# Master of Philosophy in
# Development Policy and Practice

## Managing the welfare impacts of urbanization in Zambia: A case for a composite district performance index

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**Abstract**

This paper looks at the evolution of urbanization in Zambia. The country has a population of just over 15 million people with about 35% living in urban areas. The population in the urban areas is projected to increase driven by both natural population growth and rural-urban migration. This population growth is expected to put pressure on the provision of services in urban areas. The country has been implementing a decentralization programme that is meant to devolve vital tasks to the local authority. If this happens, the local authorities will have the pressure of ensuring that people in their cities have decent standards of living. The localized city development index will assist local authorities with information to use in assessing their performance. The index adopts the Alkire Foster multidimensional measurement approach.

## 1. Introduction and background

Urban areas around the world are facing increasing enormous challenges and changes. Cities are operating in a socio-economic environment entirely different from the urban model of the 20th century. The problems faced by the cities include urban growth, changes in family patterns, and the increasing numbers of households living in slums and informal settlements. Emerging issues that touch on climate change, exclusion, and rising inequality, rising insecurity, and an upsurge in international migration further confront urban governance and finances.

### 1.1 Background

According to Randolph and Jain (2016), urbanization is most rapid in the relatively less developed countries of Sub-Saharan Africa and South Asia, where overlapping processes of economic, social and environmental transformation are pushing and pulling people into urban lives and livelihoods (Randolph & Jain, 2016). The urban population growth problem has not spared Zambia. With an annual urban population growth rate of 4.2%, the population in urban areas increased by 39% in 2010 and is expected to grow by 50% in 2030 and 60% in 2050 (MLGH, 2014). Population growth and migration into Zambian cities have accelerated rapidly over the years. According to the 2010 Census, 39% of Zambia's population of about 13 million was residing in urban areas, an increase of almost 5% since 2000. The UN projects this will increase to 58% by 2050, which translates into a five-fold increase in the number of urban dwellers. Zambia's expected demographic changes suggest its growing urban population will face a widening lack of access to necessary infrastructure and housing, unemployment and job informality as well as increased social insecurity.

There are many positives associated with urbanization. Historically, significant economic and social transformations, which have brought greater geographic mobility, lower fertility, longer life expectancy, and population aging, are associated with urbanization. Many benefits accrue from growing cities since cities are the epicentre of development and are host to national economic and commercial activities. Cities also provide crucial links with rural areas, between cities, and across international borders. Cities are also important drivers of development and poverty reduction in both urban and rural areas. Further, it is common to associate urban life with better living standards.

The above notwithstanding, with undeveloped infrastructure, there is a downside to the rapid and unplanned urban growth. Also, the same is true when policies are not implemented to ensure equity in sharing the benefits of city life. The growth of cities has brought about various challenges despite the comparative advantage cities possess. In many instances, urban areas have turned out to be unequal than rural areas, and hundreds of millions of the world's urban poor live in sub-standard conditions. In some cities, problems such as rapid sprawl, pollution, and environmental degradation emanate from unplanned or inadequately managed urban expansion.

## 1.2 Statement of the problem

Zambian cities are struggling to cope with the effects of high population growth and migration, driven by employment opportunities and, to a lesser extent, improved education and health facilities. Despite the surges in urban populations, urban development policies and urban planning arrangements in Zambia appear to be quite weak and are possibly lagging far behind the population explosions (Cheelo, 2011). Anecdotal evidence suggests that the population growth in the urban areas is rapidly overtaking and overwhelming the cities' infrastructure and social services (Cheelo, 2011). Solwezi town, for example, located close to the largest copper mine in Zambia, has experienced a three-fold population increase since 2000, to 133,000 inhabitants in 2015 (Sladoje, 2016). The boom has put substantial pressure on the road network as well as on demand for housing and public service provision thereby making it imperative to re-plan the whole town (Sladoje, 2016).

With the challenge of high poverty levels, standing at 54% in 2015, the growth of cities in Zambia provides an opportunity for the country to fight poverty. Between 2011 and 2016, the state has been battling its way out of an economic downturn which was primarily driven by a decline in global copper prices and energy shortages. The country's Gross Domestic Product (GDP) growth rate slumped to 3% by the end of 2016. The World Bank (2017) estimated that the economy grew by over 3% in 2017. In contrast, For the decade 2000 to 2010, the country's economy grew by an average of 6%. The slowdown in the growth rates is an indication that the drivers of its growth lie beyond the copper industry alone. It provides an opportunity for the policymakers to actively choose to promote its cities as centres of job creation and opportunities (Randolph & Jain, 2016)

The role of cities in contributing to the economic growth is increasing with time even as the economy undergoes some form of structural transformation. According to Randolph and Jain (2016), the country is witnessing a dramatic labour market shift, as its workforce moves out of agriculture and into services and industry. The authors state that between 2008 and 2014, the share of Zambian workers employed in agriculture fell steeply, from 71.4 percent to 48.9 percent (Randolph & Jain, 2016). City populations are expanding at an average rate of nearly 4 percent per year. Projections suggest that Zambia must create 1.2 million net new urban jobs by 2025 and 2.8 million by 2035 (Randolph & Jain, 2016).

Randolph and Jain, 2016 argue that despite the country's robust economic growth, evidence shows that its urban labour markets are not creating enough of the kinds of jobs that will propel inclusive growth and maximize economic benefits. The number of unpaid family workers is still growing faster in absolute terms than the number of paid workers. In the larger cities, over 70 percent of people live in informal settlements and peri-urban areas with inadequate access to essential services. Local authorities are too ill-equipped to manage the challenges of rapid urban growth. Most urban employment growth is taking place in low-productivity informal services. Moreover, several of the sectors where public jobs are concentrated and growing are declining regarding their contribution to Zambia's overall GDP (Randolph & Jain, 2016).

Unplanned settlements have become an integral part of urban development and are home to over seventy percent of the urban population. These mushrooming unplanned settlements have led to the absorption of urban areas into informal settlements (Un–Habitat, 2009). In these settlements inadequate shelter, lack of services and improper waste management are common. Lack of essential infrastructure and services make the residents of unplanned urban settlements vulnerable to ill health, mainly because of inadequate access to clean water and safe sanitation facilities (Un–Habitat, 2009). Besides, the fact that the sprawl tends to be far from the centre and serviced areas, it increases traveling hours as well as congestion (Un-Habitat, 2012).

## 1.3 Objectives

The primary objective of this paper is to contribute to the effective management of urbanization by developing a city performance measurement system for Zambia.

The secondary objectives are:

The paper will attempt to address the following areas

i. Understanding how cities are growing in Zambia and the factors pushing the growth;

ii. Assessing the legal and institutional framework governing the management of cities and evaluate the extent to which they affect the capacity of the cities to deliver services to households.

iii. Evaluating the different methodologies available to assess the performance of cities;

iv. Developing a localized measurement methodology that can be used to assess the performance of cities in uplifting the welfare of the people;

## 1.4 The significance of the study

The amendments to the Zambian constitution in January 2016 among other issues attempts to actualize the country's pursuit of a devolved society. The constitution has tried to devolve many functions from being centrally managed to being locally managed. Some of the functions that the district councils will now exclusively perform in their jurisdiction including but not limited to:

- Pollution control
- Child-care facilities
- Electricity
- Firefighting services
- Local tourism
- District health services
- District public transport
- Levies, tariffs, and tolls

- Trading
- Water and sanitation services
- Sports
- Roads and traffic automation and maintenance
- Amusement facilities
- Early and primary education

With the increasing functions, and if corresponding resources accompany these, the councils will be in a better position to adequately plan for their inhabitants and to a more significant extent be in a position to provide better services than they currently are doing. The councils will need to put themselves in a place where they can manage service delivery. Capacity building is needed for all councils concerning revenue generation, provision of social services and infrastructure development for this new regime to be effective. The country may need to consider revisiting the legislation that seeks to provide for revenue sharing mechanisms between local authorities and central government. Such legislation will be critical in areas that are endowed with natural resources, but the local authorities have no claim on the revenue generated from their exploitation.

In order to assist the state in monitoring how the various cities will manage their enhanced functions, there is need to develop a systematic development indicator framework to enable stakeholders to measure the capabilities of the cities regarding meeting specific development objectives. Currently in Zambia, such initiatives only concentrate at measuring the capacity of the country as a whole and not as individual municipalities or cities. However, with the implementation of the enhanced decentralization agenda that has been augmented by the amended constitution, development of a city-based development index will be vital to help policy implementers monitor progress. The United Nations has developed a set of city development indices that are used to measure the growth of cities. This work has mainly been confined to developed countries. In countries like Zambia, where data availability is a challenge, there is a need to undertake a critical assessment of credible data sources (Westfall & de Villa, 2001). In Zambia like many other Least Developed Countries (LDCs), social and economic development of urban areas is increasingly focused on local government management. However, most cities in LDCs are suffering from inadequate data and information, which has undermined their ability to understand the complex forces shaping their towns and to develop and test effective urban policies (Westfall & de Villa, 2001).

