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Geography 130

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Liberalization, Rural-Urban Migration and the Rise of Slums

The year 2008 marked a turning point in the geographic distribution of the world's population. For the first time in history, more than half of the people on the planet – 3.3 billion individuals – called a city their home.¹ Since then, the number of people living in urban environments has risen to 3.5 billion and shows no signs of slowing.² However, for one third of this population, the bright city lights that have come to symbolize prosperity, opportunity, and hope no longer reflect the reality.³ One billion city dwellers around the world live in slums – urban areas characterized by “inadequate access to safe water; inadequate access to sanitation and other infrastructure; poor structural quality of housing; overcrowding; [and] insecure residential status.”⁴ Over the next 30 years, the number of slum dwellers worldwide is projected to double, rising to around two billion.⁵ The recent and projected growth of slums represents the profound failure of local, national, and global policy to include almost one sixth of the world's population in the formal development process.

This essay will attempt to analyze rural-urban migration as a contemporary contributor to slum growth. Although rural-urban migration has accounted for only a small portion of slum

¹ “State of World Population 2007.” *United Nations Population Fund*. 2007. Web. April 14, 2010.
<<http://www.unfpa.org/swp/swpmam.htm>>

² “Bridging the Urban Divide.” *UN Habitat*. 2010. Web. April 14, 2010.
<<http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=2880>>

³ Ibid.

⁴ “State of World Population 2007.”

⁵ Ibid.

expansion in comparison to natural population growth, the interrelations between global economic policy, migration, and urban absorption mechanisms provide a unique lens for viewing slum development. I start by explaining the environmental and historical causes of rural push and urban pull, and how the two forces differ. I then discuss how recent Structural Adjustment Policies eliminated the urban pull generated by government attention and simultaneously increased rural push. This stimulated rural-urban migration while downsizing frameworks for formal urban integration. After reviewing the role of the informal economy in absorbing the growing population of slum-dwellers, I conclude with the argument that rural-urban migration and slum growth are processes that must be examined as products of both natural and constructed systems.

As a global body, farming communities have experienced several natural forces of rural push that have pressed them to migrate to urban areas. Agricultural production and survival has always been subject to variable shifts in climate and the environment. The ENSO cycle has caused devastating droughts and floods across Sub-Saharan Africa, South America and Asia, leaving farmers with nothing but the choice between migration and starvation. In India, "twenty-one out of twenty-six droughts since 1877 have been attributed to El Ninos."⁶ In China, weather stations have compiled evidence to show a consistent correlation existing since 1870 between ENSO phases and "combinations of drought in the north and flooding in the south, or vice versa."⁷ In Papua New Guinea and the surrounding region, El Nino droughts and La Nina floods have been considered "prime movers of episodic migration."⁸ In 1997, "the combination of drought and killing frost... forced tens of thousands of highland farmers to trek to the lowlands

⁶ Jiu, J. and J. Slingo. "The Asian Summer Monsoon and ENSO." *Q. J. R. Meteorol Soc.* 118. 1992. Pg. 1133-68.

⁷ Davis, Mike. *Late Victorian Holocausts: El Nino Famines and the Making of the Third World*. London: Verso, 2001. Pg. 249.

⁸ Ibid. Pg. 255.

in a desperate search for food and water."⁹ In South America, the 1925-26 and 1982-83 El Ninos caused severe droughts in Amazonia, the Nordeste and the Altiplano, as well as major floods in the Southern Cone.¹⁰ In fact, twenty out of twenty-three of central Chile's wettest years have aligned with El Ninos.¹¹ Across the globe, drought and flooding caused by natural climate fluctuations have pushed millions to leave their farms and migrate into urban areas in a desperate bid to survive.

While environmental shifts have played a classic role in forcing farmers into urban migration, the global financial structure has intensified natural rural push since its conception. Subsistence farmers "became dramatically more pregnable to natural disaster after 1850 as their local economies were violently incorporated into the world market."¹² The massive famines of 1870s and 1890s across India illustrate how "the forcible incorporation of smallholder production into commodity and financial circuits controlled from overseas [tends] to undermine traditional food security."¹³ Under Britain's colonial rule, rural farmers were pushed to switch from subsistence to commodity agriculture, catalyzing the process of primitive accumulation and throwing farmers into global competition under the universalized Gold Standard. When prices were low, farmers starved. But even "rising agrarian prices tended to be a source of indebtedness rather than affording them the opportunity to accumulate surpluses... since their marginal productivity was low and production" constantly fluctuated.¹⁴ When drought struck, millions of "emaciated workers and poor peasants" fled their farms and "overwhelmed the relief works

⁹ Ibid.

