

PART 1

CASE STUDIES

1

Promoting Environmentalism, Participation and Sustainable Human Development in Cities of Southeast Asia

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Introduction

This chapter analyses progress in realizing sustainable development in three Southeast Asian cities. Reference to sustainable human development in the title indicates that the focus is not only on physical development, which tends to characterize environmentalist approaches to sustainable development, but also on the vital human dimension involved. The case material from Indonesia, the Philippines and Thailand provides a basis for generalization about this part of the world. While conditions and progress in the countries of the South vary widely, it is hoped that the lessons drawn here will also be useful for organizations and individuals working elsewhere.

The first section of the chapter looks at the various ways in which the term “sustainable development” is being interpreted. This includes a brief history of the concept, a discussion of various ways of understanding what it might mean, and finally a sketch of how it is being used in the context of urban planning and management, together with some of the main difficulties that arise.

The second section highlights the importance of the structural context to sustainable urban development and, in particular, looks at participatory forms of decision-making initiatives.

Sustainable development is being pursued in the context of rapid socioeconomic change and the impact of dominant ideological and political currents. The third section of the chapter brings out some salient points that are crucial for the effective implementation of sustainable urban development. The major issues here are the rapidity of urbanization in the South; a genuine change in the political climate, fostering democratization and decentralization; and the politico-economic force of liberalization. The analysis points to the impact that these (potentially contradictory) contextual conditions are having on the fortunes of sustainable development.

The case material focuses in the first instance on Southeast Asia as a whole. It then provides detail on Indonesia, the Philippines and Thailand. In recent years all three have experienced the collapse of authoritarian regimes and seen some progress in democratization and decentralization. They also all suffered from the severe economic crash of 1997. All have some experience in the formation of participatory approaches to urban environmental planning and management, but it is evident that there is still a long way to go before these become widespread or effective. As yet the concept of sustainable development remains an ill-defined and remote goal.

The conclusions of the chapter focus attention on social changes taking place in Southeast Asia—in particular the importance of a growing middle class that is bringing a new approach to politics—which hold some potential for a more coherent approach to sustainable urban development in the coming years. However, at the same time poverty remains a serious problem, one that is not being adequately addressed by the new middle classes and that is an impediment to the achievement of anything approaching sustainable *human* development. The chapter concludes with an examination of what external agencies might do to address the impediments to sustainable human development in urban areas of the South.

Interpreting Sustainable Development

This section focuses attention on the thinking behind attempts to achieve sustainable urban development, and its implementation in reality. The discussion is divided into three subsections. The first provides a brief history of the way in which the term and its conventional interpretation have entered development discourse.

The second looks at various interpretations of the concept, showing that people and agencies using the term often mean very different things, and that major misunderstandings can easily arise. The last subsection looks into the methods that are being applied in urban areas to address the problematic of sustainable development and the main challenges that these methods are encountering.

The emergence of the concept of sustainable development

It was the World Conservation Union (IUCN)—through the World Conservation Strategy of 1980—that brought the term sustainable development into development discourse. Their concerns, as a conservationist organization, were that the evident deterioration of the ecological and resource base was a consequence of conventional approaches to development. Hence their focus was on the physical environment rather than on the human side of sustainable development. This “flavour” stayed with the term until well into the 1980s.

It was, however, the report of the World Commission on Environment and Development (WCED 1987)—generally known as the Brundtland Report—that popularized the concept of sustainable development. The report highlighted the danger that the conventional development path was leading to the destruction of the environment. Resources were being depleted to the point at which development could no longer be sustained, and might even become counter-productive. The path would have to be revised in order to achieve sustainable development, which was defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED 1987:8).

The WCED report spent little time analysing the disparities in resources available to different constituencies within and between different societies. No significant recommendations were made concerning the redistribution of these resources—through augmented aid packages—between the countries of the North and the South. The major thrust of the report was to promote more investment in the South with a view to generating economic growth suitably regulated to avoid negative impact on the environment.

The United Nations Conference on Environment and Development (UNCED), which took place in Rio de Janeiro in 1992, was an important milestone in the promotion of the idea of sustainable development. Three international agreements—on forests, climate change and biodiversity—were proposed and

Agenda 21,¹ an “agenda for sustainable development in the 21st century”, was tabled. This document, signed by most of the heads of state who attended the conference, set out in 40 chapters and 600 pages an analysis of the growing—mainly environmental and resource—problems arising in the process of global development. A range of solutions to these problems, including the allocation of responsibility across a wide range of actors, was proposed.

While Agenda 21 focused on the issues of economic disparities and poverty, it promoted the same solutions of free-market economics and economic growth as the Brundtland Report. The main focus of the document was on technical issues, rather than on underlying social and political problems. Nevertheless, Agenda 21 did provide an analysis of the roles and responsibilities of all the actors from international agencies, national and local government and the private sector, as well as of a variety of civil society actors, in developing a solution to the problem of unsustainable development.

It should be noted that there were critics of the Brundtland Commission recommendations, and the general approach of Agenda 21. The discussion remained firmly within the prevailing political framework of neoliberal free trade and economic growth, without any reference to redistribution. Indeed, it would seem that the involvement of major corporate interests in financing Agenda 21 influenced this orientation (Schmidheiny 1992; Hawken 1993; Chatterjee and Finger 1994)—leading to the omission of any effective structural suggestions for a regime or framework in which to achieve sustainable development. The result is a voluntary approach to sustainable development whereby each stakeholder group is encouraged to find its own path.

In principle, heads of state attending the Rio conference were to take Agenda 21 home and use it as a blueprint for national, regional and local agendas. Most countries have by now produced some kind of response, and it is notable that relatively little has happened in terms of actual implementation (Dalal-Clayton 1997). This result is of less concern to us here than the fact that, almost entirely independent of national government responses, there was an immediate response to Agenda 21 in the form of *Local Agenda 21* (LA21) processes. By the late 1990s, there were several thousand localities where an LA21, or a related process, was under way.

¹ Agenda 21 has been published in various versions. For a useful summary, see Keating (1993).

Local Agenda 21 is briefly defined in Chapter 28 of Agenda 21, where it is stated that local authorities should reach a consensus with stakeholder groups in the community to initiate a sustainable development planning and management process, and that local initiatives should network with one another to exchange experiences.

In fact, a series of conferences was organized by international local authority associations and others, aimed at impressing upon the UNCED conference the major role local authorities and communities could play in achieving sustainable development. Chapter 28—the shortest of all the chapters of Agenda 21—was the result.

These conferences, which preceded UNCED, produced various declarations and guidelines that indicated (in much more detail than Chapter 28) local approaches to sustainable development. In addition, an international non-governmental organization (NGO), the International Council for Local Environmental Initiatives (ICLEI), was founded—supported by the International Union of Local Authorities (IULA) and the United Nations Environment Programme (UNEP). The role of this organization, since UNCED, has been specifically to promote the spread of LA21 processes and other approaches to local sustainable development.

By the late 1980s, a number of local participatory sustainable development planning and management processes had already been initiated, particularly in northern Europe. By the mid-1990s, most European local authorities had an initiative of this kind under way (Lafferty and Eckerberg 1998). At first, however, there was little response in cities of the South. A few initiatives were supported by development assistance agencies—for example, the Dutch-sponsored “green towns” project in Kenya and the German government-supported “urban environmental training materials project” in Asia discussed below. Some projects were also initiated through town twinning arrangements between Northern and Southern municipalities—usually with the assistance of national and international municipal associations. Indeed, the transfer of local experience from North to South has been a more important force in promoting LA21-type initiatives in the South than has any initiative growing directly out of the UNCED recommendations.

As the 1990s progressed, however, and the concept of sustainable development became more broadly accepted, some local sustainable development planning and management initiatives sprang up in cities of the South—both with external support and, particularly in Latin America (Allen 1999), through efforts initiated

within the countries themselves. At the same time, a few community development projects gained an additional dimension that focused on sustainable development. But this must be seen alongside growth in urban community development projects with little or no interest in the question of sustainable development.

What is the meaning of sustainable development?