These inadequacies affect many elements of urban management, strategic and sector planning, private sector involvement and more. For example, significant economic data that measure the health of an urban economy, such as city product, investment, income disparity, and financial status, are seldom collected. Data on population growth, rural-urban migration, infrastructure, and the environment are not available in a single location, or in a consistent format. Other data are not collected at all include the distribution of job opportunities and city spatial structures. Scant information is available to help understand the relationship between policy initiatives and urban outcomes, or between the performance of specific subsectors and broader social and economic development. City managers are missing out on opportunities to improve coverage and targeting of services, and operational performance in urban management. Cities can use the data to establish performance benchmarks for setting service standards or objectives, become more customer-focused, identify best practice, exchange information, and compare progress with other cities.

This paper, therefore, examines the various opportunities available for urban cities and urban areas to manage the challenges imposed by the growing levels of urbanization. In so doing, a localized composite city development index is developed as a basis for performance assessment. The paper uses three cities as case studies in assessing the suitability of the indicators to use in the index.

## 1.5 Study Limitation

This dissertation attempts to address the challenges related to welfare in cities. In so doing the paper examines the adequacy of the legal and institutional framework in enabling the cities to address the challenges. However, the problems associated with the management of towns or councils in Zambia are not a subject of focus in this paper. The Author is cognizant of the fact that the internal factors of the councils could have a telling effect on the provision of services that in turn could negatively affect the welfare of the city inhabitants.

## 1.6 Research question

Is there a role for a localized composite measurement index in helping Zambian cities manage urbanization?

## 1.7 Methodology

The paper employs a desk review approach that utilizes secondary data sources. The paper starts off with a comprehensive literature review. The literature review seeks to explore the issues that surround the growth of cities and how city managers can navigate around them.

The primary component of the analysis will involve utilizing the 2010 Census of Population and Housing dataset as a basis for generating indices. Due to its comprehensive coverage, the dataset provides an excellent foundation for the analysis. The limitation to the dataset is that the data was collected in 2010 and some variables may have changed over the years. For this reason, a survey that is done on a regular basis could be ideal for this type of analysis. In Zambia, the Living Conditions and Monitoring Survey (LCMS) could have been typical. However, the LCMS has its own limitations. The latest survey was done in 2015 and is only representative at the provincial level. This means that the data set may not provide reliable statistics at the district level.

## 1.8 Structure of the paper

This paper is divided into four chapters. Chapter one includes the introduction and background, problem statement and the methodology. Chapter two contains a comprehensive literature review. Chapter three provides an overview of the growth of the urban centres in Zambia by looking at how the economy has evolved, how the cities are growing and the drivers of urbanization in Zambia. Chapter four reviews the legal and institutional framework for the local Government system in Zambia. It discusses how various actions by the central Government has impacted on the capacity of the local authorities to provide services. It also reviews the extent of decentralization in the country. Chapter five zeros in on the development of a composite index for measuring the performance of councils. It provides a theoretical framework and expounds the methodological approach. The paper concludes with chapter six which includes a conclusion and recommendations.

## 2. Literature review on Urbanization

For many regions, the development trajectory has evolved from mainly agrarian societies to industrialized ones. Over the years, some societies or settlements have changed from being described as rural areas to urban areas. The term 'urban' has been conceptualized in varying ways. According to Kamete, et al. (2001), an area functionary becomes urban because most of its economic activities are in the non-extractive sector. Thus, "a centre or settlement that relies heavily on manufacturing and services sectors is urban" (Kamete et al, 2001). Quoting World Bank 1999, Kamete, et al. (2001) further stipulates that a place may also become urban because its population size has surpassed a certain threshold. According to the authors, most countries put this at a minimum of 2,500 people. They further explain that this classification is often qualified by other criteria, such as compactness and density. "A place only becomes urban if this threshold population is adequately concentrated in a limited area, defined by, for example, administrative boundaries" (Kamete et al., 2001). They state that urban areas are defined differently in different countries, but are generally taken to be settled areas that are more populous and denser than rural settlements, and more suitable for locating administrative facilities and functions (Tacoli et al., 2014). Peng et al. (2010) also state though that the fundamental difference between urban and rural is that urban population live in large denser and more heterogeneous cities as opposed to small, sparser and less differentiated rural places (Peng et al., 2010).

Also, there is a need to make a distinction between urban growth and urbanization. Tracoli et al. (2014) expound that although the two concepts are often conflated, urbanisation is distinct from urban population growth. Since urbanisation is defined as a rising urban share, if urban and rural populations are all growing at the same rate, there is no urbanization. Alternatively, if the total population is not changing, but the urban share is increasing, all urban population growth is the result of urbanization, and the rate of urbanization (the rate of increase in the percentage of the population living in urban areas) is equal to the speed of urban population growth (Tacoli et al., 2014).

Urbanization could be explained as being due in part to rural-to-urban migration, in part to natural increase, and in part due to the reclassification of urban boundaries as cities expand outwards, and small population centres grow and are designated as urban areas. According to Bhatta (2010), migration is often explained in terms of either push factors—conditions in the place of origin

which are perceived by migrants as detrimental to their wellbeing or economic security, and pull factors—the circumstances in new areas that attract individuals to move there in the event that their current conditions are relatively worse off. Bhatta (2010) gives examples of push factors that include high unemployment and political persecution and cases of pull factors to include job opportunities or better living facilities. He argues that typically, a pull factor initiates migration that can be sustained by push and other factors that facilitate or make possible the change. For example, a farmer in a rural area whose land has become unproductive because of drought (push factor) may decide to move to a nearby city where he perceives more job opportunities and possibilities for a better lifestyle (pull factor) (Bhatta, 2010).

Several other authors have suggested that there are also other factors that can explain the growth of the urban centres. Kamete et al. (2001), for example, are of the view that migration is mainly relevant in the early stages of urbanization. Thereafter, natural population growth takes over as the dominant contributory factor in urban growth (Kamete et al., 2001). They point to the fact that changes in urban natural increase and rural-urban migration to population dynamics could also be associated with the demographic transition. They postulate that the demographic transition involves a secular decline in mortality rates followed by a temporal reduction in fertility rates, shifting a population from a wasteful cycle of reproduction in which many babies are born, but the majority die before reaching adulthood to an efficient cycle in which fewer babies are born, but most survive (Kamete et al., 2001). Importantly, this transition is everywhere associated with a period of rapid population expansion since mortality decline precedes fertility decline, creating a substantial window of time in which births far exceed deaths in a population (Kamete et al., 2001). Concerning urban growth, the onset of the decline in mortality rates ahead of fertility decline in urban areas raises the rate of urban natural increase and urban populations expand, regardless of whether or not they are net recipients of rural migrants (Kamete et al., 2001).

The other way urbanization happens is by the expansion of urban areas outwards and incorporating surrounding non-urban land to make way for industrial or housing development. This way, the size of the urban population increases and the proportion of rural area and rural population go down. Kamete, et al. (2001) gives an example of Zimbabwe's second largest city, Bulawayo, that started off as a small urban settlement of less than one square kilometre in surface area. Slightly over a century later, the city is a sprawling

settlement of about 600 kilometre squared. The city continues to grow as it encroaches on surrounding rural land (Kamete et al., 2001).

In most cases, urbanisation is closely linked to sustained economic growth, as nations' share of GDP and employment moves from primary sectors to industry and services, sectors that benefit from agglomeration in urban centres. Several authors on this subject matter have referred to the 'dual economy' theory of urbanization proposed by Arthur Lewis which was enumerated in his article entitled "Economic Development with Unlimited Supplies of Labour" written in 1954. In essence, the model identifies rural-to-urban migration as the causal mechanism linking economic change to urbanization, and migration is assumed to be driven by a wage gap that arises between rural and urban areas in the 'take-off' stage of economic development. The basic premise behind the theory is that as the 'modern' urban sector expands (i.e., manufacturing, industry, and services) surplus labour from the 'backward' rural economy (i.e., agriculture and mining) is 'pulled' into towns and cities. Over time, the urban labour market becomes saturated, surplus labour in rural areas is exhausted, and the wage gap is eliminated.

