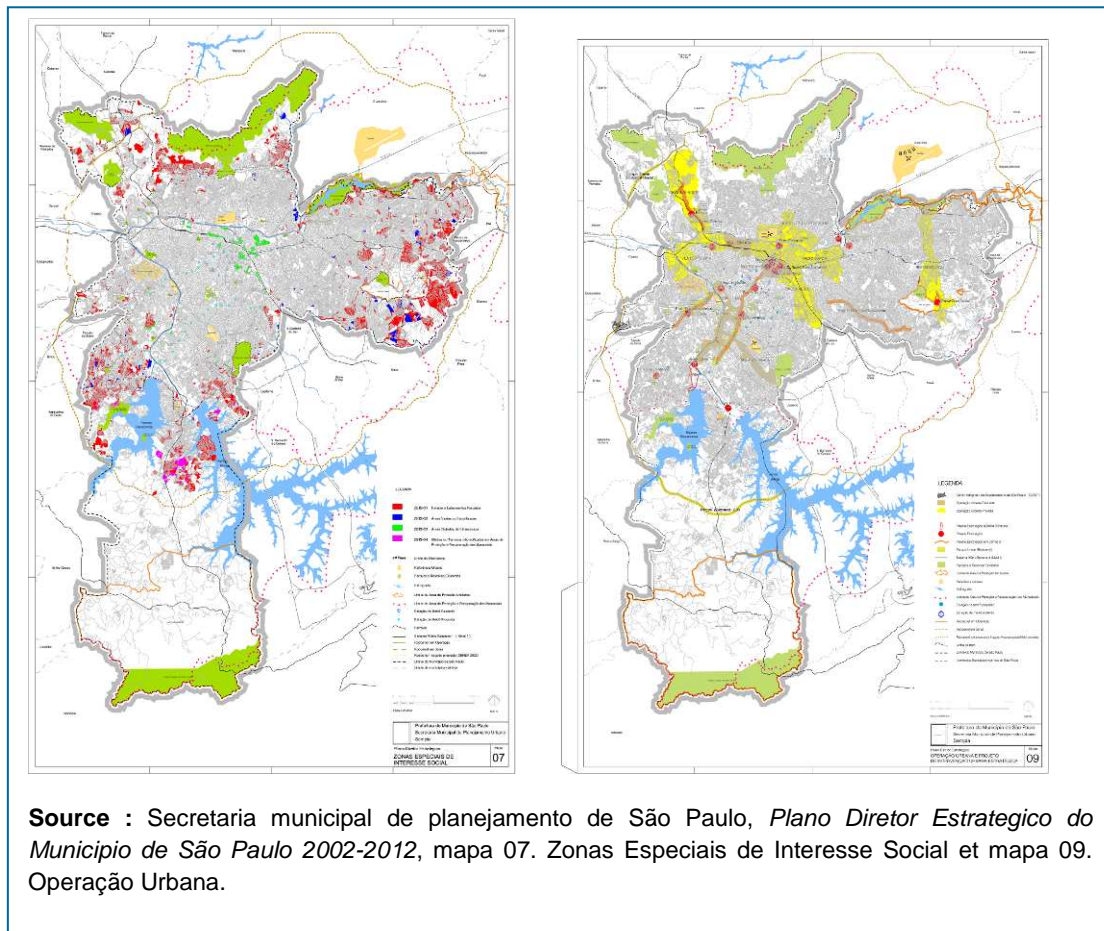
[39] Mayor of São Paulo from 1989 to 1992.

[40] *Projeto de Urbanização de Favelas com Verticalização* was launched in 1993 by the São Paulo municipality during Maluf's tenure. Its aim was to replace the makeshift slum dwellings with residential complexes to accommodate the original population.

[41] The programme for urbanisation and regularisation of the *Bairro Legal favelas* was launched towards the end of 2001 by the Mayor of São Paulo, Marta Suplicy. Its aim was to undertake simultaneously a series of actions: land regularisation, access to public services, social employment programmes, etc.

[42] *Plano Diretor Estrategico do Município de São Paulo 2002-2012, Titulo II, capítulo II, seção I - Do Desenvolvimento Humano e Qualidade de Vida, Art. 25*

Map 4: Slum Programmes in the Município of São Paulo

Source : Secretaria municipal de planejamento de São Paulo, *Plano Diretor Estrategico do Município de São Paulo 2002-2012*, mapa 07. Zonas Especiais de Interesse Social et mapa 09. Operação Urbana.

Both São Paulo and Mumbai have come round to adopting the same approach in developement plans: integration (redevelopment and urbanisation) of slums in the urban structure through a twofold action consisting of regulating the real estate market and constructing public housing. In Mumbai, the redevelopment of slums involves providing financial incentives to private investors who now participate in the financing of urban infrastructure. Measures such as changes in the Floor Space Index and transfer of development rights have spurred rehabilitation programmes but also led to the displacement of slum dwellers. In São Paulo, the urbanisation of *favelas* continues to raise real estate prices, a consequence that is fatal for the poorest sections. Nevertheless, public programmes and the use of city-planning instruments for rationalising the occupation of metropolitan spaces tend to curb the migration of *favelados* to periurban districts.

The programmes launched in these two metropolitan centres concentrate on urban and environmentally sensitive areas (arterial roads and central districts) in order to alleviate urban rifts and imbalances characteristic of cities of this type which have developed on unequal and unidirectional foundations (due to the frantic pursuit of modernisation). Progressively, public policies are taking cognizance of the stakes represented by slums in the form of land, buildings, social values and citizens' well-being.