¹⁰ Ibid. Pg. 259

¹¹ Rutllant, Jose and Humberto Fuenzalida. "Synoptic Aspects of the Central Chile Rainfall Variability Associated with the Southern Oscillation," *International Journal of Climatology* 11, 1991. Pg. 63, 65.

¹² Davis, Pg. 288.

¹³ Ibid. Pg. 289.

¹⁴ Medick, Hans. "The Proto-Industrial Family Economy and the Structures and Functions of Population Development under the Proto-Industrial System." P. Kriedte et al. *Industrialization Before Industrialization*. Cambridge: Cambridge University Press, 1981. Pg. 45.

belatedly authorized by the Bombay and Madras governments."¹⁵ The 1870 and 1890 famines show the historic impact that global economic policies have had in augmenting rural sensitivity to climate irregularities, forcing millions off traditional farms and into cities to look for food.

While rural push plays a central role in catalyzing urban migration, people are also motivated to voluntarily migrate into the city by the knowledge, belief, or hearsay that the urban lifestyle is better than the rural. Forces that substantiate or reinforce this lifestyle difference are considered generators of urban pull. One major element of urban pull stems from industrialization. Factories have historically been constructed around urban areas, and require a large labor force to remain operational. New employment opportunities draw laborers looking for better, more stable wages from the countryside into the city. Agriculture is "a seasonal activity, and thus rural residents may find themselves without adequate food or cash in the off-season."¹⁶ Even if urban wages are no higher than the comparative wages of subsistence farming, "work is available more *regularly* than in subsistence agriculture."¹⁷ With industrialization, cities also developed better "insurance and banking services, high quality infrastructure (roads, communication links, ports), and well-developed public services (sewage, electric service)."¹⁸ In addition, urbanization leads to better schooling for both boys and girls – "the only factor that has consistently and convincingly been found to correlate with lower fertility."¹⁹ Lower levels of fertility in turn permit faster growth in per capita income.²⁰ In these ways, industrialization and its consequences translate into a significant force of urban pull.

... BUT IS THIS
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SLUMS?

¹⁵ Davis, Pg. 36.

¹⁶ "Women, Slums and Urbanization: Examining the Causes and Consequences." *Centre on Housing Rights and Evictions (COHRE)*. 2008. Web. April 10, 2010. <www.cohre.org/store/attachments/Urbanisation_Report.pdf>

¹⁷ Deshingkar, Priya and Sven Grimm. "Voluntary Internal Migration." *Overseas Development Institute*. 2004. Web. April 10, 2010. <www.odi.org.uk/resources/download/54.pdf>

¹⁸ Becker, Charles, Andrew Hamer and Andrew Morrison. *Beyond Urban Bias in Africa: Urbanization in an Era of Structural Adjustment*. London: James Currey, 1994. Pg. 7.

¹⁹ Matthew Connelly. *Fatal Misconception*. Cambridge: Harvard University Press, 2008. Pg. 23, 134.

²⁰ Becker, Pg. 7.

In addition to the pull generated by industrialization, in the 1950s and 1960s post-colonial governments specifically focused on fueling rural-urban migration as a pre-requisite for national development.²¹ Later characterized as "urban bias," governments used tariff structures, exchange rates, price controls, and budget programs to protect nonagricultural industries and support public investments in urban infrastructure.²² These policies helped post-colonial cities grow as engines of economic development that both fed off of and generated urban pull.

As we have seen, rural push and urban pull both fuel urbanization. However, while rural push causes involuntary displacement, urban pull allows migrants some manner of choice. Rural push implies an external force aggressively destroying rural means of subsistence, literally "pushing" farmers off their land and into migration as a last ditch effort for survival. Forceful displacement leaves the victims much more desperate and less prepared for integration into the formal urban economy. On the other hand, urban pull gains its migratory influence from the better quality of life available in urban areas. It does not eliminate a population's home, but instead offers the possibility of a better one. Operating through relative incentives, urban pull involves a more gradual and stable process of calculated, voluntary migration to an inviting urban economy.

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While environmental fluctuations, introduction into the world economy, industrialization, and post-colonial government policy have provided the historical backdrop to rural-urban migration, these factors haven't directly created the slums we see today. However, recent interventions by multilateral investment banks have. Under the neoliberal development paradigm, the Structural Adjustment Policies (SAPs) of the 1980s simultaneously increased rural push while removing the government "urban bias" policies that once generated urban pull. As

²¹ Ibid, Pg. 94.

²² Ibid, Pg. 94.