The fundamental advantage of cities is that of scale and density; the concentration of people enables economic and social interactions to occur more frequently and effectively. There is a great deal of evidence that cities have higher productivity than other areas. In his paper on Making Cities Work for Development, Tony Venables postulate that a doubling of city size is associated with productivity being some 5–7% higher. Venables (2015) further argues that this outturn is large and tend to suggest that a city of 5 million people has productivity some 30% higher than a city of 300,000. Further, Venables (2015) explains that cities are also centres of innovation and entrepreneurship where new firms develop and new sectors grow. He also points out that similar effects have been found in developing countries, although less research has been undertaken and outcomes are mixed. He concludes by emphasizing that the role of cities is not only to raise productivity in existing activities but also to provide the environment in which new businesses can take root. "To be successful, new activities need to draw on the skilled workers and suppliers that can only be found in cities (Venables, 2015)."

Venables (2015) further provides some indications of why cities have this economic advantage. The author rides on the studies of *agglomeration economies* that point to many benefits. One such mechanism is that cities offer large markets. A large local market makes it easier to establish new firms and to grow them to scale at which they are efficient. This calls for more competition, breaking down monopoly power as multiple firms come to compete for customers. The second is that cities also offer more suppliers of the inputs that firms use; the presence of local suppliers means that inputs can be tailored to firms' needs and supplied rapidly and flexible. These two effects are different sides of the same coin: one firm's supplier is another firm's customer. Venables (2015) explains further that this is more of a virtuous circle whereby suppliers have lots of potential customers and can specialize and raise their productivity at the same time firms using these inputs benefit from the specialized goods and services that are available. These mutually beneficial and self-reinforcing effects operate most powerfully in the urban context where proximity enables good communication and rapid delivery of products and services (Venables, 2015).

Moretti (2014) provides a comprehensive list of economic benefits that accrue from growing cities as follows:

a) **Labour and Product Markets:** Moretti (2014) states that one of the significant potential advantages of cities is the ability to draw large amounts of physical and human resources close together. This produces markets that have large numbers of buyers, sellers, products, and production capacity that leads to well-functioning efficient markets; these are commonly referred to as "thick" markets. According to the writers, these markets are particularly attractive because they make it easier to match demand to supply and it is this "thickness" that constitutes one of the most substantial advantages of urbanisation for workers and firms. As a result, well-functioning cities have the potential to become significant drivers of economic growth in developing countries as has been observed in various more developed nations.

b) **Intermediate Inputs:** According to Moretti (2014), the second advantage of large metropolitan areas, especially those that sustain large industrial clusters, is the presence of highly specialized intermediate service providers. These vendors supply specialized services that are important to companies such as advertising, legal support, technical and management consulting shipping and repair, and engineering support. Such services enable firms to focus on what they are good at, without having to worry

about secondary functions. By merely moving into a large cluster of similar firms, a company effectively becomes larger overnight because it can draw on specialized local expertise.

c) **Externalities from Schooling:** Moretti (2014) explains that areas with a more educated populace tend to be more prosperous. This is widely documented across countries as well as across regions and cities within countries. The writers give an example that Indian states with the highest level of literacy and the highest level of college graduation are the states that also have the highest income levels. Throughout the world, the presence of many college-educated residents changes the local economy in profound ways, affecting both the kinds of jobs available to residents and the productivity of workers. Cities with many college-educated residents tend to have a local economy with a great deal of innovation (Moretti, 2014).

The UN-Habitat states that an indication of the transformative nature of urban areas relates to the significant opportunities they offer for both formal and informal employment. According to the UN-Habitat (2016), cities generate a sizeable share of new private sector jobs. Between the year 2006 and 2012, the 750 largest cities in the world created 87.7 million private sector jobs or 58 percent of all new private sector jobs in their respective 129 countries the report states. The UN-Habitat further states that in the UK, cities account for 78 percent of all jobs. Similarly, in the US, metropolitan areas account for 84 percent of total employment and 88 percent of labour income. Among African countries, urban employment grew by an average of 6.8 percent over the last decade— twice more than the national rate of 3.3 percent. In India, between 2000 and 2005, employment in urban areas grew at a rate of 3.22 percent compared to rural employment, which increased by 1.97 percent (UN-Habitat, 2016).

UN-Habitat (2016) further posits that employment is the gateway out of poverty for many and an essential cornerstone of economic and social development. Employment is also a key determinant of peoples' satisfaction. It argues that the integration of rapidly urbanizing countries endowed with an abundance of unskilled labour into the world economy can generate extensive employment opportunities, especially in light manufacturing. The report cites the case of East Asia over the last five decades and mirrors the recent situation in Bangladesh concerning the garment industry in large cities such as Chittagong and Dhaka. In Bangladesh, the industrial sector currently accounts for 30 percent of value-

added as against 20 percent in 1990, with the level of urbanization at about 35 percent. (UN-Habitat, 2016)

Kamete, et al. (2001) citing Todaro (1989) argue in addition to the push of rural poverty and the pull of a perceived better life in urban areas, socio-political upheavals (civil strife, civil wars or international wars and natural disasters (principally droughts and floods) in the countryside often result in people seeking refuge in relatively secure urban areas. The continuation of these inflows and the length of the refugees' sojourn in the urban areas depend on the persistence of the original stimuli. The continued urban residence also depends on how well the refugees or internally displaced persons fit into the urban ways of life and adopt an urban lifestyle (Kamete et al., 2001). Some never return to the rural areas, while others adapt to a quasi-urban existence by splitting households and 'straddling' urban and rural areas (Kamete et al., 2001).

One of the primary challenges facing cities in developing countries is keeping up with the rapid levels of urbanisation. As Moretti (2014) argues, in a world of limited resources, it is becoming increasingly difficult to provide public goods to these rapidly growing populations while also maximizing the efficiency of local governments and minimizing corruption. In the same vein, Tacoli et al. (2014) explain that in low-income nations especially, rural-urban migration is seen as contributing to shortages in the provision of adequate housing, necessary infrastructure and services and also, to overcrowding, congestion as well as increasing exposure to environmental hazards.

Moretti et al. (2014) posit that slums and overcrowding are often the results in many developing cities. These lead to large portions of the urban populations living in low-quality housing with poor access to essential services. A consequence of this is generally poor health and welfare outcomes for this urban population**.** Additionally, the informal nature and extreme population density of many of these slums hinder the government's ability to provide the necessary projects to improve and regulate these areas (Moretti, 2014).

Tacoli et al. (2014) brings in an exciting dimension of assessing the welfare impacts of urbanization. The authors argue that although references are often made to those who 'live in poverty,' it is rare for housing conditions to be considered within definitions of poverty. If monetary poverty lines are applied to urban populations or the population of a city, if these are based primarily on the cost of food they can suggest that there is little urban poverty – when, in fact,

around a billion urban dwellers 'live in poverty' in overcrowded tenements or cheap boarding houses, informal settlements or temporary camps (Tacoli, et al., 2014). The authors go on to argue that since most such housing is considered 'illegal,' usually their inhabitants do not have access to public infrastructure (all-weather roads, water piped to homes, sewer connections and drains) or services (including health care, emergency services, safety nets, and pre-schools and schools). What is important here is the recognition that the basis for people's exclusion from infrastructure and service provision is from the settlements they live in, not whether or not they are migrants (Tacoli et al., 2014).

Tacoli et al. (2014) further stipulate that there is no doubt that a rapidly growing urban population can present severe challenges to national and, especially, local governments. However, Tacoli et al. (2014) propound that there is often confusion between urbanisation rate (the proportion of the total national population living in areas classed as urban) and urban growth (the absolute number of people living in areas classed as urban). While rural-urban migration is an essential factor in the early stages of urbanization, it has a much lesser role in urban growth, which is typically dominated by natural population growth. As a result, policies of exclusion developed in an attempt to reduce rural-urban migration are often damaging to the interests of those living in poverty, regardless of their migrant status (Tacoli, et al., 2014).

There are several other ways in which urbanization affects welfare. Many are in part a consequence of living in informal settlements where local governments and utilities are not allowed to provide services or choose not to do so. As Tacoli, et al. (2014) put it, these deprivations include a lack of policing (often in areas with high levels of violence and other crimes), a lack of financial services (as these often require legal addresses and official land tenure documents) and no safety net. The lack of provision for public services also means higher prices (and often poor-quality provision) for private services – for instance, water vendors or kiosks, latrine emptying services, schools, and healthcare. Those who lack a legal address (and few informal settlements have legitimate addresses) may not be able to access state entitlements or get on the voter's register (Tacoli et al., 2014).

