

# Land for the Urban Poor in Post-War Angola

*Socio-Economic Exclusion - land, credit and basic services*

By  
Allan Cain  
Director – Development Workshop - Angola



Presented to the  
Conference on  
"Adequate and Affordable Housing for All: Research, Policy, Practice"  
Thematic Workshop on  
**Land for housing in cities of the South**  
Housing and Built Environment Research Committee of The International Sociological  
Association  
Centre for Urban and Community Studies  
University of Toronto and Housing Department, City of Toronto

Toronto, 24-27 June, 2004

## **ABSTRACT**

### **Land for the Urban Poor in Post-War Angola**

***Angola's last four decades of near-continuous war were years of tremendous human suffering, large-scale displacements of the population, heavy damage to property and infrastructure, serious economic losses and accumulation of a massive war debt. At its peak an estimated four million or more than a quarter of the total population was internally displaced. The war has urbanised Angola's population, and even today, two years after the war ended, more than 50% of the population live in cities. The urban poor in Angola suffer increasing social exclusion that inhibits their full participation in a post war recovery. They have been denied access to the means to pull themselves out of poverty.***

***Three quarters of the population of Luanda live in informal peri-urban "musseque" settlements and over 80% of these residents have no clear legal title to the land that they occupy. For the urban poor, with no access to banking or savings institutions, the acquisition of a housing plot and subsequent construction of a residence is the only means of accumulation of any form of wealth. They are at risk of expropriation by commercial developers or the state with out legal recourse or appropriate financial compensation. Residual occupancy rights<sup>1</sup> may be revoked by new land legislation, which is currently under consideration. The urban poor are therefore left in a position of extreme vulnerability with weak tenure rights over the land that they occupy and risk being turned into illegal occupiers unless planned legislation is revised. The alienation of the urban poor from lands that they have lived and worked on for many years is likely to produce serious civic conflict in the years to come, unless the Government develops policies which recognise and regularizes tenure rights.***

***Post-war programmes need to promote socio-economic inclusion and guarantee civic and tenure rights of the urban poor and provide opportunities for civic leadership to emerge.***

