

# UN-HABITAT

STATE OF THE WORLD'S CITIES 2006/7



## The Urban Penalty: Location Location Location

Real estate agents are right. Where you live matters. To paraphrase their mantra, location shapes destiny. Place and progress are inextricably intertwined, nowhere more so than for the world's urban poor who live in some of the worst real estate locations on earth.

In the State of the World's Cities Report 2006/7, UN-HABITAT presents for the first time disaggregated data that compares slums to rural areas and to higher-income city neighbourhoods. The data clearly illustrates the connection between living conditions and human development. By analysing data specifically relating to the urban poor, it is possible to see in sharp relief the vulnerability of slum dwellers and to trace how they are penalised at every level of well-being throughout their lives.

Simply put, the poor in slums suffer from an urban penalty. Sub-standard housing and inadequate or non-existent essential services undermines the health, education and employment opportunities of slum dwellers.

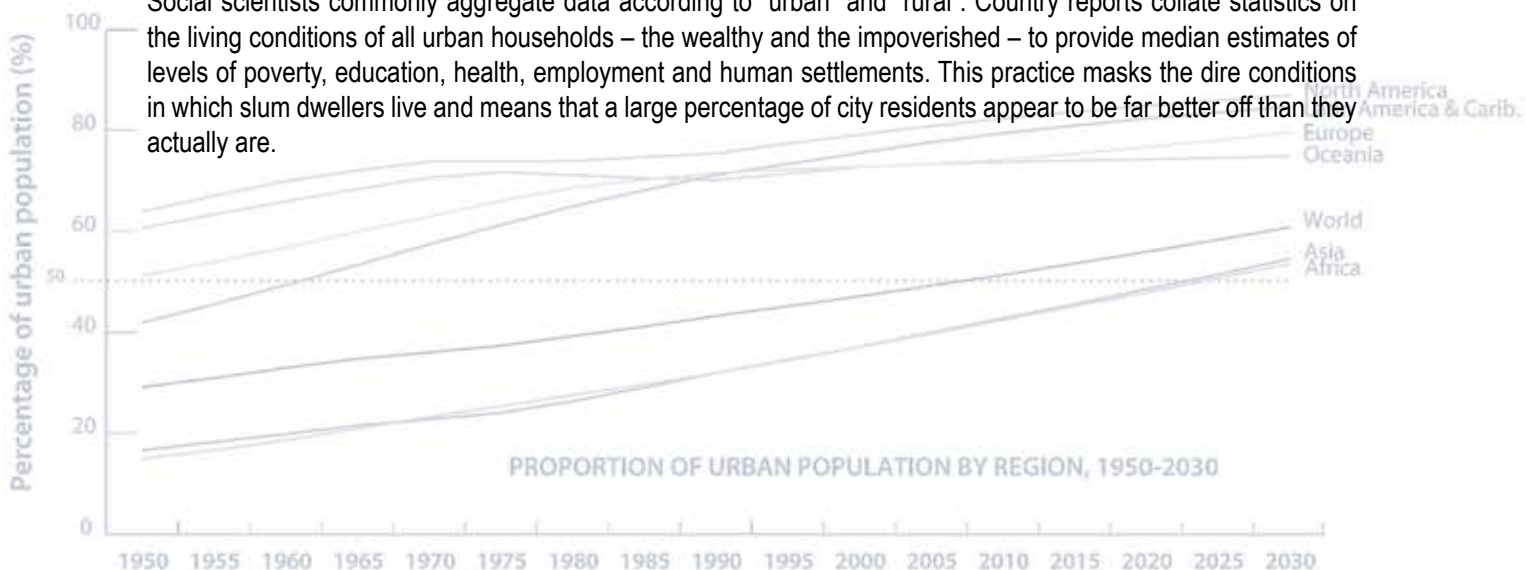
Living in an overcrowded and unsanitary slum is more life threatening than living in a poor rural village.

This report proves that, as the locus of poverty moves to cities, the impoverished in urban slum settlements are as disadvantaged as, if not more so than, rural populations, particularly in the least-developed countries where there are high urban growth rates.