The UN-Habitat postulates that environmentally, the current model of urbanization engenders low-density suburbanization - steered mainly by private, rather than public interest, and partly facilitated by dependence on car ownership; it is energy-intensive and contributes dangerously to climate change. The UN-Habitat further argue that socially, the model of urbanization generates multiple forms of inequality, exclusion, and deprivation, which creates spatial

disparities and divided cities, often characterized by gated communities and slum areas. Cities face growing difficulties in integrating migrants and refugees so that they equitably share in the human, social, cultural and intellectual assets of the city, and thus have a sense of belonging. The UN-Habitat postulates that from an economic perspective, the model of urbanization is unsustainable due to widespread unemployment especially among the youth and the existence of unstable and low-paying jobs and informal income-generating activities, which create economic hardship, unequal access to urban services and amenities and reduced quality of life for many (UN-Habitat, 2016).

Moretti (2014) states that the lack of adequate public goods provision leads to poor health outcomes, especially among children. Life expectancy at birth is significantly lower among slum dwellers versus comparable groups in the rural and more formal urban areas. The writers further argue that the lack of clean water often leads to diarrhoea which accounts for almost a quarter of under-five mortality in developing countries. Poor sanitation leads to increased diffusion of pathogens. Outbreaks of cholera in developing countries have been linked to poor hygiene. Stunting and malnutrition are common and much starker in slums than other areas inhabited by urban poor. Additionally, solid waste can easily contaminate groundwater (Moretti, 2014).

The preceding discourse has shown that urbanization comes with enormous benefits. These benefits, however, need to be harnessed for the cities to profit from them entirely. As such, urban capacities are increased by the economic growth that typically accompanies well-managed urbanization, and if this capacity can be tapped the net effect of migration, mainly when assessed nationally, is likely to be positive. Tacoli et al. (2014) are of the view that the negative pressures that result from rapid population growth are much more severe when the urban expansion is poorly planned and urban governance is inequitable or ineffectual (Tacoli et al., 2014).

UN-Habitat (2016) corroborates the argument by stating that all these urban challenges are further exacerbated by the failure to create appropriate institutional and legal structures to promote sustainable urbanization. Indeed, poorly planned and managed urbanization – which translates into low densities, separation of land uses, the mismatch between infrastructure provision and residential concentration, and inadequate public space and street networks, among others – diminishes the potential of leveraging economies of scale and agglomeration (UN-Habitat, 2016).

Some countries have embarked on a path of decentralization to overcome some of the management problems. According to the UN-Habitat (2016), decentralization which is sometimes called devolution when real political and financial power is transferred from higher to lower levels of government, has been an issue in many European countries since the latter half of the 20th century.

The UN-Habitat (2016) posits that new regional elected governments with executive and sometimes legislative powers have emerged in Spain, Italy, Belgium, Portugal, and France, traditionally a very centralized country, passed a significant decentralization law in 1981. In the UK, the devolution of power to Scotland, Wales and Northern Ireland and the creation of the Mayor of London and the Greater London Assembly have changed the political and constitutional landscape. The Un-Habitat (2016) explains that the most recent UK election in 2015 showed the strength of Scottish nationalism; while political agitation for more local power continues in some regions and major cities of Spain. However, just as new initiatives for decentralization were developing in Europe, very significant decentralization reforms began to take place in many countries of Asia, Africa and Latin America (UN-Habitat, 2016).

UN-Habitat (2016) further explains that following essential decentralization reforms in the late 1980s and early 1990s, most countries in Asia, Africa, and Latin America made significant efforts to put them into practice. These efforts involved building more capacity at the local level for powers and functions now operating locally; establishing revenue generating procedures to fund local authorities and organizing agencies and accountable bodies both administrative and legislative to promote local development and design improved systems of local finance. Some of the notable examples of these changes given are the cases of India, Colombia, Brazil, and in some countries of Sub-Saharan Africa (UN-Habitat, 2016).

There are many examples of countries that have tried to decentralize as a way of enhancing the provision of services at the local level. UN-Habitat (2016), pointed out India as an excellent example of decentralization reforms. The Constitution (72nd Amendment) Act, 1992, prescribes two new institutions to regulate the flow of funding to municipalities. One new institution is the Central Finance Commission, which both suggests new taxation and financial policies that the states can apply to the cities under their sway. Also, under the new arrangements since 1992, the Governor of a state is required to set up a finance committee to review the local system, to propose new taxes, and to govern grants

in aid to municipalities from the consolidated funds of the state (UN-Habitat, 2016).

Examples of how many countries have handled decentralization are available. Cameron (2012) elaborates on how Western and Eastern European countries have implemented decentralization programmes. Cameron (2012) talks of political decentralization in Western and Eastern Europe in the 1980s and 1990s which led to many local governments being granted greater powers by their central government. This was not confined only to the developed countries, as many of these trends became increasingly evident in Latin America, Asia, and Africa. Cameron (2012) explains that, in comparison with other parts of the world, African countries still tend to be somewhat centralized. This limited decentralization is since nascent state formation is taking place concurrently with democratic, decentralization reforms. Decentralizing power is often seen as a risky endeavour in Africa within a context of political instability, most notably where ethnic and regional cleavages exist (Cameron, 2012). The author further writes that national elites often fear losing power at the local government level. This is compounded by the tendency of opposition parties in many democratic African countries to control capital cities which, in turn, has led to attempts by the central government to undermine their power (Cameron, 2012).

## 3. Understanding the growth of urban centres in Zambia

### 3.1 How the Zambian economy has evolved

Zambia comes from a history of colonization at the hands of the British Colonial masters. During the pre-independence period, the natives faced many restrictions in movements. The majority of the natives were domiciled in the rural areas, and those who moved to the urban areas did so to work mainly as labourers. The story changed after independence in 1994. During this post-independence period, rapid growth in urban population occurred, in response partly to the removal of restriction on freedom of movement, slightly to the failure of development policies to equalize urban and rural income opportunities, and partly to the growth in employment opportunities in urban areas (Kamete, et al., 2001). The economic growth was driven by the prevailing good prices of the country's major export, copper. The Government also embarked on many reforms that saw the state investing heavily in industries thereby boosting job prospects for many people.

By the early 1970s, Zambia was a relatively prosperous middle-income country. However, its economy was heavily dependent on copper which accounted for 90% of its exports. In 1971 and again in 1974 copper prices fell drastically. The country's economy was further damaged by oil price increases of the early and late 1970s. "The volume of migration was reduced due to the decline in economic opportunities and an increase in the proportion of urban growth could be attributed to natural increase" (Kamete et al., 2001). The years that followed, the country undertook many reforms including signing up on the International Monetary Fund recovery programmes. During this time and until 1990, the country's economy was mainly controlled by the state. The state-operated State-Owned Enterprises (SOEs) which were popularly called parastatal companies. Through the state involvement in the economy, many people were employed.

After 1991, however, the country embarked on the IMF's Structural Adjustment Programme (SAP). The country liberalized the economy and underwent a massive privatization programme that saw most of the SOEs sold or closed. Majority of the workers were retrenched, or jobs were terminated due to redundancies. The situation led to high poverty levels and massive suffering in urban areas where the majority of workers resided. During this decade the country experienced the highest levels of poverty nationally. In urban areas, the poverty levels increased to 56% in 1998 from 46% in 1990 (Central Statistical

Office, 2005). It is in this period that the country began to experience de-urbanization as the people migrated to rural areas where livelihood was much better.