As is noted above, those promoting the concept of sustainable development in the 1980s often had an environmentalist approach to the issue. In addition, development agencies used the concept of sustainability in the narrow sense of the sustainability of their own efforts: many projects brought into existence with the support of development agencies collapsed once the agency support was removed. So, in this context, “sustainable development” meant that the initiatives started within a development project would continue after the supporting agency had left. This meaning remains in currency alongside, and is occasionally confused with, more recent interpretations.

What IUCN and the Brundtland Commission meant by “sustainable development” was motivated by the worry that non-renewable resources—such as fossil fuels and minerals—used to support the development process would, at some stage in the future, no longer be available. It was recognized that many renewable resources, such as forests and fisheries, were being overexploited to such an extent that they too might be exhausted in the foreseeable future. Furthermore, fragile ecosystems can be destroyed by developments that, although they may be productive in some way for human needs, are nevertheless depleting the overall capacity of nature to regenerate itself if needs and conditions change. In the extreme, however, the conservationist interpretation of sustainable development attempts to preserve existing ecosystems against almost any kind of development, thereby denying local resources to local people.

While the environmentalist dimension of sustainable development remains important, the term broadened during the 1990s to include discourse on economic, social and political development. Sustainable development, as a term, was adopted by agencies and organizations concerned with issues other than the Earth’s atmosphere, seas, forests and ecosystems. In the case of sustainable *urban* development, the term “brown agenda” was coined to emphasize the need to deal not only with the global and rural environment (the “green agenda”), but also with the environmental

conditions in which the urban population—and particularly the urban poor—were living.

Good urban environmental management, however—even when coupled with measures to improve equity and the quality of governance—will not automatically culminate in sustainable development. There are many ways to improve the immediate living environment, some of which promise to lead to sustainable development and some of which do not. For instance, catalytic converters on cars reduce levels of local air pollution, but result in increased energy use. Conventional waste management, without recycling or waste reduction measures, may result in a cleaner environment but does nothing for sustainability.

Discussion of sustainable development now focuses attention on social and economic problems and, in particular, on the problem of urban poverty. McGranahan et al. (1996) point out that poorer cities, although most in need of immediate environmental improvements, are in fact considerably more sustainable than rich cities where the inhabitants consume resources at a much higher level. This does not, however, exempt poorer cities from considering the question of longer-term sustainability even if the most pressing problems to be addressed in LA21 processes turn out to be those of the “brown agenda” (i.e., exclusively concerned with environmental issues).

In fact, the emphasis of virtually all the bilateral and multilateral development agencies involved in urban development projects and programmes has been on brown agenda problems. The rhetoric of sustainable development is used, but there has been no substantive analysis of what this might mean in the context of urban poverty alleviation. The multilateral banks focus particular attention on “getting the financing policies right”, assuming that this will solve all other problems (McGranahan et al. 1996:128). The result is that neither the green agenda nor complex issues such as local organization, accountability, allocation of responsibility and generating a general sense of ownership are paid adequate attention.

In this context, Allen (1999) refers to the “natural resources approach” to understanding sustainability as “primary sustainability”, and the capacity of urban authorities and communities to manage resources (and the environment) effectively as “secondary sustainability”—the point being that, without radical changes in attitudes and management methods, primary sustainability will not be achieved and even local environmental problems will persist. As is described later in this chapter, it is a

slow and painful progression from a narrow, functionalist approach to solving local problems to one that recognizes the complexity of local intervention. The aim is a system in which local populations willingly participate in the creation of better living environments that can be demonstrated to be sustainable into the reasonably distant future.

It might be said by way of summary that sustainable development is concerned with the longer term—the durability—of development in a situation where all too many development decisions are a short-term reaction to a crisis. In this sense, sustainable development aims to introduce a little more wisdom into the development process. But it cannot afford to disregard the very real and urgent needs of the present, or imagine that it can bypass the severe impediments it finds in the inadequate management structures and the difficult political conditions encountered in the cities of the South.

Methods and application of sustainable urban development

Some explanation follows regarding the general characteristics of the local exercises in sustainable urban development that have been attempted and which is useful here. These involve the application of various planning and management methodologies, and it may be useful to set down the recommendations described in various guidelines (GTZ 1993; Bartone et al. 1994; ICLEI 1996; UNCHS/UNEP 1997 [Vol. 1]). A preliminary assessment can then be made of the degree to which the initiatives generally match up to the ideal.

- Once a consensus has been reached between all key stakeholders in a community and/or municipality to undertake a sustainable development planning and management process (this could take the form of one or more workshops or the establishment of a more permanent forum or committee), the first task is to establish the aims (“vision” and “mission”) of the process.
- An investigation, using participatory methods, is carried out into the main economic, social and environmental problems faced by the community. These are then prioritized by consensus with a view to addressing them in order of importance.
- Alternative solutions to the priority issues are worked out, possibly through working groups of experts and interested stakeholder representatives.

- Tasks are allocated between the local authority and other stakeholders who can provide resources or take on specific responsibilities.
- Action is taken, monitored by working groups or the forum. Where immediate action is deemed inadequate to solve the problem, new initiatives are organized.
- Following solution of the initial problems, new ones are identified and plans made to solve them.

There are variations on this procedure, but the main points—that the planning process be participatory throughout and that responsibility be shared between public, private and community interests—are common to all.

By now there has been considerable documentation of “best practice” initiatives in these procedures, and so some evaluation is possible (Gilbert et al. 1996; ICLEI 1996; UNCHS/UNEP 1997 [Vol. 2]). Here are some preliminary remarks on the discrepancy between theory and practice:

- There is no consistent procedure for ensuring that participatory processes are truly representative. At community level, effort should go into incorporating the voices of the poor, and of minorities discriminated against by local communities. In most cases, the better-off citizens and interest groups continue to dominate the process, with relatively little attention being paid to the concerns of the underprivileged. There is a danger that participation will become institutionalized in forms that continue to favour the powerful and fail to empower the “silent voices” of the poor and disadvantaged.
- In Southern cities, priority has been given to the immediate local environment, and to projects such as improving water supply and solid waste management. While these are serious problems in many cities, the broader perspective of sustainable development—although often and increasingly contained in the rhetoric—is not seriously addressed.
- In few cases have these exercises been allowed to modify the routine exercise of local government and the formal private sector. In fact, as discussed below, local government in poorer countries has not been in a position to plan or control the development of cities—and so inadequate responses to LA21 processes are representative of a more general inability to respond adequately to local developments. On the other hand, businesses keep their eye on what is, or promises to be,

profitable, and are generally interested in the potential of LA21 processes in this regard.

In fact, all these problems relate back to the failure of those who have been promoting participatory planning and management initiatives to address sustainable development in a broad structural context. This context is, however, crucial to the success of such initiatives and will become ever more important as sustainable development moves up the agenda. The next section of the chapter will provide an overview of the structural context, which should be considered by anyone concerned with developing new LA21s or similar initiatives.

The Structural Context

While sustainable urban development initiatives are attempting to establish a new approach to the way in which decisions are made, and cities planned and managed, they necessarily do so within a wider developmental context. The problems and opportunities that these initiatives face need to be looked at in structural terms. Two dimensions to this global context are particularly important: (i) urbanization; and (ii) democratization, decentralization and liberalization.

Urbanization: Understanding cities

In much of the South, the majority of the population lives in rural areas. However, urban areas are growing rapidly and within the first decade of the new millennium most of the world's population will be urban. The spread of urbanization greatly affects the approaches that need to be taken to planning and managing the sustainable development process.

While in principle LA21 processes can be applied within any community, in practice they have a definite urban orientation. Under these circumstances, it is important to focus attention on what is meant by an urban place and the ways in which this has been changing in recent years, so as to better understand the local sustainable development planning and management process in context.

Although Latin America is already as urbanized as Europe (i.e., almost fully urbanized), there are countries in Asia and Africa where the population is still living a predominantly rural life. The common presumption is that rural people in these countries will one day take up their roots and migrate to the city. Urbanization is,

however, much more complicated than this. For example, the population of cities increases significantly simply through children being born there. Where rural-urban migration is a significant factor, it is necessary to understand the complex segmentation of the process—which might include, for example, rural girls taking jobs as maids before returning to get married; young men taking industrial jobs in the agriculturally slack season; or refugee/ethnic groups that have found a particular economic niche. Trying to incorporate these groups and others, who may consider themselves to be only temporary residents, into a local planning process can be difficult when they are ostracized or otherwise hidden by better-established, more powerful groups.

