

The Governance Perspective

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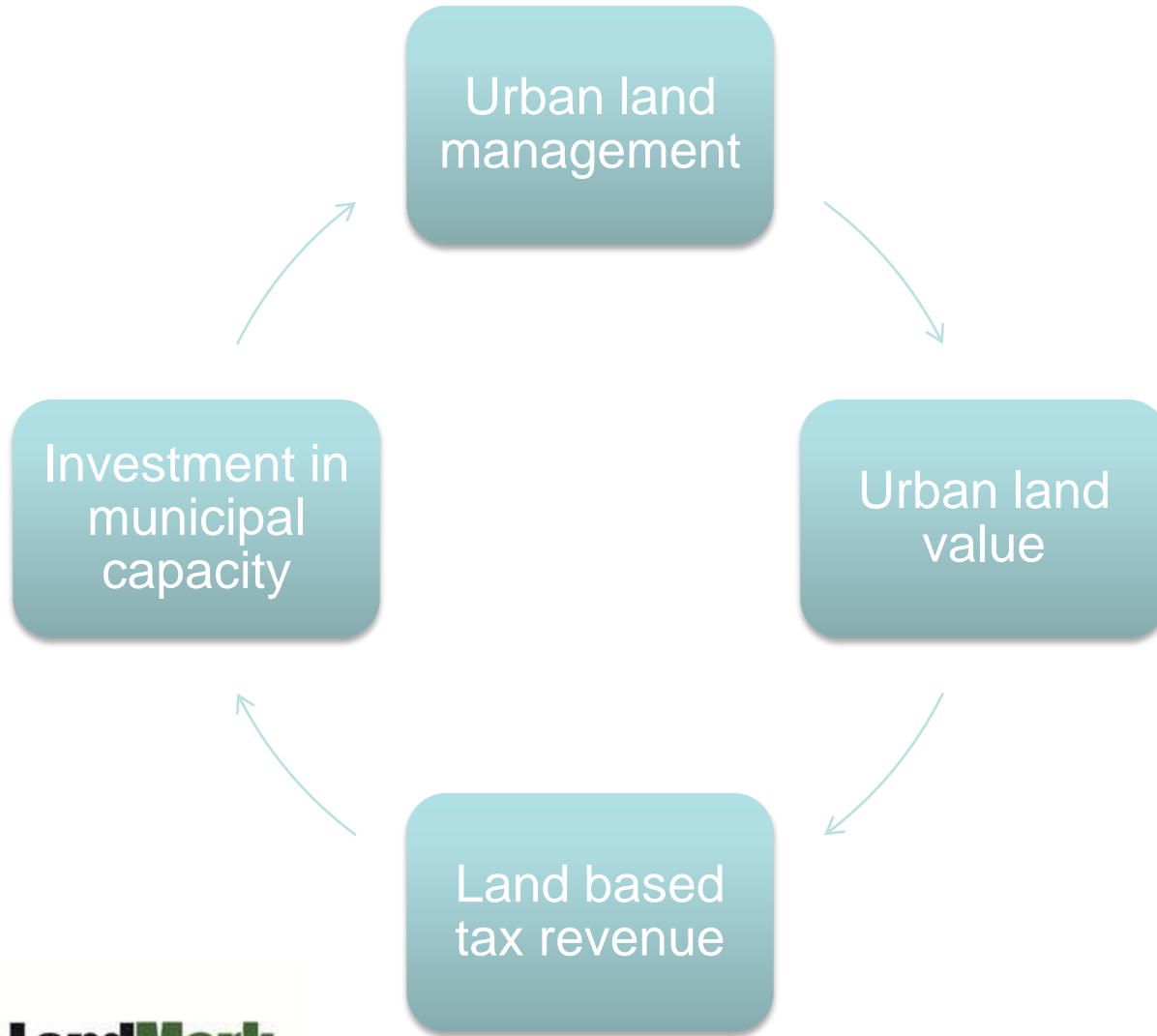
Urban LandMark

Understanding the Governance Playing Fields

The existing governance structures are challenged to up their game but the odds are stacked against this necessarily improving land access for the poor:

- The governance instruments focus on individualised, formal rights – clearly unaffordable both to the citizens and the state
- The most powerful players - with the biggest impact on social, economic and environmental outcomes - effectively operate outside of the urban land governance framework (developers, mines, traditional leaders, investors, elite citizens)
- The greater the effort to bring urban land under the umbrella of formal land governance the higher the price of that land becomes, and the more difficult it is for the poor to secure a foothold in the formal urban land market