Deshingkar and Grimm argue, "The most recent push factor appears to be a fall in agricultural commodity prices brought about by macroeconomic reforms linked with liberalization and globalization policies."²³

In an effort to generate capital for interest repayments on development loans, SAPs weakened the "economic role of cities throughout the world" and placed emphasis on agricultural exports.²⁴ Similar to Britain's speculative economic policies in the late 19th century, SAPs violently threw less-developed countries and their domestic agricultural industries into the global economy. By depreciating exchange rates and eliminating import/export licenses, tariffs, price controls, and environmental standards, SAPs removed all protections over domestic agriculture and placed them in direct competition with the massive agribusinesses of the Western world.²⁵ This displaced "tens of millions of rural producers unable to compete against the heavily subsidized agrocapitalism of the rich countries."²⁶ While the reforms may have increased productivity, they also "resulted in sharply falling commodity prices" for local farmers.²⁷

Simultaneously, SAPs eradicated any public spending deemed "unnecessary": public health care, education, infrastructural development, etc. By privatizing public services and destroying import-substitution industries, SAPs have consequently decimated urban employment and eliminated the ~~mechanisms~~ ^{state services} once in place to absorb rural population influx.²⁸ In Khartoum, "liberalization and structural adjustment... manufactured 1.1 million new poor."²⁹ In Latin

²³ Deshingkar, Priya and Sven Grimm.

²⁴ "Global Report on Human Settlements 2003: The Challenge of Slums." *United Nations Human Settlements Programme*. London: Earthscan Publications, 2003.

²⁵ Ibid.

²⁶ Davis, Mike. "The Urbanization of Empire: Megacities and the Laws of Chaos." *Social Text* 81, 2004. Web. April 14, 2010. <muse.jhu.edu/journals/social_text/v022/22.4davis.html>

²⁷ "Women, Slums and Urbanization: Examining the Causes and Consequences."

²⁸ Ibid.

²⁹ Davis, Mike. "Planet of Slums: Urban Involution and the Informal Proletariat." *New Left Review* 26, 2004.

America, SAPs "destabilized rural economies while savaging urban employment and housing."³⁰ As Mike Davis writes, "the consolidation of small into large holdings and the competition of industrial-scale agribusiness... seem to sustain urbanization even when the 'pull' of the city is drastically weakened by debt and depression." For many less-developed countries, rural-urban migration has continued unabated "in spite of... explicit anti-urban policies."³¹ SAPs have not only pushed rural farmers off their land, but they have also destroyed the mechanisms for formal economic integration: housing, employment, access to education, etc. With no other options, displaced farmers have ended up falling into slums and working as informal laborers for day-to-day survival.

Along with slums, the informal economy has assumed the vital role of absorbing people displaced by SAPs. As the UN's 2001 Global Report on Human Settlements proclaims, "When local economies have been impacted by globalization in general and structural adjustment in particular, it has been mainly the informal sector that has provided a safety net and a source of income for those made redundant or unemployed."³² The informal economy can be defined as "the unregulated non-formal portion of the market economy that produces goods and services for sale or for other forms of remuneration."³³ Generated by the unemployed, redundant, reserve class of potential workers, the growing informal labor market echoes the relative surplus population predicted by Marx in his General Law of Capitalist Accumulation. However, while Marx posited that the conditions sustained by the growing surplus population would eventually lead to revolt, the informal economy has actually provided a viable employment alternative to

³⁰ Ibid.

³¹ "State of the World's Population 2007."

³² "Global Report on Human Settlements 2001: Cities in a Globalizing World." *United Nations Human Settlements Programme*. London: Earthscan Publications, 2003.

³³ Becker, Kristina. "The Informal Economy." *Sida*. 2004. Web. April 14, 2010.
<rru.worldbank.org/Documents/PapersLinks/Sida.pdf>

formal economies devastated by SAPs. Its ease of entry and relative stability has turned it into a substantial force within many urban economies of less-developed countries, even beginning to represent a significant urban pull in itself.³⁴ This helps to explain the phenomena of continued rural-urban migration despite the destruction of formal urban pull forces by SAPs.

In conclusion, the effects of the Structural Adjustment Policies have clearly illustrated how liberalizing the agricultural industries in less-developed countries pushes farmers off rural land and into cities. In addition, SAPs also show how eliminating urban public services prevent cities from absorbing rural population influx. Although rural-urban migration has accounted for only a small portion of slum expansion in comparison to natural population growth, the recent consequences of SAPs demonstrate the growing influence that global economic policy has on stimulating population migrations and directing whether such migrations contribute to stable urban development or (in)stable slum growth.

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³⁴ Deshingkar, Priya and Sven Grimm.

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<www.cohre.org/store/attachments/Urbanisation_Report.pdf>