Understanding the mode of urbanization and changes in urban morphology are also important to involving people in the planning process. Many towns and cities have been established for a long time and may be growing fast, slowly or not at all. Other urban areas suddenly appear—sometimes very rapidly—as a consequence of other contingencies: changing boundaries, tourist developments or the location of large industries are examples. The appearance, over a period of less than 20 years, of a whole series of new urban places in the Pearl River Delta, following the Chinese government's decision to promote inward investment from Hong Kong is an extreme, but by no means unique, example (Lo and Yeung 1995). Another significant mode of urban development is simply the growth of villages that become towns and then cities without the local population ever moving.

Furthermore, the cultural impacts of globalization, discussed further below, are leading to changes in outlook and social praxis even in remote rural areas that essentially orient the population to urban living habits. Commercial links with cities are multiplying—improved transport infrastructure and cheap bus fares are reinforcing this—facilitating the transition of rural populations to urban life. Increasingly, people possess a “home”—even when one is no more than a room in a rooming house—in each environment.

In recent years the manner of urban settlement has changed, although different dynamics prevail in different regions and specific cities need to be looked at from a local perspective. Nevertheless, until the 1950s greater numbers of the poor were generally to be found in central city tenements and informal settlements. Today most of the “urban” poor—rural migrants or older residents of informal settlements—reside in, or a little way beyond, the urban periphery. These settlements, sometimes vastly expanded “villages”

(in Latin America, *barrios* and *favelas*) are, in extreme cases, cities in their own right.

The implications of these changes in the processes of urbanization and social interaction—and of the fluidity and sheer indeterminacy of life decisions among the poor in particular—need to be taken into consideration in designing planning systems for sustainable development. What emerges is the inadequacy of the approaches taken so far to adapt to the processes framing people's lives. Instead there has generally been an assumption that things are as in the past, with residents (stakeholders) standing firm to be counted and incorporated into a planning process.

Nevertheless, established neighbourhoods of all income brackets with settled populations are potential participants in a more participatory approach to local planning and management. A major problem is the degree of segregation and isolation, particularly of the middle- and upper-class neighbourhoods. In such areas, where the environment appears to be in good condition (clean and green streets, clean water supply, etc.), but where the problem of less sustainable lifestyles (high consumption of resources) is all too evident, it is generally difficult to get citizens to participate in planning exercises. Nor are the more affluent citizens very interested in assuming any kind of equality with the poor in a decision-making process.

In practice, the process needs to use considerable ingenuity in order to draw people from all walks of life into a common planning endeavour. It is also necessary to ensure that the territory within which the planning process is being conducted is one in which sustainable development can be considered with some hope of eventually making it a reality; this points to the need for a framework for planning that takes into account both city and hinterland.

Democratization, decentralization and liberalization

A particular ideological outlook is currently influencing world economic and political life. On the one hand, democratization and decentralization are being introduced throughout the South, displacing the authoritarian and centralized regimes that predominated throughout most of the latter half of the twentieth century. At the same time, neoliberalism is being promoted, and has broad political support at the international level, as the framework for development. The following paragraphs analyse in more detail the implications for sustainable urban development initiatives of this changing structural context.

Although there has never been a time when decentralization and democracy were not seen as a “good thing” in development circles, in practice neither of the two major powers considered it in their interest to promote them during the Cold War. Indeed, the majority of countries in the South possessed highly centralized regimes—with little by way of democracy—that were sometimes directly installed and in most cases continuously supported by one or other of the two “superpowers”. Some attempts were made by development agencies to support decentralization programmes but, by the early 1980s, these were deemed a general failure (Rondinelli et al. 1984).

Decentralization is a complex process that concerns redistribution of power and resources from central control to regional, municipal and community levels. In most countries of the South where decentralization processes have been initiated the difficulties of implementation have become evident. Typically, central government agencies are resistant to change and local government bodies are ill prepared to take more responsibility for local action.

Democratization—by which is generally meant the introduction of representative democracy at national and local levels—has also proved to be a difficult process to get right. Patronage systems, local mafiosi, vote buying, vote rigging and a whole range of tactics for hijacking the political process have come to light; it is clear that it will take many years for “clean” and truly representative governments to become the norm throughout the South, and for there to be systems of genuinely good governance in which government and civil society play their role fully and conscientiously. It should be noted, however, that there is evidence in many countries of the growth of more participatory forms of democracy that are a central focus of the sustainable development planning and management systems with which this chapter is concerned.

The early 1980s also saw the resurgence of neoliberal ideology, underpinned by the determination of big business to assert its interests in the political arena (Korten 1996). The basic principle of neoliberalism is to promote free enterprise and free trade; private businesses should not be restricted by governments in their pursuit of commerce, trade and profit making which, it is argued, is the true generator of wealth in society and therefore, ultimately, the alleviation of poverty.

In practice, the interpretation of the principle of free trade has neither been consistent nor even-handed (Shutt 1998). Southern

NGOs in particular are concerned that, while Southern countries are being compelled to open themselves to free trade, Northern countries maintain systems of protection. In any case, liberalization has created a very definite context within which development has been shaped in the countries and cities of the South and this needs some discussion in order to better understand the most serious difficulties faced by local initiatives in sustainable development planning and management.

Neoliberalism has been promoted in countries of the South via two routes: first through the widespread adoption of the ideology by elites within the countries, and second through the influence and pressure of the international development banks for "structural adjustment" which, it is widely admitted, have marked negative social and environmental consequences (UNRISD 1995).

In the past, governments in the South were not particularly successful in planning and directing the distribution and growth of cities. It is also true that attempts to organize the development process have not been without their problems. But, during certain periods, governments in most countries of the South have succeeded in stimulating and directing developments that have improved the economic and social conditions of their populations. Indeed, once viewed as "Southern" countries, government-directed development programmes in Japan, and more recently in Singapore, the Republic of Korea and Taiwan Province of China, have been spectacularly successful in economic terms.

Ignoring these examples and the possibilities that might exist for other societies to take another path, neoliberal rules remove, through privatization, government responsibility for key areas in the planning and direction of development. The results for most Southern countries are clear: all indications show a consistent rise in poverty and the emaciation of welfare programmes which, while never very substantial, were available in the past.

On the surface, there has been concern that the environment (and sustainable development) should not suffer as a consequence of the deregulation of the economy. Environmental ministries and/or agencies now exist in most countries, and in some even local environmental agencies have been established. These are mandated to control the impact of the development process on the environment and it is usually these agencies that have been responsible for the follow-up to UNCED. The contradiction between neoliberalism and effective environmental protection cannot, however, be avoided and the effectiveness with which environmental issues and any

meaningful interpretation of sustainable development have been sidelined in the international systems promoting free trade (the General Agreement on Tariffs and Trade–GATT and the operations of the World Trade Organization–WTO) is clear.

At the level of theory, Rees (1998) has analysed the ways in which mainstream economists discount the problematic of sustainability. Economic rationale asserts that resources which are exhausted or despoiled will always be replaced by substitutes (consideration of social and environmental impacts is not seen as relevant to economics). In practice, sustainable development is promoted as a voluntary activity, and little attempt has been made to provide structures within which the various actors can work toward the same ends. Environmental ministries and agencies remain on the margins of the development process, and their capacity to regulate environmental impacts adequately—and certainly to be proactive in indicating directions for development—is restricted by the neoliberal ideological and political context that gives precedence to economics.

There are, however, many contending theoretical tools that might be applied to counter the depredations by the free market. In the environmental sphere, attention is being focused on “common property regimes” for the sustainable management of resources (Berkes 1989). The World Bank has acknowledged the potential effectiveness of such forms of protection (Jodha 1992).

On the social side, concern is being expressed at the way in which social support networks, particularly in rural areas, are falling apart in the face of modernization, commercialization and the spread of liberal, individualistic attitudes and practices. “Social capital”, which embodies these traditional forms of life support, is becoming depleted. Some individuals may be becoming economically better off, but communities as a whole are becoming less well off (losing social capital). These concepts and others, however, are not as yet recognized as anything but marginal to the development discourse. Economic growth remains the central purpose of development, with liberalism as the mechanism by which it should be pursued. Unfortunately, the critique of this paradigm, emanating from its obvious failures, remains marginalized.