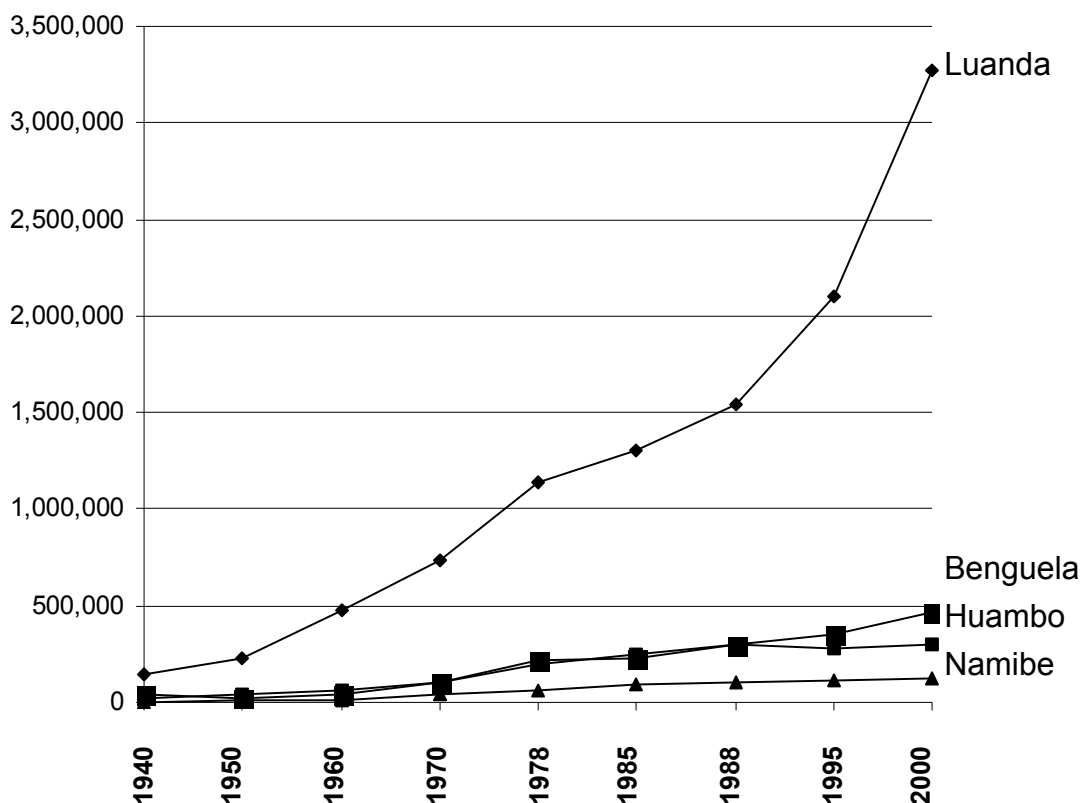
---

<sup>1</sup> Civil Code forms the basis of the Portuguese legal tradition and in turn Angolan legislation. It recognizes basic rights of occupation. The link with the Código Civil is proposed to be annulled in the draft of the new Angolan land law of June 2002.

## Post-War Urban Challenges:

The ongoing war in Angola over four decades has had an urbanising affect on Angola's population. Urban populations growth has accelerated rapidly by a combination of push and pull factors but largely because the cities of the "littoral" and particularly Luanda were and continue to be seen as relative safe havens from instability and insecurity.

In the post-war context the migration patterns have become more complex. A recent study<sup>2</sup> commissioned by the Ministry of Urbanism indicates that in the cities of some provinces such as Huambo and Benguela there have been a significant deconcentration of urban IDPs as populations return to their areas of origin. In Luanda however populations are also on the move but rarely whole families. Families appear reluctant to give up their stakes in the urban informal market economy and school age youth their places in the educational system<sup>3</sup>. Farming has resumed in the hinterland of provinces adjacent to the capital. New economic relationships through the extended family with rural producers linking with the urban informal markets appear to be emerging. There is little evidence of deconcentration in Luanda however as migration works in both directions and there remains a limited reverse flow of people and resources towards the urban poles.