CONCLUSION

During more than fifty years of slum-related urban policies, governmental approach has changed from indifference to demolition and then from rehabilitation to spatial and social integration. The authorities have taken a long time to take into account problems concerning slums while drawing up plans for public management and metropolitan strategies. Until 1975, priority was given to urban expansion supporting economic growth. The aim was to create optimal conditions for long-term investments in the city. The illegally occupied lands were subjected to demolition to provide land for the city's expansion. In the mid 1970s, the two cities initiated a dynamic process of deindustrialisation with the idea of developing the services sector. Henceforth, the central district would be the megacity's financial lung. As the situation moved towards the saturation of land, illegally occupied lands acquired a strategic value which made the authorities realise their importance.[43] The city's slums, which had been neglected in favour of metropolitan development, were now recognised as an integral part of the urban space. Programmes were therefore initiated for their redevelopment and integration into the metropolitan landscape.

To achieve this aim, the two megacities chose different approaches to deal with the problem of slums. Mumbai opted for urban policies based mainly on the construction of public housing giving preference to rented accommodation. São Paulo, on the contrary, concentrated on land by adopting policies and urban regulations affecting the price of occupied lands so as to provide access to land.

The effectiveness of these two approaches was adversely affected by internal dynamics which reduced the impact of programmes focused on land or on the construction of housing. Mumbai suffered because both public and private owners refused to release land while São Paulo suffered because regularised plots of land were taken over by private investors. In both cases, the policies failed due to changes the in municipal administration which interfered with the continuity of programmes. Each administration launched its own programmes and the one that followed abandoned them to launch new ones. This is even more true in the case of São Paulo because the federal presidential system favours individuals rather than political parties. The municipality is thus frequently subjected to political fluctuations. In Mumbai, on the other hand, public action is weakened and rendered ineffective by the rivalry between various authorities and the duplication of programmes rather than the lack of political continuity.

The end result is therefore similar in both cities. The provision of public housing by the government is impeded by the lack of financial resources. It is therefore necessary to collaborate with the private sector to overcome this lack of funds. Slums thus become a testing ground for public-private partnership and for assessing the degree of interconnection between the two sectors. The methods employed to deal with illegally occupied lands shed light on the government's control over the city's management – who really manages the city: the government or private investors?

This historical account of urban policies towards slums shows that the approach to this problem is determined by economic growth. By giving priority to growth, megacities have delayed their social development which has created a gap between their social and economic indices. It was therefore necessary to modify urban policies to match social development with economic growth.

---

[43] At the end of the 1970s, Brazil entered a phase of redemocratisation.

SOURCES

An outline of the Master Plan for Greater Bombay 1948, MODAK, N.V. and MAYER, A., Bombay Municipality.

Greater Mumbai City Development Plan 2005-2025, chap. 2.12 *Urban Basic Services Slum*, Municipal Corporation of Greater Mumbai.

Plano Diretor Estratégico do município de São Paulo 2002-2012, Secretaria Municipal De Planejamento Urbano, Senac São Paulo, 2004.

Plano metropolitano da Grande São Paulo 1994-2010, Empresa Metropolitana de Planejamento da Grande São Paulo, São Paulo, 1994.

Population and Employment Profile of Mumbai Metropolitan Region, Planning Division, Mumbai Metropolitan Regional Development Authority, 2003.

Report on the Development Plan for Greater Bombay 1964, Municipal Corporation of Greater Bombay, Government Press, 1964.

Regional Plan for Bombay Metropolitan Region 1970-91, Bombay Metropolitan Regional Planning Board, 1974.

Regional Plan for Mumbai Metropolitan Region 1996-2011, Mumbai Metropolitan Regional Development Authority, 1999.

Shelter for All, Global Strategy for Shelter to the Year 2000, Resolution A/RES/46/16, UNCHS (Habitat), Nairobi, 19 December1991.

BIBLIOGRAPHY

Caldeira Brant, V. (coord.). *São Paulo, trablahar e viver*, Ed. Brasiliense, 1989, p. 71-113.

Fix M., Arantes P. and Tanaka G.M., *The case of São Paulo, Brazil,* Understanding Slums: Case Studies for the Global Report 2003, Global Report on Human Settlements 2003 – The Challenge of Slums, UN-Habitat (2003) and DPU, 2003.

Marques Nobre, Eduardo A.C. *Novos instrumentos urbanísticos em São Paulo: limites e possibilidades*, In: IV Seminário Internacional da LARES - Latin America Real Estate Society, 2004, São Paulo, 2004.

Marques Nobre, Eduardo A.C. et Saraiva, C. *A dinâmica social das favelas da região metropolitana de São Paulo*, Seminário sobre estrutura social e segregação espacial, São Paulo, 2004.

Risbud, N. *The Case of Mumbai, India,* Understanding Slums: Case Studies for the Global Report 2003, Global Report on Human Settlements 2003 – The Challenge of Slums, UN-Habitat (2003) and DPU, 2003.

Saglio-Yatzimirsky, M-C. *Intouchable Bombay, le bidonville des travailleurs du cuir*, CNRS Editions (coll. Monde Indien), 2002.

Saglio-Yatzimirsky, M-C. "Shangaiing Mumbai: Resettlement programs and social cost of urban development policies", in F. Padovani, Migration in China and India, Sage, 2008 (not yet published)

Sanchayeeta, A. "Urban planning and politics of slums demolition in metropolitan Mumbai", conference paper, 2004.

Silva, H.M.B, Logement et gestion foncière à São Paulo, *Etudes foncières*, n°79, 1998, p. 32-37.

The World Bank Group, "The Use of Transfer of Development Rights and Additional Development Rights in Urban Services Upgrading – Lessons from Mumbai, India", Fourth Urban Research Symposium 2007, Washington DC, 14-16 May 2007.

Watkins, K. *Human Development Report "*Beyond scarcity: Power, poverty and the global water crisis", United Nations Development Programme, UNDP – PNUD, Palgrave, 2006.