It would seem that, if participatory local sustainable development planning and management initiatives are to become more effective, neoliberalism will have to be abandoned: the two approaches to development have entirely different ideological bases, orientations and institutional requirements.

Focus on Southeast Asia

The Philippines

The Philippines is urbanizing rapidly—in the late 1990s an estimated 60 per cent of the country's population lived in urban areas.² There are around 65 urban places classified as cities, with the greater Manila area (Metro Manila) containing almost a third of the total urban population in the early 1990s. However, rural inhabitants are not migrating to the cities in large numbers, instead erstwhile rural settlements are expanding, emerging as new urban areas. A rapid growth of towns, with a population exceeding 50,000, is currently the most significant component of urbanization.

A significant proportion of urban development is informal in nature. In the early 1990s, almost 50 per cent of the country's population lived below the official poverty line and, even in urban areas, over 40 per cent were living in poverty (UNCHS 1996). This section of the population, therefore, has few or no resources to contribute toward any general improvement in urban conditions. Although the Philippines was not hit as badly as other countries in the region by the currency collapse of July 1997, it did see a general retrenchment of living standards and a significant return of the urban poor to the countryside as a result of the regional depression.

The efficiency with which the urban areas are working and the quality of life for most of the population are sub-optimal. Attempts to redress this situation are, inevitably, the main focus of local authorities (referred to in the Philippines as "Local Government Units"—LGUs) and community efforts. The following are generally deemed to be the most serious environmental problems faced by the inhabitants of towns and cities in the Philippines.

- The municipal water supply systems, which serve only a portion of the population, with the poor having to buy water from private vendors at inflated prices; virtually all water supplies are contaminated. Totally inadequate wastewater management leads almost everywhere to the gross pollution of urban waterways, groundwater and coastal areas.
- Only 40 per cent of urban solid waste is collected—the rest being informally burned (adding to local air pollution) or dumped.
- Flooding (due to both inadequate drainage and inadequate flood protection measures) is perennial, particularly in areas occupied by the poor.

² Unless otherwise noted, information in this section is derived from Samol (1998) and from the author's own experience.

- Urban air pollution is chronic—most significantly from “jeepneys”, which form the main means of transport for the poor.³ It is no coincidence that, in many urban areas, respiratory ailments top the list of health problems (DENR 1997).

For the poor, however, the prime preoccupation is poverty: where the next meal is coming from. Another high-priority issue, especially for squatters, is insecurity of tenure as a consequence of both confused land right laws and squatting. In this context, it is difficult to generate broader initiatives toward participatory urban planning and management among a substantial proportion of the urban population.

The Philippines has displayed considerable concern for sustainable human development at national policy level (Meyrick 1999). As discussed further below, policies, especially in the framework of democratization, focus considerable attention on poverty alleviation. One of the most important initiatives of the central government is the Social Reform Agenda, formally adopted in 1996 by Executive Order. Within this, LGUs are directed to lead the implementation and monitoring of their local Social Reform Agenda in co-ordination with the basic sector organizations.

It should be noted that, even before UNCED, attention was given to sustainable development. Already in 1989 the conceptual framework for the Philippines Strategy for Sustainable Development was approved, and the principles of the strategy were formally integrated into the 1993–1998 Medium Term Philippine Development Plan. Following UNCED, the Philippines Council for Sustainable Development (PCSD) was established. It was chaired by the National Economic Development Authority (NEDA), operated in close partnership with the Department of Environment and Natural Resources (DENR), and included a wide range of civil society stakeholder interests. Overseen by the PCSD and following wide consultation, a national Agenda 21 was published in 1997, followed by a government memorandum directing LGUs to incorporate the principles of the Philippines Agenda 21 into their Social Reform Agenda.

However, at LGU and local community level, immediate exigencies have taken precedence over any strategic thinking about what might constitute sustainable solutions to local problems. The national and regional offices of the DENR have supported certain

³ Newly purchased, these ubiquitous public transport vehicles possess second-hand diesel engines imported from Japan where, beyond a certain number of running hours, their pollution standards are no longer legally accepted.

campaigns in co-operation with national NGOs—for instance regarding the rehabilitation of urban rivers and moving from a solid waste disposal regime to one of “zero waste” (reduction, reuse, recycling)—but the involvement of national agencies has receded considerably in recent years with the implementation of the Local Government Code (LGC).

Following the collapse of the Marcos regime in 1986, a major effort was made to disperse power from the centre to the localities, and to provide political space for voices from within civil society. This was enshrined in the new constitution, adopted in 1987, which stipulates a greatly augmented role for LGUs. An important role is also envisaged for NGOs and people's organizations (POs).

Efforts to empower LGUs begin with the LGC, enacted in 1992 and implemented from 1994. Samol calls it “one of the most comprehensive and progressive decentralization policies in the developing world” (1998:12). Provincial governors, urban mayors and *barangay* (neighbourhood unit) captains are elected, and act in conjunction with government bodies at each level. Various other advisory councils also came into existence, the most important of which were the Local Development Councils (LDCs) and Barangay Development Councils (BDCs), to formulate local development plans with the participation of key local stakeholder groups. The LGC stipulates that at least a quarter of the total membership of these councils should comprise NGO and PO representatives.

Alongside the greatly augmented responsibilities of the LGUs has been a major reallocation of government personnel to carry out the new functions. The budget allocated to LGUs has risen from 20 to 40 per cent of government revenues. In addition to providing LGUs with the remit and resources to organize local development—and with an emphasis on addressing the needs of the poor—further legislation has been passed (the 1992 Urban Development and Housing Act). This was followed by the repeal of the anti-squatting laws (1997), which directs LGUs to address more coherently the housing problems of the poor—namely, access to land and security of tenure. More generally, the local government structures for pursuing development are already in place and, in principle, local forces can determine their own route to sustainable human development.

In part, this presumes that local government will work actively in co-operation with various civil society organizations. Among the three countries surveyed here, the Philippines has the largest proportion of the urban population engaged in NGO and PO activity

(Webster and Saeed 1992). National and local urban development NGOs have been instrumental in facilitating some exemplary local projects and national campaigns, particularly in the area of environmental improvements. In addition, most poor communities have formed POs, often with the support of NGOs, particularly church organizations. In some urban areas these have come together to form alliances to provide a united front vis-à-vis government and key local decision makers, who are in practice those who own or control the use of land.

However, across LGUs as a whole, the call of the new constitution or the LGC for more participatory governance is far from being answered. The most important local institutions that would allow civil society interests to become involved in the determination of development priorities and the allocation of the municipal budget are LDCs and BDCs. Indications are that by 1998 relatively few LDCs had actually been formed and there were very few BDCs indeed. Even where these exist, the stipulation that at least 25 per cent of the membership should comprise NGOs and POs is not being honoured. An additional problem in some cases where it is being honoured is that NGOs and POs come into conflict over who should be their representatives on the councils.

In general, deep-seated suspicions remain between local authority personnel and NGOs/POs. In part this may be a legacy of the past: NGOs were opposition organizations; they now have to make the transition to organizations prepared to co-operate with the authorities. Local authorities, for their part, find it difficult to see NGOs as constructive partners. Perhaps the main problem, however, lies in the continuing systems of patronage in many localities, where powerful individuals and families traditionally dominate the political scene. In these systems, tantamount to authoritarianism on a local level, there is little chance of generating any interest either in power-sharing or in more open government.

Local priorities and budget allocation, therefore, are generally still determined by governmental bodies. In practice, this has meant that additional budgets have predominantly gone to improvements in municipal infrastructure (the first priority being roads), which are of relatively little benefit to the poor. Implementation of the Land Development and Housing Act, which requires LGUs to inventory land ownership and find appropriate sites for low-income settlements, has been carried out with great reluctance, and then only under pressure from NGOs. The poor have yet to find ways of persuading LGUs to use the new powers and resources to address their needs more directly.