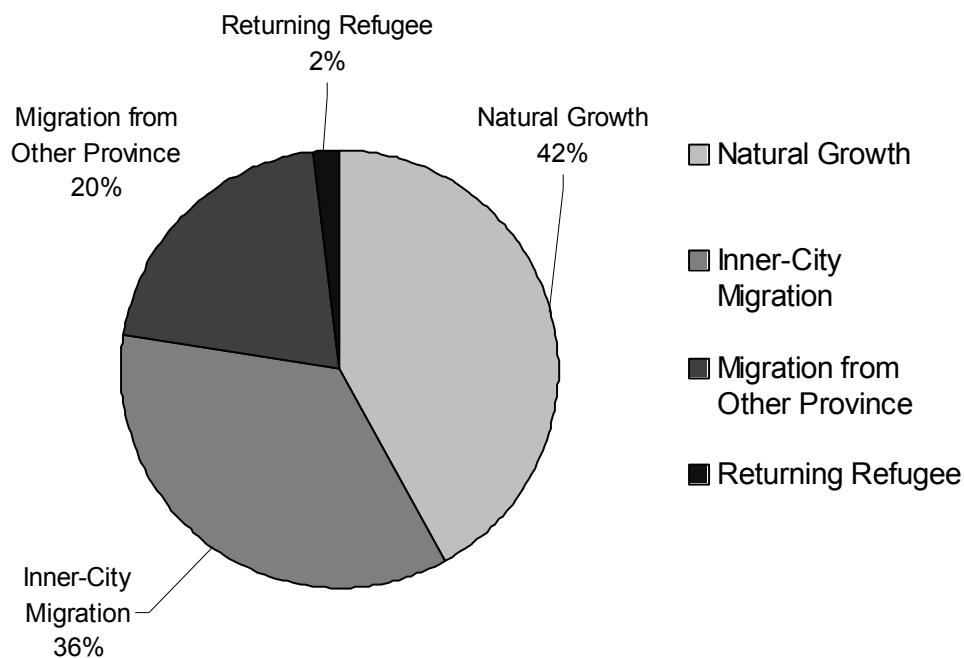


<sup>2</sup> Development Workshop "Study for a Legal and Institutional Framework for Improving Land Management in Angola -Land management and land tenure in peri-urban areas" Ministry of Urbanism and Public Works & the Ad-hoc Technical Group for Habitat, 2002

<sup>3</sup> Experience has shown that once rural-urban migrants have spent more than two agricultural seasons off of their lands the probability of their return falls below half. As time passes the probability decreases exponentially.

Even if rural – urban migration were to cease the peri-urban areas around cities like Luanda will continue to grow. A recent DW study of land in peri-urban Luanda demonstrates that the principal growth of these areas is due to the high natural growth due to high birth rates and the out migration of the poor from the centre of the city to relatively cheaper land in the periphery. Driven by increased urban poverty rather than the war.

## PERI-URBAN POPULATION GROWTH



## Social Exclusion and the Urban Poor

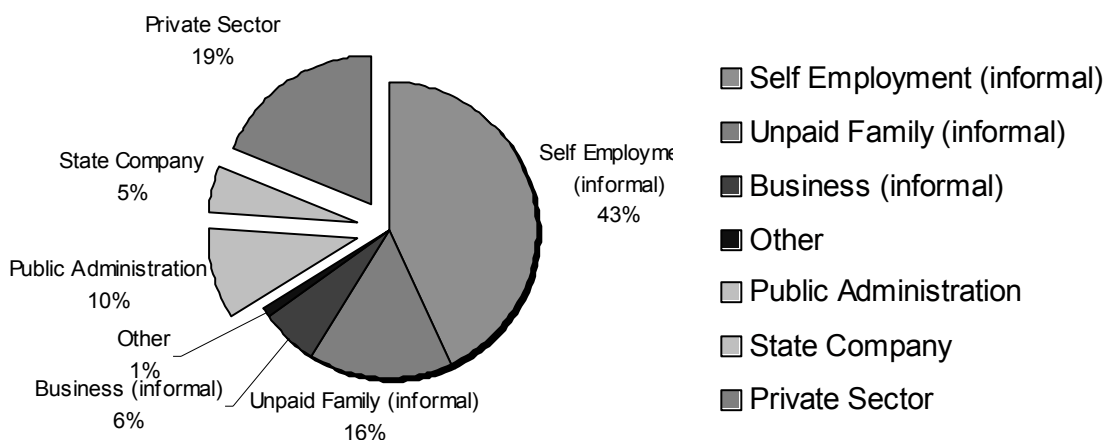
The urban poor in Angola suffer increasing social exclusion that inhibits their full participation in a post war recovery. They have been denied access to the means to pull themselves out of poverty.

The poor depend on high priced parallel market loans and have little or no access to credit as means to improve their livelihoods. Rather than recognising the entrepreneurial creativity of informal sector marketers, the poor have been increasingly excluded from carrying out their business in the streets and urban centre of Luanda. In the years since the 1991 “liberalisation” wealth of a few has been built on privileged access to bank credit and foreign exchange at concessional rates.

Retailing in the informal sector market is the principal “coping mechanism” for the urban poor in Luanda. The informal market is dominated by women, many of them heads of households and a large portion of them originally migrants to the city. While entry into the informal market

economy is open to anyone, regardless of their level of literacy or previous experience, those who succeed need to acquire business skills and sufficient capital to build sustainable micro-enterprises. While the economy of high inflation prevents capital accumulation it ironically helps build numeracy in those who must almost daily recalculate mark-ups, profit margins and exchange rates. Only those of the elite with privileged access have been able to get bank loans for business ventures. The poor, arguably, are “poor risks” since they can guarantee no collateral. The poor therefore are obliged to pay extremely high interest rates to parallel market money dealers for very short term loans, often leaving them in chronic debt.