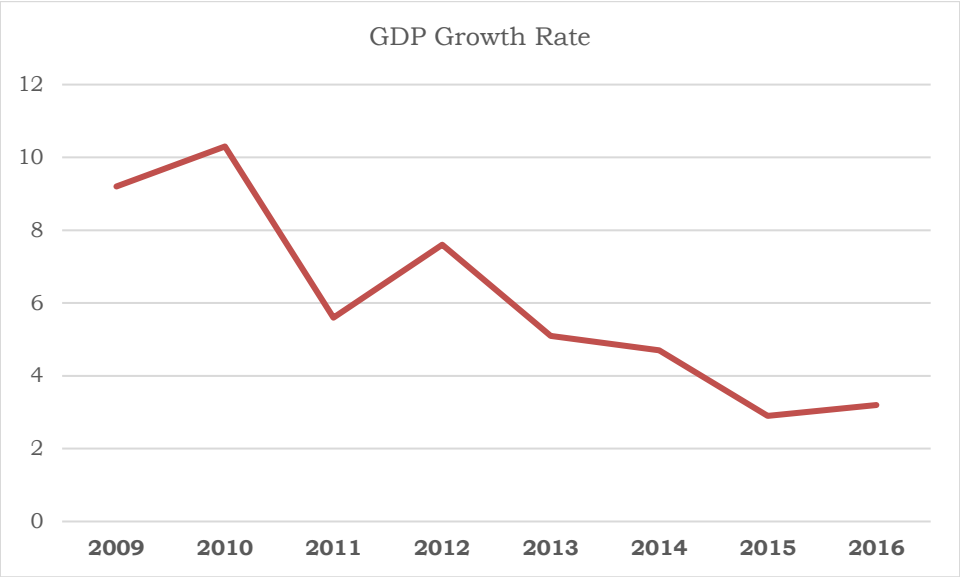
Fox (2011) argues that Zambia was one of the few countries to experience an episode of de-urbanization in the modern era. This is attributed to a severe economic crisis and the effects of structural adjustment on urban employment and incomes, yet many other countries experienced similar crises without de-urbanization (Fox, 2011). The economic situation was further made worse by the HIV/AIDS crisis which hit the region in the 1990s (Fox, 2011). Authors such as Potts (2005) noted that de-urbanization was the main characteristic for the towns on the Copperbelt province but also that other cities experienced a decline in population over this period. Simatele (2007) noted that while factors responsible for this development may be varied, it seems plausible to argue that the stagnation and non-expansion of the formal employment sector and the increase in urban poverty and deprivation have worked to repel many would be urban migrants from taking up urban residence in urban areas (Simatele, 2007).

The situation began to reverse after 2001. The economy took on a recovery path with the improvements in the copper prices on the international market. Further in 2005, the IMF and other donor agencies extended a debt relief package under the Highly Indebted Poor Countries Initiative (HIPC) programme that saw most of the country's debt cancelled. This meant that the country had sufficient resources to inject towards the growth of the economy and the social sectors.

During the period 2001 to 2010, the economy improved with the economic growth rate averaging 6%. Investment in the productive sector also increased resulting in an increase in job prospects. Most of the jobs were however in the informal sector a sign that perhaps the country was suffering from under-urbanization. The jobs in the formal sector only accounted 10 – 14% of the total employed people. Further, with more investments going into the social sectors, the country saw improvements in mortality rates including a reduction in HIV/AIDS related illnesses and deaths.

The figure below shows the trajectory of the country's growth rate. The economy has moved from a high of 10.3% in 2009 to a low of 2.9% in 2015 before recovering to just over 3% in 2016. The economy is projected to maintain an upward path between 2018 and 2020 with the growth rate expected at 4% by the World Bank.

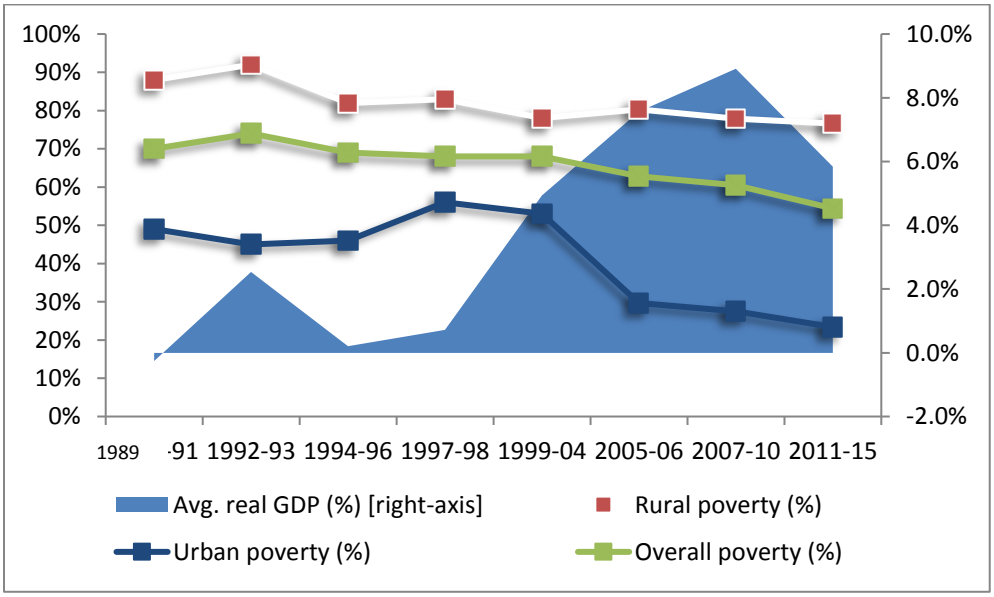
**Figure 1: GDP Growth Rates (2009 – 2016)**




Source: Bank of Zambia (2018)

The figure below further compares the GDP variable with poverty parameters. It can be deduced that while the seemingly high GDP growth rate between 2005 and 2010 seemed to have pushed the urban poverty rate down to around 20% from the 60% ranges in the past, rural poverty has however remained sticky over the years hovering around the 70% ranges for most of the period under review.

**Figure 2: GDP rates versus poverty indicators (1989- 2015)**




Constructed from Bank of Zambia and Central Statistical Office Data

The indication from the above is that perhaps, prospects are much better in urban areas than they are in rural areas and hence the incentive to migrate could be much higher.

### 3.2 How are Zambian cities growing?

In Zambia, Lusaka has historically been the most prominent city regarding the population and economic activities. In the 2010 Census of Population and Housing, Lusaka was the only urban centre that had a population that breached the one million threshold for the level one category. Lusaka, the capital city, grew by 61% hitting one million and seven hundred thousand people by the end of the decade. From Table 1, Solwezi comes out to be the fastest growing district in Zambia. Between 2000 and 2010, Solwezi had the most significant population growth of 138% growing from about 38,100 to 91,000 people. The growth of Solwezi is attributed to the increased mining activities in the province. Three mines have opened up in the area during the decade that has led to increased migration of workers from other towns to Solwezi. Mansa was the second fastest growing town during the ten years period with 90% growth. Mansa's population growth has been due to increasing economic activities in the province. Mansa being a transit route for people from other towns seeking opportunities in other districts in the province as well as the neighbouring region.

**Table 1: Population of main urban centres in Zambia (1990 to 2010)**

| Level in Hierarchy | Main urban centres of Zambia | Population in 1990 | Population in 2000 | Population in 2010 | % change 2000 - 2010 |
|---|---|---|---|---|---|
| **Level 1 (>1,000,000)** | Lusaka | 769,353 | 1,084,703 | 1,747,152 | 61.1% |
| **Level 2 (200,000-500,000)** | Kitwe | … | 363,734 | 501,360 | 37.8% |
| | Ndola | 329,228 | 374,757 | 451,246 | 20.4% |
| **Level 3 (100,000-200,000)** | Kabwe | 154,318 | 176,758 | 202,360 | 14.5% |
| | Chingola | 142,383 | 147,448 | 185,246 | 25.6% |
| | Mufulira | 123,936 | 122,336 | 151,309 | 23.7% |
| | Livingstone (Maramba) | 76,875 | 97,488 | 134,349 | 37.8% |
| | Luanshya | 118,143 | 115,579 | 130,076 | 12.5% |
| | Chipata | 52,213 | 73,110 | 116,627 | 59.5% |
| | Kasama | 47,653 | 74,243 | 101,845 | 37.2% |

| | | | | | |
|---|---|---|---|---|---|
| **Level 4 (50,000-100,000)** | Solwezi | 23,435 | 38,121 | 90,856 | 138.3% |
| | Mansa | 37,882 | 41,059 | 78,153 | 90.3% |
| | Chililabombwe | 48,055 | 54,504 | 77,818 | 42.8% |
| | Kafue | 43,801 | 45,890 | 72,166 | 57.3% |
| | Mazabuka | 24,596 | 47,148 | 71,700 | 52.1% |
| | Mongu | 29,302 | 44,310 | 52,324 | 18.1% |
| | Kalulushi | 31,474 | ... | 51,863 | N.A. |
| | Choma | 30,143 | 40,405 | 51,842 | 28.3% |
| | Kapiri Mposhi | 13,540 | 27,219 | 44,783 | 64.5% |

(MLGH, 2014)

The interesting point is that almost all the major urban centres in Zambia are along the line of rail except for the provincial headquarters namely Mongu, Mansa, Kasama, Solwezi and Chipata. This map below depicts this fact (Figure 3).