Meanwhile, intentions at national level to work toward sustainable development have not percolated down to the local level where, as already noted, LGUs continue to pursue conventional urban development priorities and projects. There seem to be many reasons for this, including the fact that neither national government agencies concerned with local development, nor the local authority associations (leagues) were involved in the development of the national Agenda 21 (Meyrick 1999). There is no national campaign around Agenda 21, and PCSD and DENR do not assist LGUs in interpreting and implementing it. No substantive link has been made between the LGC and Agenda 21 (or, indeed, the Social Reform Agenda) by the LGUs.

Local Agenda 21s and similar approaches to participatory local planning and management have so far reached only a handful of LGUs. On the one hand, there seem to be problems translating excellent policies at the national level into action on the ground. On the other hand, there are clear difficulties overcoming immediate crises at the local level in order to encompass the emerging problems of the future.

While NEDA's regional plans do generally consider the use of natural resources and the environment within their areas of jurisdiction, often working in close collaboration with their colleagues in the regional DENR, the major problem lies in the lack of machinery to be able to control what happens on the ground. A more proactive approach to local/regional economic development is required; LGUs, together with urban communities, could work much more closely with the regional NEDA and DENR offices to better understand the implications of sustainable development and to collaborate on the details of implementing relevant programmes and projects.

Thailand

With just over a third of its population living in urban areas, Thailand is the least urbanized, but the most industrialized, of the three countries examined here, possessing the highest per capita gross national product (GNP).⁴ Urbanization, and indeed economic activity, is concentrated in and around Bangkok. The Bangkok metropolitan region (BMR) contains almost half of the urban population and if the eastern seaboard is included (an almost continuously urbanized subregion) this brings the regional

⁴ Unless otherwise noted, information in this section is derived from Mitlin (1998) and the experience of the author.

population up to 80 per cent of the total urban population of the country. Outside the BMR cities are modest in size—only a handful containing populations in excess of 200,000. But urbanization is occurring rapidly and it is expected that by 2008 half of the country's population will be living in urban areas.

Although the data for the three countries is not comparable, urban poverty is probably less extensive in Thailand than in Indonesia or in the Philippines. In the mid-1990s there were just under 2,000 identified poor urban communities housing about 1.7 million people, amounting to 8 per cent of the urban population. The distribution of poor urban households is fairly even across the urban areas, with half in Bangkok, another quarter in the outlying BMR and the rest distributed in towns and cities throughout the country. Poor communities living in makeshift conditions are identifiable in most urban areas.

As a consequence of the better economic situation, the quality of life is higher than in urban areas in either Indonesia or the Philippines, but conditions are still far from ideal. While water supply is generally good (even some very rudimentary poor settlements have metered house-to-house water supply), wastewater disposal is poorly organized almost everywhere. This results in the pollution of local waterways and unfilled land, where many low-income settlements are located in very unsanitary conditions (Rattanatanya 1997). Only 42 per cent of urban solid waste is officially collected, and the dumping of significant amounts of industrial hazardous waste is an additional problem, in some parts of the BMR in particular. Air pollution is also a serious problem in certain urban locations, especially Bangkok.

Although urban poverty is relatively contained, it is not insignificant, with an estimated 15 per cent of poor households squatting—meaning that they have no legal right to any urban services and even education is provided at the discretion of the school. A few areas remain in flood-prone areas where waste accumulates and boardwalks are the only means of access, but various programmes for upgrading of basic infrastructure and introducing health programmes have improved basic environmental and health conditions notably.

The impact of currency deregulation in July 1997 was more severe in Thailand than in the Philippines, with an immediate impact on industry and consequently on employment. In fact, this was preceded by a major real estate crisis that had already severely reduced employment in the construction sector. Open unemployment

tripled between mid-1997 and mid-1998, and the number of people living below the poverty line increased from 16 to 28 per cent (Lee 1999). Measures were soon taken at the national level to initiate programmes aimed at alleviating the hardship. This included establishing a National Social Development Committee to devise and oversee augmented social programmes (already a priority in the new constitution), and collaborating with the World Bank, which instituted a Social Investment Fund aimed at channelling money directly into projects in poor settlements.

It might be expected that, with less pressure to alleviate poverty in Thailand, more energy would be spent on addressing sustainable development. This has not, however, been the case. There is wide usage of the term by government agencies, NGOs and the media, and it also featured in the Eighth National Economic and Social Development Plan (NESDP), 1995–2001, but little progress has been made toward any coherent idea of what this might mean in practice. Government agencies concerned with the environment—the Office of Environmental Policy and Planning (OEPP) in particular—have sponsored various sectoral programmes on global environmental issues, including global warming and biodiversity. They have not, however, been studied within any more comprehensive framework regarding sustainable development in the Thai context, or how to achieve it, nor has it involved local authorities or communities.

It is only very recently that a subcommittee of the National Environment Board, including experts and representatives of various government agencies and NGOs, was convened to oversee the generation of a national Agenda 21. The draft, entitled Policy and National Action Plan for Sustainable Development, was approved by the subcommittee in mid-1999. The concept of sustainable development has made virtually no headway at the local level. As is discussed below, there have been some initiatives in developing Local Agenda 21 processes, but these have been entirely oriented toward improvement in local environmental management, without a distinction between sustainable solutions and those that are questionable from a sustainability perspective.

Decentralization and democratization initiatives were revitalized following the collapse of the military regime in 1992. There was a clear popular resolve to radically reform the Thai polity, to establish once and for all a democratic regime, effective at all levels, that would not be subject to frequent reversals. The issue of decentralization was directly connected with this aspiration. Intense public debate and several years of work by the constitutional

commission led to the enactment of a new constitution in October 1997. The new constitution augmented the role of local government and strengthened the right of members of civil society to participate in government decision making.

Of course, implementation of the constitution requires concrete laws and regulations and, at the time of writing, relatively little had been done to give substance to the constitutional call for decentralization. The linchpin of local government in Thailand has always been the provinces (*changwat*). Local government is organized under the Ministry of Interior (MOI) and has far-reaching, centralized powers. Local programmes and projects are planned and executed almost entirely by central government agencies through the provinces. Although there has been some improvement since the late 1980s, when they were not only small but diminishing (Rüland 1992), local budgets remain very restricted. Since the Municipal Act of 1954, municipalities have had many responsibilities that they are supposed to carry out. But the absence of financial resources has prevented them from determining their own priorities or carrying out activities that are not directly supported by national government agencies.

The battle to achieve genuine decentralization in Thailand—as is progressing in both the Philippines and, as we shall see, Indonesia—is by no means lost, and the constitution, together with the Eighth NESDP, lends some support to those who would pursue it. But it may be some time before the provincial nexus, and with it the centralization of government budgets, is broken. This may require effective pressure from the local level. Of course—as we have seen in the case of the Philippines—powers given by central government do not of themselves empower local stakeholders without their active involvement.

Indeed, local-level mechanisms and activities promoting participatory initiatives in Thailand have developed considerably (Atkinson 1996). On the one hand, the private sector has been invited to contribute in a structured manner to the development of decision-making process at national and provincial level through Joint Public and Private Sector Consultative Committees (Laothamatas 1992). This may be interpreted negatively as allowing business interests privileged access to development decisions involving public funds, access which is denied to other civil society actors. It should be noted that it was development assistance from the United States and Japanese governments in the spirit of liberalization that allowed this arrangement to come into being.

NGOs have been somewhat slower to develop in Thailand than in the other two countries under review (Webster and Saeed 1992). Nevertheless, there have been notable successes by development NGOs focusing on the organization of poor urban communities. In addition, civic groups have been formed in many provincial cities—comprised of middle-class professionals, academics and business people—to actively promote the improvement of urban life through philanthropic work and pressure on the municipalities.

This had added up to considerable grassroots activity, especially in Bangkok. Pressure at the central level has precipitated experiments by the Bangkok Metropolitan Authority, and the institution of a national agency, the Urban Community Development Office (UCDO), for the support of community organization and self-activity. By the late 1990s almost 90 per cent of poor Bangkok communities possessed community committees⁵—designed as self-help vehicles to negotiate local government improvement programmes—whereas in the provinces less than a quarter had formed any.

Many community committees have gained support from the UCDO or other sources—including international and bilateral assistance organizations—to make improvements in the local environment. Municipalities now often possess social development offices that work with community committees—which in some cases have formed networks—to determine municipal programmes in poor areas. However, not all municipalities are responsive to working with community committees and, where communities do not organize, as is the case in many provincial towns, they are likely to lose out on the provision of services. Also, for those without land rights the institutional environment can be very hostile.