Unfortunately, slums have been largely ignored in country and agency reports on the progress of Millennium Development Goals. This is due in part to the absence of intra-city data disaggregated across slum and non-slum areas. As a result, national and international programmes do not focus specifically on the urban poor.

Most national reports underestimate the level of urban poverty. Moreover, the measurement of poverty in both rural and urban areas is based on income, which does not necessarily provide an accurate picture of the scale and multidimensional nature of poverty experienced by the urban poor.

Social scientists commonly aggregate data according to "urban" and "rural". Country reports collate statistics on the living conditions of all urban households – the wealthy and the impoverished – to provide median estimates of levels of poverty, education, health, employment and human settlements. This practice masks the dire conditions in which slum dwellers live and means that a large percentage of city residents appear to be far better off than they actually are.



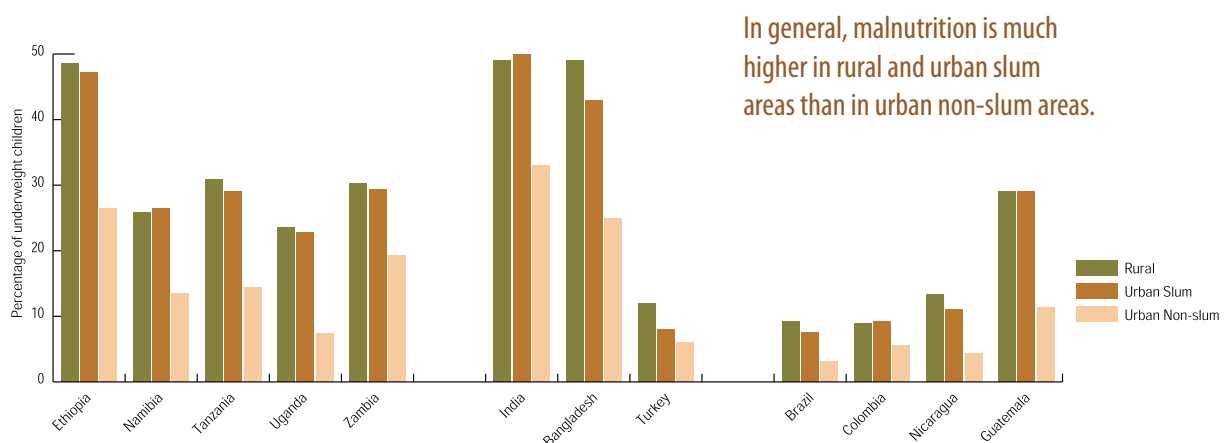
## The Urban Penalty: Hidden Hunger

In cities, hunger is linked to disposable income because inflation-linked food prices determine how much and what types of food poor urban families eat. Many families customarily do not have enough cash to buy food in sufficient quantities. When inflation hits essential commodities, poor urban families may have to spend 70 - 80% of their disposable income on buying food. By comparison, subsistence farmers in rural areas are dependent on climate, size of arable plots, crop patterns, fertiliser supply and even political stability for the size and quality of harvests.

The food basket of a slum household is usually low in calories and vitamins which makes slum dwellers more prone to malnutrition than their country cousins. During periods of famine and drought, the people who live in slums are ignored. International aid bypasses cities on its way to rural populations while scarcity drives the cost of essential food items even further beyond the buying power of those in cities who are most malnourished.

- In **Ethiopia**, child malnutrition in slums and rural areas is 47 percent and 49 percent respectively compared to 27 percent in non-slum urban areas.
- In **Niger**, child malnutrition in slums and rural areas is 50 percent and 52 percent respectively compared to 35 percent in non-slum urban areas.
- In **Morocco** child malnutrition in slums and rural areas is 14 percent and 14 percent respectively compared to 7 percent in non-slum urban areas.
- Malnutrition amongst children is significantly greater in slums than in non-slum residential areas in the cities of **Brazil** (19% v. 5%) and **Cote d'Ivoire** (37% v. 10%).

FIGURE 3.2.1 SLUM INCIDENCE AND PROPORTION OF UNDERWEIGHT CHILDREN IN SELECTED COUNTRIES



UN-HABITAT, 2005 Urban Indicators Programme, Phase III.  
Source: Demographic and Health Surveys 1995-2003.

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