### IMPORTANCE OF INFORMAL EMPLOYMENT IN THE URBAN ECONOMY



### Access to Credit

Programmes of investment in the informal economy through micro-loans and savings mechanisms are considered one of the most effective urban poverty alleviation strategies. A model of micro-finance<sup>4</sup> being pioneered in Angola is using the practice of group lending, originally developed by the Grameen bank in Bangladesh. Social solidarity is not taken for granted but actually engendered by the project through training solidarity groups and building experience through successive cycles of small and eventually larger scale loans which are mutually guaranteed by the 30 to 40 group members.

The pilot work undertaken by NGOs in the micro-finance sector has had an important impact on Government thinking and policy development. There are increasing indications that micro-finance will be main-streamed as a strategy for urban poverty reduction. The implications of

<sup>4</sup> Development Workshop in 1993 began the first intervention on micro-finance for women in the informal sector in Luanda. The DW programme had grown by 2003 to include over 5,000 micro-entrepreneurs and has made loans valued at over \$1.5 million.

scaling up the sector however have not been yet thought through. Issues that will need to be addressed are:

- lack of specialisation, over-saturation in a small number of informal sector activities
- increasing competition between micro-entrepreneurs within a limited market may erode profitability
- low basic education levels particularly of women entrepreneurs means training and business skill development becomes expensive
- feminisation of household debt adding greater burdens on women who already carry a large part of the household productive and reproductive loads
- exclusion from political processes of decision making about how the market will be regulated.
- the formalisation of the informal economy brings with it added burdens and costs such as fees and taxes that can reduce profitability and restrict informal strategies of shifting products, geographic location and staffing in line with market changes.

### ***Access to basic services***

The poor living in peri-urban musseques pay many times more for water and other essential services than those living in the cement city, meaning they consume less and the resulting hygiene and health statistics are now some of the worst in the world.

Conventional wisdom of urban planners, once argued that investment in urban services should first be made in those parts of the city housing the well-to-do who can afford to pay for those services and generate income that will "trickle-down" for investment in services for those poorer parts of the city who's residents have little capacity to pay. Institutions like the World Bank have therefore developed strategies based on the "affordability model" and promote the idea that costs of urban services need to be recoverable from consumers and eventually pay for themselves. Some international institutions promote the idea that the private sector can deliver services more cost effectively than either the local municipalities or parastatal enterprises.

A study sponsored by the World Bank in Luanda<sup>5</sup> exposed fundamental errors in some of these assumptions. The study involved an analysis of the existing informal water market and the communities' willingness to pay for services or participate in the programme in other ways. More than 50% of Luanda's population, and most who live in the musseques, do not have access to piped water. At independence, the informal musseque bairros were served by over 300 community water stand-posts. The Government's policy of providing water at no cost to the musseques meant that there was no funding available for maintenance and at the time of the study only 6 standposts were still operational. The peri-urban and musseque population is forced to pay extremely high prices for (often untreated) water pumped from the Bengo river and distributed by tanker trucks to informal sellers in the various bairros, who sell the water in turn by the bucket full from underground storage tanks in their courtyards. The system is an example of how the private sector has stepped-in to provide an essential service that the state has failed to deliver. However, the costs are very high, due to the extreme inefficiency of delivering water to the bairros by tanker truck rather than by pipe. The public health risks are also very high since water is often not treated at the source and can be

---

<sup>5</sup> Development Workshop was asked by the World Bank in 1995 to carry out a study of urban communities who would eventually benefit from their planned Luanda Infrastructure Rehabilitation Project.