One problem is that there is no monitoring of community committees to determine whether they are representing the interests of all sections of the community: the emphasis is entirely on making small gains within the community. Interest in influencing the wider political process and the distribution of resources at the level of the district or the municipality appears scant. Certainly there is no consideration of long-term sustainable development.

One further approach aimed at improving environmental management in municipalities, initiated by a German Agency for Technical Co-operation (GTZ)-funded project in the early 1990s, eventually became an initiative to develop a comprehensive participatory municipal planning system (Atkinson and

⁵ Community committees were established in Bangkok in 1978 and became national policy in 1988.

Vorratnchaiphan 1996). The initial project helped to establish multistakeholder committees and trained them in problem identification, prioritization, planning and implementation.

In November 1995, a year after the end of the project, the MOI issued a directive requiring all municipalities to form such committees and to adopt the planning process as a basis for municipal budget planning. While some steps were taken by, among others, the Municipal League of Thailand (who used the concept of Local Agenda 21, albeit with very little attention paid to sustainable development) this turned out to be entirely inadequate. By the late 1990s few municipalities had done any more than assemble a planning committee, and even these tended to bypass it in compiling the municipal budget.

As is in the Philippines, the lack of interest in opening up the political decision-making process has much to do with traditional patronage power structures, which are often loyally supported by poor communities. Some local NGOs have tried to encourage the municipalities to move toward greater participation, but on the whole there has been considerable hostility between municipalities and local NGOs. There has been little co-operation either with civic groups, comprising precisely the new middle classes that feel the need for substantial municipal reform.

The bottom line, however, is the general weakness of municipalities. Even where these accept a more participatory approach to budget planning, limited resources mean that plans cover relatively little of what gets done locally. The main decisions are still taken by national government agencies and the private sector without consultation of civil society interests. There has been talk at the national level—around a notion termed “Area Functioning Participatory Approach” (AFP)—to introduce more participatory methods of planning at all non-central levels of government in line with the general requirements of the new constitution, but so far this has not borne any tangible results.

Indonesia

Although comprising a substantial landmass of some 2 million square kilometres distributed over approximately 14,000 islands, almost two thirds of Indonesia’s population is concentrated on the relatively small island of Java, together with neighbouring Bali and Madura.⁶ Urbanization has been progressing in recent years at a

⁶ Unless otherwise noted, information in this section is derived from Atkinson (1998a), as well as from the author’s own subsequent experience.

rate of about 2.2 million new urban inhabitants a year, mostly in Java. By the late 1990s well over a third of the population was urban, and the expectation is that over half will be urban by 2005. The Javanese are traditionally a peasant culture, and about two thirds of the new urban population is of peasant origin.

Although new urbanization is distributed between growth of existing urban areas and the emergence of new towns and cities in rural areas, Indonesia distinguishes itself from the rest of the region by the preponderance of very large cities. By 1990 there were 10 metropolitan areas (seven of these in Java) with over a million people, and there are two more or less continuously urbanized corridors within Java in which almost two thirds of the urban population of the island live.

In recent years the Indonesian government has had strong and coherent urban development policies and programmes, but urban authorities have still failed to keep abreast of changing conditions on the ground, where significant areas have developed informally. In the 1960s and 1970s these developments were in both inner and outer urban areas, but more recently they have been predominantly on the urban peripheries where migrants are settling close to existing villages to form what amount in extreme cases to emergent cities of informal development.

The state of Indonesian cities is similar to that of cities in the Philippines, with high levels of poverty and a proliferation of informal developments. In spite of highly structured programmes aimed at improving urban living conditions, there remain shortfalls in the provision of services and the management of the environment (Kusbiantoro 1997). Nevertheless, over the past 25 years, an extensive programme (the Kampung Improvement Programme—KIP), financed mainly by the World Bank and the Asian Development Bank, has been organized to legalize informal settlements. This programme has provided basic infrastructure, resulting notably in the upgrading of large numbers of poor settlements throughout urban Indonesia.

The proportion of the urban population living in poverty has steadily declined since independence, with official estimates putting it at just 10 per cent in 1996. This situation was reversed by the currency collapse of July 1997. The impact was immediate and dramatic, resulting in the collapse of industry. The prices of staple foods climbed so high that the spectre of mass starvation arose. By mid-1998 government estimates put the proportion of the population subsisting below the poverty line at around 40 per cent. The International Labour Organization (1998) estimated that this would

rise to over 60 per cent by the middle of 1999, and in mid-1999 the World Bank confirmed that, in spite of superficial indications of economic recovery, poverty was indeed continuing to rise.

By mid-1998 all major international and bilateral development agencies had instituted some form of emergency assistance programme for the country (BAPPENAS/UNDP 1998) and each government agency was making its own contribution to construct a “social safety net” and other aspects of emergency relief. Under such conditions it might be difficult to focus attention on programmes aimed at achieving sustainable development in the future. On the other hand, these conditions do prompt some introspection about previous development efforts dependent on inward foreign direct investment (FDI) to develop manufacturing industry based on cheap labour under a regime of liberalization. Unfortunately, none of the emergency programmes suggest alternatives to the path already taken—with the implication that the solution is to continue past efforts but to try harder.⁷

The Indonesian government did sign Agenda 21. With external assistance and under the supervision of the Environment Ministry—and the rather restricted involvement of the wider public—a national Agenda 21 was also produced and published in time for the 1997 Rio+5 conference. This is a substantial but highly technical document produced with little success in gaining the attention of actors who might be in a position to implement its recommendations. Virtually no notice has been taken of the document by the media or by relevant government agencies (those responsible for determining the form that national development should take).

The term “sustainable development” has made some headway in popular discourse, reflected by its use in the media, but has not gained any substantive meaning. Except in a few cities (as discussed below), it is not yet considered by urban planners and authorities regarding directions that should be taken by local development programmes and projects.

Concerning political developments, it is clear that it was the economic crisis, which was accompanied by two ecological disasters (a major drought and widespread forest fires) that precipitated the collapse of the Suharto regime in May 1998. Throughout the Suharto era, government was highly centralized. Provincial governors and district heads, including urban mayors, were appointed and,

⁷ One United States Agency for International Development (USAID) emergency project is entitled “Sustained Liberalization of International Trade and Domestic Competition for the Mutual Benefit of Indonesia and the United States”.

although there were elected councils, these only had an advisory function. Local government was essentially central government operating at the local level—local budgets were very small, not even adequately covering staff costs, and all development costs were covered directly from central government budgets with spending determined by central government agencies. Consequently, local programmes were uniform in design and implementation, and therefore often highly inappropriate, resulting in wastage of considerable resources.

The World Bank and the Asian Development Bank, with some involvement of other external development agencies, lent support to local “integrated urban infrastructure development programmes” throughout urban Indonesia, ostensibly designed to make investments appropriate to each city. Nevertheless, in practice local involvement was half-hearted in view of the lack of any genuine local ownership of the programmes (Atkinson 1998b), and major decisions concerning methods and standards of delivery remained with the central government or with external consultants.

After the collapse of the Suharto regime, the general public was most interested in reforms that would allow freedom of expression and open up the electoral process to new political parties—with the aim of having new national elections take place at the earliest opportunity. However, although of less public interest, legislation concerned with the decentralization of government and the associated redistribution of government funds enacted in April 1999 has the potential to be considerably more far-reaching in impact. The focus of this basic legislation is upon creating autonomous local government at the district and city levels at the expense of both central and provincial government. As in the past, elected Legislative Councils (DPRDs) are called for, but these now have a legislative function and are empowered to appoint the mayor.

Nevertheless, the umbrella legislation is open to interpretation—seen in one analysis as offering government the possibility of continuing to dictate local policies and programmes from the centre (SUDP 1999). Central government agencies may still issue regulations aimed at local government functions and, in practice, are doing so, but these are now ostensibly only advisory. Local governments, unsure of how to proceed with their newly won freedom, may simply succumb to central government “advice”, thereby making it equivalent to directives. This is likely at some stage to come to the courts when the more self-confident municipalities decide that they want to do things their own way.