Figure 3: Map representation of the location of the main urban areas


(MLGH, 2014)

As shown in the map, the Copperbelt is the province with the majority of the major urban centres in the country. The explanation for this is related to the economic history of the country. The Copperbelt province towns were developed by the colonial masters to support the mining activities. To support the operations, the mining companies that were controlling the mining activities invested in housing infrastructure for the expatriates and natives. The Government of Zambia nationalized the mines after independence and continued with the mining activities. The housing infrastructure was maintained and mostly exists today. The challenge, however, is that the dwindling economic activities related to copper production constrained the economies in the mining districts. For a long time, the infrastructure has not improved beyond what was inherited from the colonial masters. Beyond the mining towns and except Livingstone, the provincial headquarters across the country are also relatively more significant. Livingstone, which was the provincial headquarters for Southern province, on the other hand, also benefited from the status of the tourist capital. Government deliberately invested in infrastructure as a way of making the city attractive to international tourists. Choma district has since assumed the provincial headquarters in Southern province.

Table 2 shows the absolute growth over the census decade. Lusaka, having the largest population had the most substantial population growth in absolute terms of 662,449 and was followed by Kitwe, which had 137,626. Ndola had the third most significant growth in absolute terms of 76, 489. Solwezi which has been the fastest growing city grew by 52,735 which were more than double its population in 2000.

Table 2: Population changes (2000 – 2010)

| **Main urban centres of Zambia** | **Population in 2000** | **Population in 2010** | **Actual Increase** |
|---|---|---|---|
| **Lusaka** | **1,084,703** | **1,747,152** | **662,449** |
| **Kitwe** | **363,734** | **501,360** | **137,626** |
| **Ndola** | **374,757** | **451,246** | **76,489** |
| **Solwezi** | **38,121** | **90,856** | **52,735** |
| **Chipata** | **73,110** | **116,627** | **43,517** |
| Chingola | 147,448 | 185,246 | 37,798 |
| Mansa | 41,059 | 78,153 | 37,094 |
| Livingstone | 97,488 | 134,349 | 36,861 |
| Nakonde | 9,332 | 41,836 | 32,504 |

| | | | |
|---|---|---|---|
| Mufulira | 122,336 | 151,309 | 28,973 |
| Kasama | 74,243 | 101,845 | 27,602 |
| Kafue | 45,890 | 72,166 | 26,276 |
| Kabwe | 176,758 | 202,360 | 25,602 |
| Mazabuka | 47,148 | 71,700 | 24,552 |
| Chililabombwe | 54,504 | 77,818 | 23,314 |
| Kalulushi | 52,800 | 76,015 | 23,215 |
| Mpulungu | 7,488 | 29,103 | 21,615 |
| Kapiri Mposhi | 27,219 | 44,783 | 17,564 |
| Mwense | 3,818 | 21,137 | 17,319 |
| Nchelenge/Kashikishi | 20,709 | 36,894 | 16,185 |

(MLGH, 2014)

It is also important to note that a few other small towns recorded growth numbers that were double the 2000 census size or more. Nakonde, Mpulungu, and Mwense are such examples. Their population sizes more than doubled during the period. This could be explained mainly by the increased trading activities in the affected towns. Nakonde, for example, borders Tanzania and has become the transit town for imports and exports to and from the port of Dar-es-Salaam.

Table 3 shows how the major urban centres are estimated to grow in the next seventeen years as predicted by the Central Statistical Office[1]. The population size for Solwezi and Nakonde are expected to quadruple. Population sizes for Mansa, Kapiri Mposhi, Chipata, Lusaka, Chililabombwe and Kalulushi are further expected to triple.

[1] The model considers fertility, mortality and migration rates over time

Table 3: Projected growth (2010 – 2035)

| Main urban centres of Zambia | Population in 2010 | Estimated Population 2035 |
|---|---|---|
| Solwezi | 90,856 | 354,546 |
| Nakonde | 41,836 | 153,376 |
| Mansa | 78,153 | 272,307 |
| Kapiri Mposhi | 44,783 | 150,129 |
| Chipata | 116,627 | 331,642 |
| Lusaka | 1,747,152 | 4,560,560 |
| Chililabombwe | 77,818 | 196,673 |
| Kalulushi | 76,015 | 191,006 |
| Kafue | 72,166 | 178,793 |
| Kitwe | 501,360 | 1,190,534 |
| Mazabuka | 71,700 | 166,493 |
| Chingola | 185,246 | 417,590 |
| Kasama | 101,845 | 216,620 |
| Livingstone | 134,349 | 280,508 |
| Choma | 51,842 | 92,465 |
| Ndola | 451,246 | 777,276 |
| Mufulira | 151,309 | 238,112 |
| Mongu | 52,324 | 78,081 |
| Kabwe | 202,360 | 286,418 |
| Luanshya | 130,076 | 182,773 |

(MLGH, 2014)

Table 4 and Table 5 compare the ranking of the top ten major cities. The traditional major town based mainly on the Copperbelt and a few provincial centres dominated in 2010.

**Table 4: Ranking in 2010**

| Main urban centres of Zambia | Ranking in 2010 |
|---|---|
| Lusaka | 1 |
| Kitwe | 2 |
| Ndola | 3 |
| Kabwe | 4 |
| Chingola | 5 |
| Mufulira | 6 |
| Livingstone | 7 |
| Luanshya | 8 |
| Chipata | 9 |
| Kasama | 10 |

(MLGH, 2014)

The projection for 2035 is that the top three cities will still dominate, but Kabwe which is ranked 4th in 2010 will drop to 7th in 2035. Chingola which is 5th in 2010 will rise to 4th in 2035. The biggest gainer is Solwezi which will ascend the top ten ranks to 5th in 2035. Chipata will climb to 6th from 9th in 2010. Mansa will also join the top ten at 9th in 2035.

**Table 5: Projected ranking in 2035**

| Main urban centres of Zambia | Ranking in 2035 |
|---|---|
| Lusaka | 1 |
| Kitwe | 2 |
| Ndola | 3 |
| Chingola | 4 |
| **Solwezi** | **5** |
| **Chipata** | **6** |
| Kabwe | 7 |
| Livingstone | 8 |
| **Mansa** | **9** |
| Mufulira | 10 |

(MLGH, 2014)

### 3.3 The drivers of growth

Since urbanization is associated with the increase in the secondary economic activities such as services and manufacturing, it is cardinal to analyse how the Zambian regions have fared in this regard. Due to lack of district-specific data, this analysis is limited to the provincial level. The top five provinces that contribute the most to the GDP are Copperbelt (28.9%), Lusaka (28.5%), Southern (10.6%), N/Western (7.5%) and Central (6.9%).

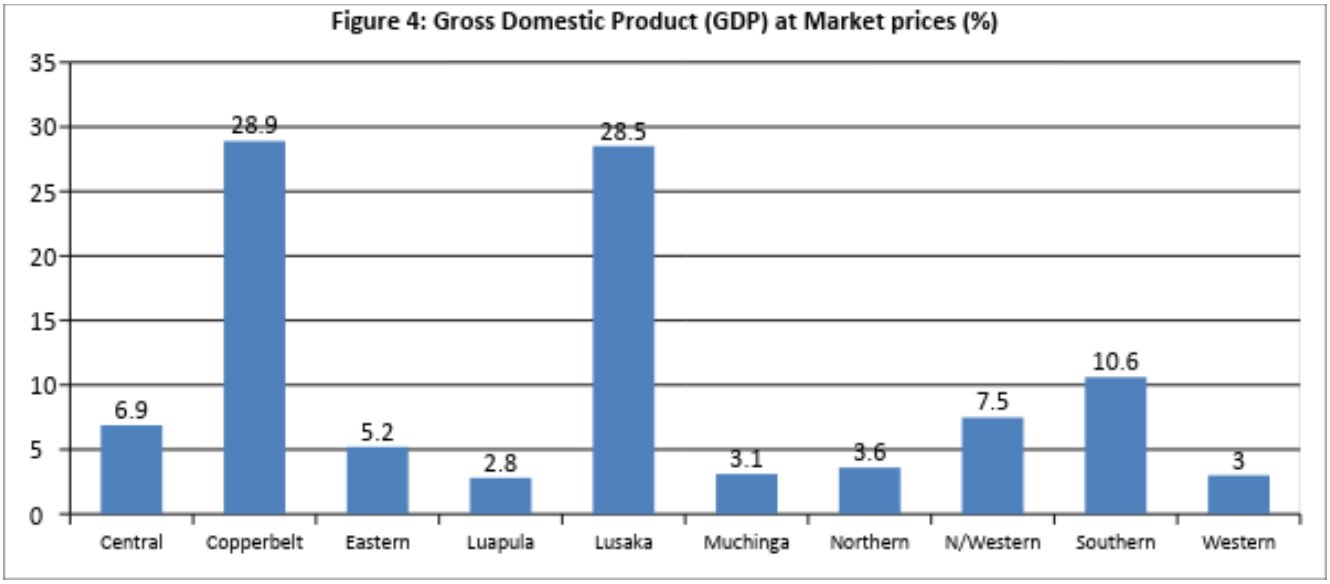



Table 6 shows the drivers of economic growth by province. If we zero in on the top five provinces, we see that for Copperbelt, slightly more than a quarter of its GDP contribution is generated in the mining sector (26%), followed by Wholesale and Trade (18%) and manufacturing (13%). The three activities constitute more than 50% of the province's contribution to GDP. The primary real sector economic activities in Lusaka are Wholesale and Trade (25%), Construction (14%) and manufacturing (12%). The significant commercial drivers for the Southern province are electricity generation (27%), wholesale and Trade (18%) and construction (8%). In the Central province, the primary drivers are Wholesale and Trade (32%), Agriculture (15%) and Construction (9%). In the North-western province, mining constitutes (67%), Wholesale and Trade (7.5%) and construction (4%).