The virtuous cycle of urban management that isn't



The difficulty of simply pushing for a more capable state

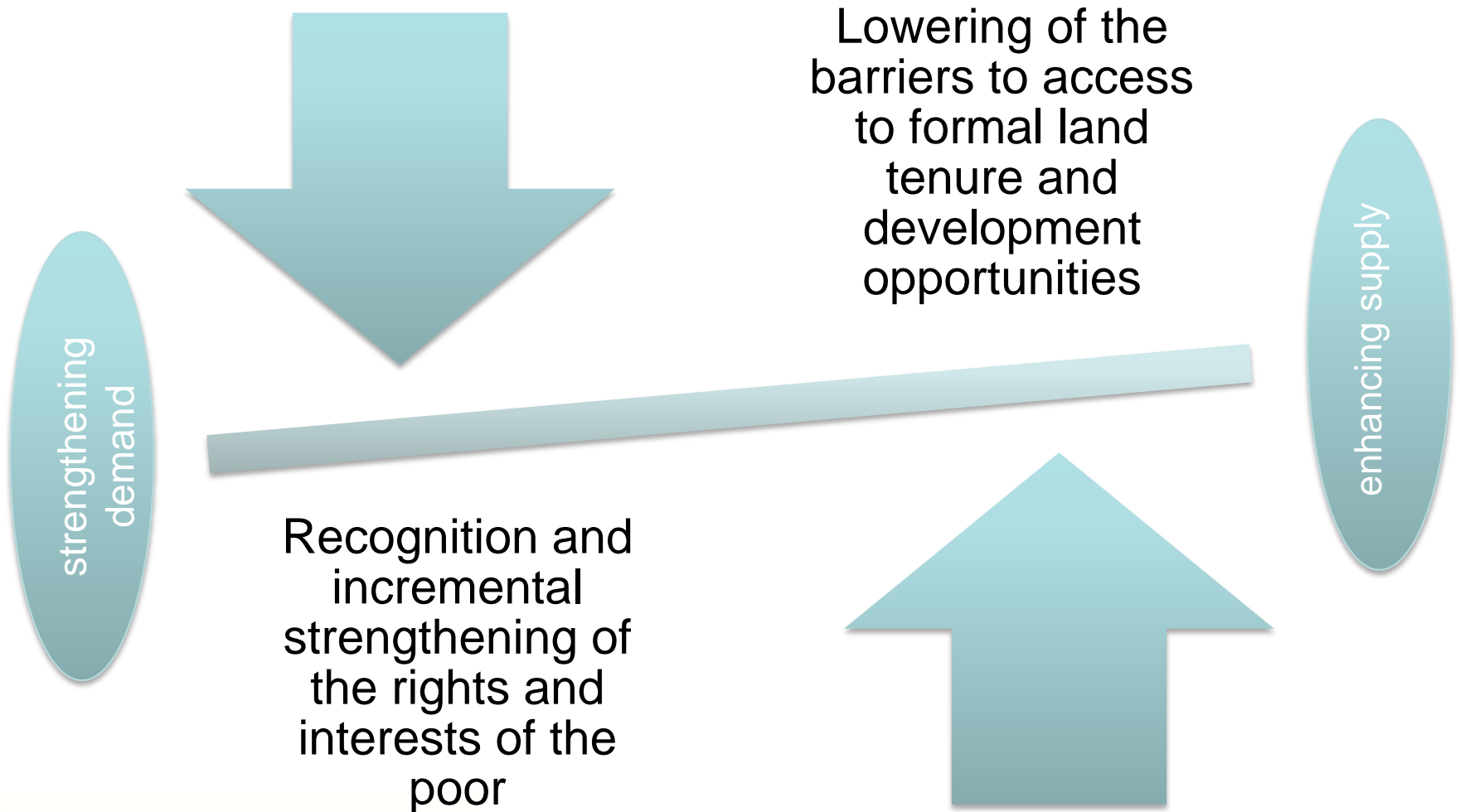
State interests in urban land management and regulation seldom reflect those of the poor.

The notion that a more capable state will order and regulate urban development in the interests of the poor is illusory.

The governance tools available are suitable only to regulate a very small part of the city:

- With the effect of restricting access to that part;
- Failing to influence the big actors; and
- Ignoring the poor.

So what is needed?



The rhino in the room

Urban land markets continue to be dominated by forces and groups that are difficult to manage and regulate in the conventional sense:

- developers;
- traditional leaders in peri-urban areas;
- ‘shack farmers’;
- investors (including mines and commercial agriculture);
- wealthy elite citizens.

Tackling this demands rethinking of the role of planners and planning, of the relationship between land use management and municipal property revenue and of state capacity.

To build the argument for doing this the fiscal arrangements between the national and local state have to be prioritised – an inherently tricky political dynamic.

Concluding thoughts

1. Building a coherent logic for better governance of the market has to precede the design of legislative or institutional reforms. The logic won't flow (logically!) from the reforms.
2. Governance of the urban land market cannot be partitioned – it is about the inter-relationships of land tenure, land use, land tax and political systems, of law, policy and institutions.
3. Christine Whitehead (2010):
 - rapidly developing countries that try to regulate their way into control over urbanization embark on a course that is “fraught with the danger of enriching particular groups at the cost of the community as a whole” but she also wonders
 - if the regulation manages “to enhance efficiency, government may have to accept rent seeking as a necessary cost – while at the same time attempting to improve enforcement procedures within the general legal and taxation systems”