Municipalities will also have a substantial development budget and be in a position to determine both how it should be spent and how it should be administered. Specific legislation is being enacted on combating the corruption, collusion and nepotism in government that was so structurally embedded in the old system.⁸ Reference in the legislation to accountability and, in particular, the involvement of the general public in the decision-making process is, however, sketchy. One mechanism referred to is that of “urban forums”, which local governments are expected to organize periodically to promote discussion between government and the public.

The new legislation is currently being digested; so far there is little understanding of how the local bureaucracy might be reorganized to suit local needs. In future years local budgeting processes will come into operation and it will be crucial to find means of planning that will genuinely respond to local needs (previously, the budget was rigidly controlled by the central government).

Even before the collapse of authoritarianism, NGOs were tolerated in several fields, including legal rights, the environment and development issues, as long as they were not overtly political—although many of them were covertly so (Korten 1987). In the field of urban development there were many initiatives assisting informal communities to organize, although these were predominantly focused on self-help improvements with no ambition to influence the wider decision-making process regarding the direction and allocation of resources across the town or city as a whole (URDI 1999).

Many different initiatives have been developed in the spirit of debate and experimentation that has followed the fall of the Suharto regime. The paragraphs that follow focus on the case of Surabaya, Indonesia’s second city located in east Java, with a population of a little under three million in a metropolitan region of almost eight million. Surabaya has some prior experience of participatory urban planning. In the 1970s a low-income settlement upgrading programme was implemented within the general framework of the KIP (encompassing two thirds of the city’s population). In Surabaya,

⁸ The nature of “corruption” as a system of allegiance building within government, where inadequate salaries are supplemented by payments to staff, some legal and some illegal, made by those in a position to obtain and dispose of money, is becoming well understood. In this light, structural measures may be taken to destroy the system and create a more service-oriented attitude among public servants (Manning 1999).

unlike in other Indonesian cities where measures were determined by bureaucrats and their consultants, there were genuine experiments with participatory methods of determining what should be done and how to do it (Silas 1992). These circumstances were encouraged by an enlightened mayor, working closely with the Surabaya Institute of Technology (ITS), within what is the most affluent municipality in Indonesia.⁹

In the spring of 1997, a German government-supported project was initiated in Surabaya with the intention of assisting in the development of participatory decision-making processes at community level; in the first instance this was to be little more than building on the earlier KIP experience. Four communities were selected out of an initial 12, as a result of wide consultation. Universities were commissioned to organize rapid appraisals of the communities, including a stakeholder analysis to help bring together a forum that would represent and train the main groupings within the communities. The formation of Environmental Communication Forums (FKLHs), followed by a process of training and involvement of the wider community, was organized by local NGOs. The results were twofold: (i) the production of local plans, and (ii) more aware and vocal communities able to make structured demands of the municipality.

There is always a danger that such initiatives can collapse if plans are not implemented. While the intention was that these decision-making forums would come to occupy a place in the overall budget planning for the city, this was certainly not immediately implemented. Some city departments co-operated, including the city water supply corporation. The project also succeeded in collaborating with the emergency programme of the national Public Works Department, which had to disburse large amounts of money in a short period and was happy to find local ventures into which they could channel funds. But it was clear that these predominantly self-help initiatives would die once the project ended unless there was a more coherent institutional framework within which they would have an ongoing place and function. Before the collapse of the old regime, the project was already attempting to bring together key stakeholder groups at the city level. This was in order to bring a

⁹ With a new mayor, appointed in the early 1990s, the participatory approach declined. After the fall of the regime, newly vocal local NGOs accused the old programme of being interested only in self-help and local improvements, rather than empowering poor communities to make broader demands on the political system.

more formal pressure group into existence to voice the concerns of civil society—and promote local community plans—at the level of the city authorities.

With the collapse of the regime the intended forum—initially christened Sustainable Development Forum (FKPB)—immediately initiated debate around issues that should become the focus of reformed local government. Indeed, both the mode of organization of the community initiatives and the FKPB became the focus of attention of the now reform-minded central government and external assistance agencies as indicating possibilities for public participation in local government decision making. USAID immediately undertook to assist a number of other cities in east Java to establish FKPBs, albeit with close ties to government.

However, as we have seen in the cases of the Philippines and Thailand, the abandonment of authoritarianism does not guarantee reform. Of particular interest in Surabaya is the insistence of the FKPB to be independent of government. Some NGOs accuse FKPB of wanting to collude with government even before it has taken any substantive initiative to do anything in collaboration with local government. The fear of co-optation—so often the experience of NGOs in the past when they attempted to promote civil society interests—remains strong, and even private sector and university participants steer a careful path. The preferred course is to advise the newly democratic Legislative Council rather than to engage directly with the machinery of local government. On the other hand, the field is wide open for those outside of government to help define what local government is to become in the future. If, however, local government is left to its own devices, there is a real danger that entrenched interests will succeed in establishing local authoritarianism, as is evident in so many local authorities in the Philippines and Thailand.

In fact, the preoccupations of the FKPB—and one might say of the local forces of reform more generally—are not yet coherently oriented toward sustainable human development. The initial priorities of the FKPB are environmental pollution, land settlement and tenure, the informal economy and the provision of public services. Work is proceeding on the first two issues, partly because there happen to be people active in these fields. While it is clear that these issues are relevant to the needs of the poor—and also to achieving more sustainable cities—in practice, the debates remain at some distance from the *prima facie* needs on either score.

The FKPB is not making common political cause with the poor: attempts to involve the interests of the poor (for example, associations

of informal traders and pedicab drivers) have not been successful and membership of the forum is, with the exception of a very active trade union representative, exclusively “new middle class”, albeit with some young and active NGO people.¹⁰ Although originally named the Sustainable Development Forum, there are too many urgent issues to be dealt with to be able to focus serious attention on sustainable development. In consequence, after one year in existence the Forum renamed itself simply the Surabaya Urban Forum (FKS) in order to be seen as more mainstream and meriting a central position in the emerging system of local government.¹¹

In other towns and cities throughout Indonesia, similar experiments and experiences are unfolding spontaneously (active NGOs working with local government) or with external assistance. Indeed, the spread of assistance programmes has meant they are tripping over one another in all the major cities. It thus becomes advisable to hold regular co-ordination meetings among the various initiatives as is happening in Surabaya—although this holds a constant danger of contradictory initiatives and wastage of resources. Most of the effort (such as the massive World Bank and Asian Development Bank poverty alleviation programmes designed to channel money directly into local communities) is focused on improvements to the environment of poor communities—essentially KIP based on new participatory decision-making processes.

Much of this experience highlights the inevitable contradictions between large-scale programmes and the need to be sensitive to local contingencies. Such programmes are not always prepared to countenance the longer time span and complexities of resolving local issues. Furthermore, they have little or no interest in empowering communities to voice their needs in the wider political process.

These ostensibly participatory initiatives could potentially be very counterproductive. There is a tendency for agencies to bypass local authorities and work directly with the community. Some local authorities may attempt to use the freedoms and opportunities created by the recent decentralization laws to adopt new forms of

¹⁰ The importance of youth as the driving force of the reform process in Indonesia at present (where much of the new middle class is tainted by association with KKN) can hardly be overstressed.

¹¹ The new legislation calls for convening forums as a means of communication between municipalities and other stakeholder groups. In fact the legislators already had the Surabaya experience in mind; now the members of the FKS wish to ensure that they are seen as the legitimate body to fill this role!

command-oriented government, with perfunctory measures of public consultation designed to legitimize their own activities, rather than respond to locally expressed needs. However, there are also various examples of attempts to work at the city and provincial level, as in the case of the FKS in Surabaya, to devise means to ensure that the local governments of the future are held accountable and *do* have a more positive orientation toward participation and sustainable development.

Conclusion

In the three countries analysed above, some progress is being made in the development of more participatory approaches to urban planning and management, with a focus on the needs of the poor. Less certain is whether this can in any way be seen as pursuing a consistent—or meaningful—path to sustainability.