contaminated at the point where buckets are used to draw water from the private sellers household cisterns. The study of the water market was even more revealing. It demonstrated that musseque residents were accustomed to paying up to 10,000 times more for water to the private sellers than the well-to-do in the cement city were paying for treated water piped to their household taps by the provincial water company. Ironically the poor were far more accustomed to pay dearly for services than the rich. The study argued to the Government and the World Bank that the poor musseque districts of Luanda should be given priority in their infrastructural project based on their own criteria of willingness-to-pay. The study further demonstrated that \$35,000,000 per year was paid by the urban poor for purchasing water, and that much of this income could eventually be recovered in water fees if a just set of tariffs were set at equitable prices for all consumers.

The British DFID supported Luanda Urban Poverty Programme<sup>6</sup> was over several years in partnership with the provincial water company EPAL built standposts and developed a mechanism of community management based on elected water committees elected from approximately one hundred families served by each standpost. Fees were paid by consumers and collected by the water committee to cover maintenance costs and to pay EPAL to supply the water. EPAL became an interested stakeholder and motivated to guarantee the water supply and maintain the network. Users acquired for the first time a sense of their rights as consumers.

### ***Access to Land***

Three quarters of the residents in several of the peri-urban districts of Luanda studied have no clear legal title to the land that they occupy. They are at risk of expropriation by commercial developers or the state with out legal recourse or appropriate financial compensation.

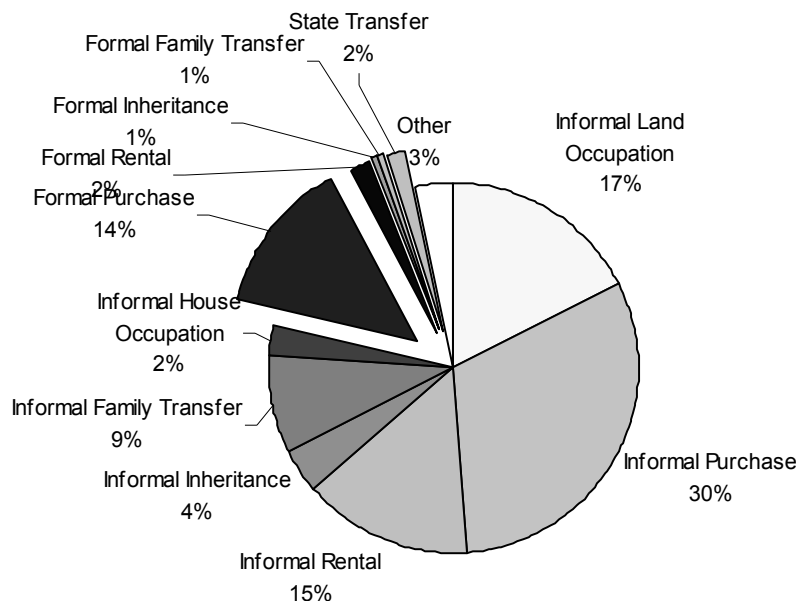
Land is emerging as the most critical flash point of conflict as displaced persons seek settlement sites in both rural and urban districts alike and will undoubtedly become more acute in a post conflict period. For the first time since independence a commercial real-estate market is formalising itself (an informal market has existed for years). The Government has offered major land concessions to commercial developers; many of them international companies, to develop joint- venture residential and industrial complexes (mainly in the South of Luanda).

For the urban poor, with no access to banking or savings institutions, the acquisition of a housing plot and subsequent construction of a residence is the only means of accumulation of any form of wealth. Thus real-estate, particularly housing plots in one of the urban-centre musseques such as Sambizanga, Boavista or Rocha Pinto which are close to places of employment and have a high and increasing intrinsic value.

---

<sup>6</sup> Development Workshop, CARE and Save (UK) are implementing partners in the LUPP.