Table 6: Share of GDP to the real sector economic activities by province (2015)

| | Central | Copperbelt | Eastern | Luapula | Lusaka | Muchinga | Northern | N/Western | Southern | Western |
|---|---|---|---|---|---|---|---|---|---|---|
| Agriculture, forestry, and fishing | 14.6 | 3.5 | 14.5 | 9 | 0.8 | 8.7 | 11.3 | 2.1 | 6.8 | 6.2 |
| Mining and quarrying | 0 | 25.6 | 0 | 0 | 0.8 | 0 | 0 | 66.8 | 0.4 | 0 |
| Manufacturing | 0.7 | 12.7 | 0 | 0 | 11.5 | 0 | 0 | 0 | 5 | 0 |
| Electricity generation | 0.9 | 0.3 | 0 | 0.2 | 0 | 0 | 0.2 | 0.1 | 27.5 | 0 |
| Water supply; Sewerage | 0.1 | 0.4 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0 | 0.1 | 0.1 |
| Construction | 8.9 | 5.9 | 14.1 | 18.9 | 14.4 | 18 | 8.6 | 4 | 8.4 | 14.2 |
| Wholesale and retail trade; | 32.4 | 17.7 | 26.8 | 29 | 25.1 | 22.5 | 40.5 | 7.3 | 18 | 33.1 |
| Transportation and storage | 2.6 | 7.1 | 0.3 | 0 | 5.7 | 0 | 0 | 0 | 1 | 0 |
| Accommodation and food service | 0.3 | 0.3 | 0.4 | 0.1 | 4.3 | 0 | 0.1 | 0 | 2.9 | 0 |
| Information and communication | 3.6 | 2.8 | 2 | 0 | 3.7 | 2.9 | 0 | 1.1 | 3.8 | 3.8 |
| Financial and insurance activities | 3.9 | 4.4 | 3.2 | 3.4 | 5.9 | 2.3 | 0 | 0.9 | 1.5 | 3.1 |
| Real estate activities | 7.1 | 2.5 | 10.8 | 11.6 | 3.3 | 8.8 | 10.6 | 3.3 | 5.4 | 10.5 |
| All others | 24.9 | 16.8 | 27.8 | 27.7 | 24.3 | 36.7 | 28.6 | 14.4 | 19.2 | 29 |
| | | | | | | | | | | |
| Total | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

(Central Statistical Office, 2017)

As discussed earlier, several scholars associate urbanization to the growth of economic activities in the manufacturing and services sector. People are pulled from rural areas by the job prospects in the secondary sectors. Therefore, table 7 shows how economic transformation is evolving across the country's ten provinces. From the table, when it comes to agriculture, 40% of the share of Agriculture GDP is contributed by Central and Copperbelt. Mining is mainly done in the regions of the Copperbelt and North-western and so is manufacturing which is done on the Copperbelt and Lusaka and to some extent, the southern province. Almost all the hydroelectricity for the country is generated in Southern province. Eighty percent of the tap water supply is accessed on the Copperbelt and Lusaka. Additionally, in the construction sector, the main contributors to its GDP are Lusaka (40%), and Copperbelt (16%). For Transport the two contributors are Copperbelt and Lusaka. Lusaka alone contributes 72% to the accommodation and food services. For information and communication, it is Lusaka, 36%, Copperbelt, 28% and Southern, 14%. For financial services close to 80% is contributed to Lusaka and Copperbelt. Wholesale and retail trade are the dominating sector across the ten provinces in Zambia.

**Table 7: Provincial contribution to industry GDP (2010)**

| | Central | Copperbelt | Eastern | Luapula | Lusaka | Muchinga | Northern | N/Western | Southern | Western | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Agriculture, forestry, and fishing | 20.2 | 20.5 | 15 | 5.1 | 4.3 | 5.4 | 8.1 | 3.2 | 14.5 | 3.7 | 100 |
| Mining and quarrying | 0 | 58.4 | 0 | 0 | 1.7 | 0 | 0 | 39.5 | 0.4 | 0 | 100 |
| Manufacturing | 0.6 | 48.9 | 0 | 0 | 43.4 | 0 | 0 | 0 | 7.1 | 0 | 100 |
| Electricity generation | 2.1 | 2.8 | 0 | 0.2 | 0 | 0 | 0.2 | 0.1 | 94.6 | 0 | 100 |
| Water supply; Sewerage | 4.9 | 55.2 | 1.8 | 0.8 | 25.1 | 1.1 | 2.2 | 1.6 | 5.9 | 1.5 | 100 |
| Construction | 6.1 | 16.9 | 7.2 | 5.2 | 40.2 | 5.5 | 3 | 3 | 8.8 | 4.1 | 100 |
| Wholesale and retail trade; | 10 | 22.9 | 6.2 | 3.6 | 32.1 | 3.1 | 6.5 | 2.5 | 8.6 | 4.4 | 100 |
| Transportation and storage | 4.6 | 51.7 | 0.4 | 0 | 40.8 | 0 | 0 | 0 | 2.6 | 0 | 100 |
| Accommodation and food service | 1.1 | 6 | 1.4 | 0.2 | 72.7 | 0 | 0.2 | 0.1 | 18.3 | 0.1 | 100 |
| Information and communication | 8.6 | 27.7 | 3.6 | 0 | 36.3 | 3.1 | 0 | 2.8 | 13.8 | 3.9 | 100 |
| Financial and insurance activities | 6.9 | 33.1 | 4.3 | 2.4 | 43.3 | 1.9 | 0 | 1.7 | 4.1 | 2.3 | 100 |
| Real estate activities | 10.1 | 14.8 | 11.6 | 6.7 | 19.8 | 5.7 | 7.9 | 5.1 | 11.9 | 6.5 | 100 |

(Central Statistical Office, 2017)

We can tell from the analysis above that economic activities seem to be shifting away from agriculture to trading in most of the regions in the country. Lusaka and the Copperbelt towns, in this case, Ndola, are the only regions that can boast of real structural transformation taking place where secondary sectors away from agriculture and mining are growing. The implication for this is that the quality of work opportunities in urban areas is compromised. Trading in Zambia is mainly associated with informality, and the majority of people involved are self-employed micro-entrepreneurs. As such, quality of employment is poor in many districts where the significant economic activity is the retail trade. From this front, life in the urban areas may not be as attractive for the rural dwellers who may not be ready to survive the hustles and bustles in the urban informal sector.

### 3.4 Rural-urban dynamics

The majority of the population in Zambia lives in rural areas. In 1993, only 39% of the 7.9 million people lived in urban areas. As explained earlier, the country experienced de-urbanization in the 1990s when the proportion of urban population reduced hitting 33% in 2000. In the 2000s, the urban percentage has been increasing reaching 42% in 2015.