What is evident is a strong desire among the modern, urban-based middle classes of all three countries (which include strong student movements) to create new political systems at the municipal level. The patronage relations of the past, with their corrupt practices, cronyism and nepotism, are deemed unacceptable. The struggle is to detach the “big men” and “big families” from their clientele among the poor and ignorant and to push the military out of politics and back into the barracks. There is a strong sense among this urban-based middle class, whether justified or not, of their individual worth, their business and professional abilities and, in the case of students, of their responsibility to create a new society. They feel that they and their fellow middle-class citizens understand and can deal with the modern world, are not corrupt in their practices and so have a greater right to govern. There is a clear parallel to the rise of the middle class and the sense of modern citizenry in Europe in past centuries.

While the rise of the middle classes remained repressed under the previous authoritarian regimes, it is now strongly visible, discussed in the media and evident in the organization of political parties, business, professional and civic associations, and politically oriented NGOs. Economic growth and the international context, promoting democratization and decentralization, is now favouring their rise to power. The process of taking this power and deciding how it should be channelled and used has, however, only just begun and the final outcome is by no means clear. At the same time, however,

the economic globalization that created this middle class depends upon a reserve of economically active poor and, as is so well illustrated by the 1997 economic collapse of the region, continues to maintain and even extend poverty.

Participatory urban planning and management processes, as developed up to now, have two different focuses and constituencies. On the one hand, community development initiatives are favoured by many constituencies in so far as they focus predominantly on self-help initiatives among the poor. Recognition that the poor also have some rights has progressed matters from a situation where their settlements were destroyed, via a less aggressive policy of “benign neglect”, to a point where they are on the whole given basic recognition and basic services. This does not yet amount to full citizens’ rights (access by the middle classes to power and resources is of a different order). In general the poor have received some benefits at little cost to the middle classes.

On the other hand, the middle classes are becoming more aware of the need to be active in creating “liveable” cities. The activities of civic groups, while of less interest to the development co-operation agencies with their strong focus on poverty alleviation, are nevertheless aiming at the same general goal of creating more participatory and accountable forms of urban planning and management. Indeed, if more coherent initiatives in the pursuit of sustainable development are to appear, then these groups should be among the carriers: poor communities can do little to pursue primary sustainability as they already live extremely frugal lives and have little or no power to determine wider policies and programmes of urban development.

This points to a two-pronged conundrum. The first is how can the two sets of urban participatory planning and management initiatives be forged into a single system that looks after the interests of all urban citizens? In Europe progress toward more egalitarian societies happened in part through the self-organization of the poor (in the form of labour unions and, in some countries, tenants’ associations) and in part through the emergence of social democracies that realized that societies work better when there is less inequality, where education and a reasonable standard of living for all become a basis for greater efficiency, less social tension and eventually a greater capacity for co-operation.

The European situation, however, is not really comparable to Southeast Asia where a large percentage of the poor is not employed by industrialization, and most live in informal conditions where

mass tenancy is not an issue.¹² So a more concerted effort will be necessary on the part of the new middle classes as they consolidate their hold on political power to realize the need for more unified societies and to help to create the bases for these. Local participatory approaches to urban planning and management provide a milieu in which relevant ideas and aspirations could be developed, but more coherent and assertive civic movements are needed to endow these approaches with political force. The middle classes often lack the impetus to rethink their own lifestyle; they will need to collaborate more closely with the poor—who will also need more resources—if they are to develop coherent, truly sustainable, alternatives with which all citizens are prepared to co-operate.

The second point concerns the context of economic globalization and, more specifically, the promotion and spread of neoliberal ideology and practice. It seems strange that, in spite of the increasing evidence that liberalization worsens the situation for the poor and the local environment in the countries of the South, it continues to be widely adhered to (Forrester 1999). It may be in the interest of certain sectors of business to promote liberalization, but it seems clear that many social groups, including some in the business community, are not benefiting from liberalization. On the contrary, all indications are that the economies of the South—and not only post-July 1997 Asia—are continuing to deteriorate, and that the incidence of poverty is spreading (Shutt 1998; UNRISD 1995).

Local programmes—including the plethora of emergency programmes in Indonesia discussed above—are not going to solve the problems of the poor on their own. There are no indications that these can be solved without addressing the problems arising from the continued application of liberalization. Protection measures at national, regional and local level are necessary, as are economic mechanisms to ameliorate the social and environmental concerns arising through participatory urban planning and management initiatives.

Finally, the concept of sustainable development potentially provides a framework in which to rethink the development process in the context of the new, participatory forms of local decision making. These will have to take into account current trends in urban

¹² Many informal settlements have quite high levels of tenancy, but the landlords of relatively small-scale, makeshift housing are less vulnerable to pressure from mass movements than the large-scale tenement housing in early twentieth century European cities.

development in the countries discussed in this chapter. With the emergence of megacities, dependent on massive throughputs of resources that at some stage could become curtailed, the sudden precipitation of much greater poverty cannot be ruled out (Atkinson 1993). Perhaps this should be taken as a major task of development agencies in the coming years: to raise the level of debate concerning the sustainability of urban developments in the context of local participatory planning and management initiatives, and to devise programmes to turn things around.

This brings us to the question of what role such agencies might play to promote participatory urban sustainable development planning and management initiatives. It is difficult to provide advice here on “primary sustainability”: externally assisted projects to produce national Agenda 21 documents have not been effective in the countries of the South (as shown in the examples provided above), although one cannot genuinely say that they have not been effective anywhere. The debate is still open and certainly it is at the local and subregional levels that at least some practical measures have started. In the context of local participatory urban planning and management programmes, the advice can only be to continue attempts to introduce the subject of longer-term sustainable development strategies into any initiatives. Hopefully, in time, when the urgencies of immediate problems have been mastered through effective solutions, primary sustainability will become a more important agenda issue.

Part of the problem would seem to be impacts of liberalization on local development. It seems clear that local communities and municipalities can do little or nothing to control what has been termed the “backwash effect” of global development processes (Stöhr and Taylor 1981). Agency policies that will address the impacts of liberalization more effectively, to work with national governments to develop defence mechanisms on behalf of society and the environment, are required. It should then be possible to see where national policies can be used to develop more effective local projects and programmes such as the following.

- Community development projects that bring participatory methods into the generation and execution of activities to improve the local quality of life need assistance. These should be undertaken as longer-term development programmes, operating in a flexible manner—and not in terms of one- and two-year projects—to assist in the development of local cohesion and self-confidence.

- Such programmes should move beyond self-help initiatives and be more conscious of the need to empower poor communities to participate in a more coherent and forceful way in the larger urban political process.
- These initiatives need to be systematized in such a way that all communities are capable of identifying problems, prioritizing them, planning improvements and attracting the necessary commitment from all relevant actors to solve problems.
- Participatory methods of planning and management are also needed at the municipal level—which means working with a great variety of stakeholders within civil society, as well as with municipalities. The aim must be to create transparency and accountability within a local government that is oriented to providing a public service rather than the all-too-common case of government providing a platform for the abuse of power and public resources.
- The opening-up of the municipal planning and management process should not stop at more accountable and/or efficient local government; it also needs to make common cause with community development projects and the plans they generate; these initiatives should champion the needs of the poor as well as seek to improve the workings of the municipality and the state of the city.
- Such initiatives should also focus attention on possible futures of the city, analysing unsustainable aspects of current development within the public arena, not only to obtain diverse opinions, but to gain the commitment of all in a situation that is almost bound to require substantial changes in outlooks and lifestyles.

All of these policies can be assisted by appropriate inputs from development agencies. This could be done on a national level, but would probably be more effective through engagement with individual urban communities and authorities. On the whole development agencies have focused most of their attention on rural development and/or financing sectoral projects.¹³ As yet there is relatively little experience of integrated urban projects of the kind being suggested here (Atkinson and Allen 1998). But there are

¹³ About 6 per cent of United Nations and bilateral donor funding goes into urban projects. Of course many other projects, including in health, education and other fields, also find their way into urban areas, but not specifically recognizing the urban context. Less than 18 per cent of World Bank funding goes into urban infrastructure (Atkinson and Allen 1998).

precedents, including urban programmes of bilateral agencies such as USAID, Swiss and German technical co-operation (and others), the World Bank Metropolitan Environmental Improvement Programme and the UN-Habitat Sustainable Cities Programme. The field is certainly wide open for agencies that are interested in gaining and then disseminating experience in this field.

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