## ACCESS TO LAND



The population of Luanda has grown eight fold since independence and most of the settlement and housing plot acquisition has been through the informal land market. Only a small percentage of settlers have acquired full legal titles to the land that they occupy, however most consider themselves free-from-threat due to the laissez-faire attitude engendered by the inability of state administration to facilitate land registration. Residual occupancy rights<sup>7</sup> may be revoked by new land legislation, which is currently under consideration. The urban poor are therefore left in a position of extreme vulnerability with weak tenure rights over the land that they occupy and risk being turned into illegal occupiers unless planned legislation is revised.

In the process of urban economic development, the demand for plots in the centre of the city combined with the upgrading of services results in increasing land values. In the natural process of “gentrification” of residential districts the poor often trade off easy access to employment against financial gains by selling their plots close to the centre and migrating to

<sup>7</sup> Civil Code forms the basis of the Portuguese legal tradition and in turn Angolan legislation. It recognizes basic rights of occupation. The link with the Código Civil is proposed to be annulled in the draft of the new Angolan land law of June 2002.



the periphery where lands are cheaper. One-off profits can be substantial for poor families. Therefore land and housing (particularly well located) represent accumulated wealth for the poor that can be converted to cover a family emergency or invested in a child's education, or a business venture. Lack of legal title guaranteeing security of tenure seriously undermines the well-being of poor families and puts at risk one of their principal crisis-coping mechanisms. Mass expropriation of lands occupied by poor urban families, with inadequate financial compensation, is becoming a new feature post conflict urban development in Angola. The alienation of the urban poor from lands that they have lived and worked on for many years is likely to produce serious civic conflict in the years to come, unless the Government develops policies which recognise customary and existing occupational rights.

In June 2002 the Government published a draft new land law and invited public debate and contributions from civil society and from rural and urban communities. This was the first time that public consultation was introduced into a legislative process. Such wide ranging public discussion had not occurred since 1995 when communities were invited to participate in the CRP planning exercise. A grouping of civil society organisations called the Rede de Terra<sup>8</sup> (or the Land Network) formed itself to facilitate communities to articulate their ideas, concerns and fears around the land issue.

## **CONCLUSIONS:**

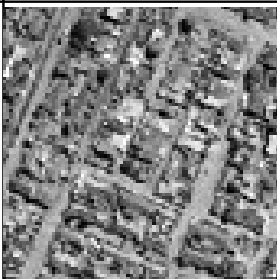
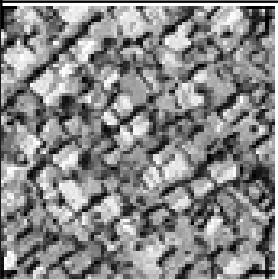

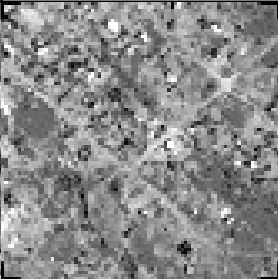
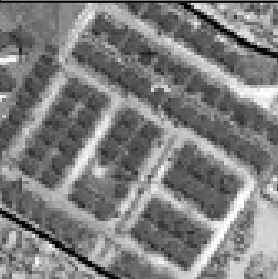

“Reconstruction” cannot imply rebuilding the cities on pre-war models. The peri-urban areas were not there on such a scale 25 years ago. So they represent a new challenge for the post war reconstruction period.

Post-war programmes must include an important component of rebuilding government capacity (particularly at provincial and local levels) as well as capacity of grassroots civil society. These capacities are essential for a functioning society, and have been eroded heavily in Angola during the years of war. Bairro residents committees, parents and teacher associations, water management committees, micro-credit solidarity groups that ensure community participation and sustainability of programmes will also provide forums for democratic decision making and platforms for citizens or consumers to negotiate their rights of access to resources necessary for survival and development. Well-designed programmes of post-war transition will guarantee civic and tenure rights of the urban poor and provide opportunities for civic leadership to emerge, leaders who will inevitably play roles in local government when anticipated democratic reforms are put in place.

---

<sup>8</sup> Land Network members include: ADRA, NCC, ACORD, FONGA, Oikos, Development Workshop, Mosaiko, National Democratic Institute, Caritas & World Learning.

## Settlement typologies in Luanda

Characteristics	Bairros Populares (Township Model)	Old musseques	Community Organized musseques	Transitional musseques	Periheral musseques	New Suburbs
Settlement Pattern						
Settlement age	25 + (pre-Indep.)	25 years and over	15 years and over	10 years and over	Under 10 years	Under 6 years
Level of development and by whom	Laid out according to minimal planning regulations	'Non-orderly' layout, 'anarchic' settlement	Minimally aligned streets allowing eventual infrastr. provision	Gradually developed	'Non-orderly' layout, 'anarchic' settlements	Laid out according to existing regs., reasonable living standards
Infrastructure and services	Basic level of infrastructure, though currently deteriorated and sometimes non-functional	Inadequate or non-existent services, clandestine connections to networks (water and electricity)	Non-existent or inadequate services, clandestine connections to networks (water and electricity)	Services improving to an acceptable level, sometimes through clandestine connections to water and electricity	Water and electricity provided by informal vendors – poor quality and expensive	Adequate infrastructure networks, but inadequate supply due to weak sources
Population density	Medium/high	High density, 800-1000 people/ha	Medium/high	High density, 800-1000 people/ha	Medium and low	Medium
Housing quality	Reasonable building quality, but deteriorated due to lack of maintenance	Low quality, deteriorated due to lack of maintenance, serious basic sanitation problems	Tendency towards gradual house improvement	Quality improved with permanent materials reaching acceptable standards	Precarious constructions	Good quality
Other characteristics	Some rented houses, often houses are extended and annexes sub-rented	Large number of rented houses with absent landlords	Large number of rented houses with absent landlords	Sale and rental housing market, social mobility, attempts to regularise tenure	Large number of people displaced by war, and poor	Middle or high class, who can afford to buy house or plot
Examples	Cassequel, Cariango, Bairro Popular	Val Saroca, Cazenga	Mabor Malhas, Palanca	Catambor, Bairro Operário	N'Gangula, Boa Esperança	Talatona – Luanda Sul, Viana II
Research areas	Bairro Popular	Val Saroca	Santo Antonio, Mabor Malhas, São João	Catambor	Augusto N'Gangula	Condomínio Sonangol (INORAD), Condomínio Dália (Cambamba II)

## References

Delville, P L (1999) Harmonising formal law and customary land rights in French-speaking West Africa. International Institute for Environment and Development, London

Development Workshop (2002) "Study for a Legal and Institutional Framework for Improving Land Management in Angola -Land management and land tenure in peri-urban areas" Ministry of Urbanism and Public Works & the Ad-hoc Technical Group for Habitat, Luanda

Durand-Lasserve A & Royston L (2002) Holding their ground: secure land tenure for the urban poor in developing countries. Earthscan

Jenkins, P (2001) Emerging land markets for housing in Mozambique: the impact on the poor and alternatives to improve land access and urban development - an action research project in peri-urban Maputo, Edinburgh College of Art/Heriot-Watt University, School of Planning & Housing, Research Paper No. 75

Jenkins, P, Robson, P & Cain A (2002) "Luanda City Profile", Cities Journal Vol 19/2

Jones, G & Ward, P M (eds) (1994) Methodology for land and housing market analysis, UCL Press, London

Payne G (2002) Land, rights and innovation: improving tenure security for the urban poor, ITDG Publishing, London

Toulmin, C & Quan, J (2000) Evolving land rights, policy and tenure in Africa, Department for International Development, Natural Resources Institute and International Institute for Environment and Development, London

UNCHS (1996) An urbanising world, Oxford University Press, Oxford

UNDP (1991) Cities, People and Poverty, New York