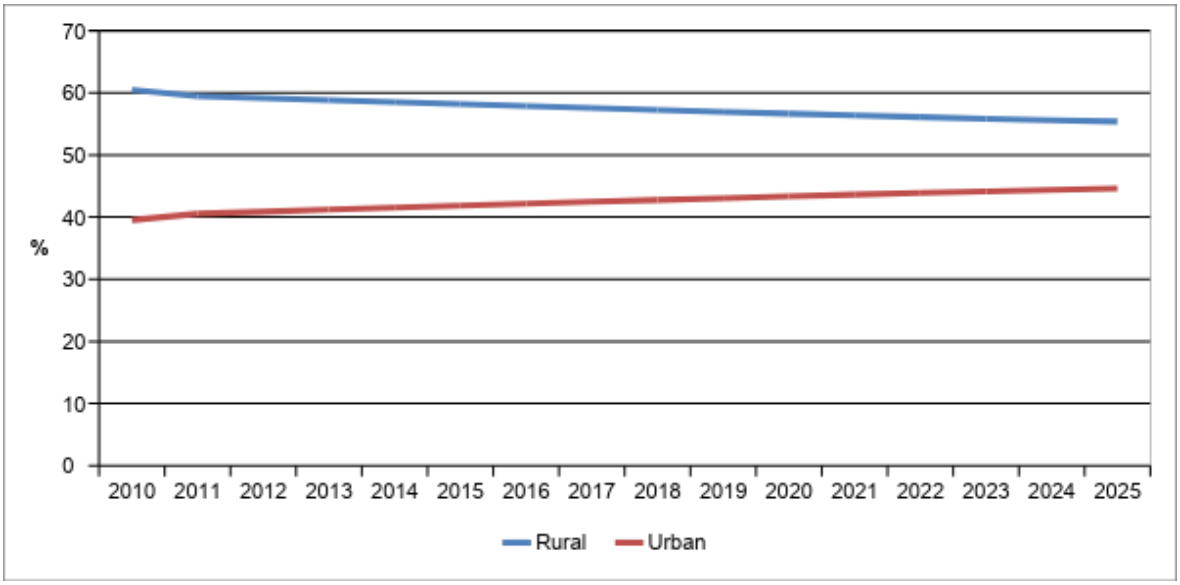
**Table 8: Proportion of rural-urban population (1993 -2015)**

| Year | Rural | Urban | Total Population |
|---|---|---|---|
| 1993 | 61.00 | 39.00 | 7,900,000.00 |
| 1996 | 63.00 | 37.00 | 9,520,000.00 |
| 2000 | 66.80 | 33.20 | 9,730,000.00 |
| 2010 | 60.37 | 39.63 | 13,120,000.00 |
| 2015 | 58.07 | 41.93 | 15,502,000.00 |

Computed from CSO Living Conditions Monitoring Survey reports (1993, 1996, 2000, 2010 and 2015)

Population estimates further indicated that over time there would be more people in urban areas than in rural areas. Figure 5 shows the projected changes in the rural-urban proportions that show the proportion of the population living in urban centres increasing over time and that of the rural dwellers gradually reducing.

**Figure 5: Projected changes in the rural-urban proportions (2010 – 2025)**




Source: (Central Statistical Office, 2018)

In Zambia, total within-country migration of people is estimated at 2% of the population each year. The most exciting outcome, however, is that rural to urban migration has been low in Zambia. Between 1998 and 2010, this constituted 15% of the total movement but increased to 21% in 2015. Urban to urban migration is the highest form of migration recorded in Zambia which has been averaging 39%.

**Table 9: Direction of migration**

| | 1998 | 2004 | 2010 | 2015 |
|---|---|---|---|---|
| | % | | | |
| **Rural to rural** | 39 | 32 | 24 | 20 |
| **Rural to urban** | 15 | 15 | 15 | 21 |
| **Urban to rural** | 6 | 14 | 24 | 22 |
| **Urban to urban** | 40 | 38 | 37 | 37 |

Table 9 tends to suggest that rural-urban migration may not be the primary factor explaining the growth of the urban population. The statistics above tend to indicate that for the period under review, the number of people moving from urban areas to rural areas was more than the that of the people moving from rural to urban areas. As explained earlier, the incentive to move may be lower for rural dwellers. Besides, little education and skill endowment in rural areas may also be a factor. On the other hand, people who have retired from work and have made some savings may find it easier to start a new life in rural areas.

## 4.0 Legal and Institutional framework for Local Government

In the earlier chapters, the paper has looked at the benefits and dangers of urbanization. Urbanization entails that the local government galvanizes sufficient resource to enable them to effectively provide the goods and services to serve the local population. It is critical that the local government be well prepared to address the challenges that a growing population brings. A local authority should also have the ability to deal with these challenges. The ability of the local authorities to deal with these challenges could be explained by the legal and institutional framework, on the one hand, the organizational system on the other hand.

This chapter looks at the legal and institutional framework for local government in Zambia. Adequate performance in service delivery is by and large dependent on the capacity of the local government institutions to provide these services under their mandates. The legal and institutional framework impacts dearly the ability of the local government to perform. If the local government has enough freedom to operate and has adequate resources, it is easier to make it accountable for the services that it is mandated to deliver. If on the other hand, the local authority has little scope to operate independently, then it becomes difficult to make it accountable for the failure to perform. In the case where the local government operates autonomously, the use of a performance measurement tool such as a composite performance index would be ideal. It would be easier for the local government entities to assess their performances based on the outcomes of the index results. This section attempts to show the space in which the local government operates in Zambia.

Zambia is a unitary democratic republic, with two spheres of government, national and local. The provincial level is, in reality, a part of the Central Government as it has no separate legal framework, assigned expenditure or revenue raising functions to differentiate it from the Central Government. While at the local level, Local Authorities (referred to collectively as Councils), have some responsibilities for service provision. Central Government has offices at that level to provide other services which are not provided by the councils (Un-Habitat, 2012).

There is a constitutional provision for local government, and the central governing legislation includes the Local Government Act 1991 and the Local Government Elections Act 1992. The local authorities are overseen by the

Ministry of Local Government and Housing and consist of city councils, municipal councils and district councils (CLGF, n.d.)[2].

The Zambian Government has been implementing local governance reforms with different impact outcomes on local governance. Since the country attained political independence from Britain in 1964, a commitment to decentralisation and popular participation has been an essential component of local governance reform strategies (Chikulo, 2009). The new Government had inherited a traditional local government system based upon principles of English Municipal Authority and British Colonial Rule (Mubanga, 2005). The problem that confronted the government at independence was one of transforming the inherited provincial and district government structures into a dynamic local governance framework that could facilitate sustainable public participation in the socio-economic development strategies envisaged by the new regime. The officially stated policy has been one of "taking power to the people," and a critical objective of the local governance reforms has been to strengthen local authorities by the decentralization of power. Consequently, over the years, governments have sought to design and implement decentralised democratic local governance to facilitate more involvement by the citizenry and facilitate effective service delivery (Chikulo, 2009).

Since the attainment of its independence, Zambia has initiated several decentralisation reform programmes that have entailed a mix of deconcentration, delegation, and devolution. Deconcentration in Zambia has occurred through the strengthening and extension of the inherited system of field administration. This entails that the various central government ministries must have representation in the provinces and districts by local staff. Such staff is accountable to their respective district and provincial heads, which are in turn, are accountable to departmental or ministerial headquarters in Lusaka. De-concentration has also occurred through the development of provincial and district government. Ideally, provincial and district government in Zambia has been maintained to coordinate government work at district and provincial levels while also permitting the performance of responsibilities for which no special agency has existed or for which a special agency might exist but lacks local level representation by its staff (Mukwena, n.d.).

ZIPAR (2017) states that delegation is a relatively more extensive form of decentralisation. Further, through delegation, Central Governments transfer

2. A few new districts have not yet been gazetted.

responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by the Central Government, but ultimately accountable to it. Governments do also delegate responsibilities when they create public enterprises or corporations, housing authorities, transportation authorities, special project implementation units, among others. Usually, these organisations have a great deal of discretion in decision-making. They may be exempt from constraints on regular civil service personnel and may be able to charge users directly for services (ZIPAR, 2017).

Devolution usually transfers responsibilities for services to municipalities/district councils, and other sub-structures that elects their mayors and councils, raise their revenues and have independent authority to make investment decisions. In a devolved system, Local Governments have clear and legally recognized geographical boundaries over which they exercise authority and within which they perform public functions. The Zambian Constitution recognizes devolution as the form of decentralization that the country will pursue. Indeed, the constitutional and statutory provisions provide for the existence of the local Government in Zambia (ZIPAR, 2017).

When Zambia got independence in 1964, it inherited a fragmented administrative structure which could be described as a diffused collection of government departments enjoying a large measure of autonomy and only loosely controlled by any central, coordinating body, whether bureaucratic or political (Mukwena, n.d.). As was to be expected, Zambia's new government found the inherited administrative structures unsuitable for meeting its political and economic objectives and concluded that administrative reforms were necessary (Mukwena, n.d.). From 1964 to-date, the various reforms undertaken have impacted the local governments both positively and negatively. The sections below explain the phased approach to the implementation of local government reforms:

### 4.1 The period 1964 to 1973

After Independence and among other tasks, the Zambian Government needed to transform the inherited structure of provincial administration - the focal point of the colonial system of government - into an instrument of economic development. Thus, in July 1964 the old system of provincial and district government was abolished and, the following month was replaced by a new, more limited structure of provincial and district government. The reformed provincial and district government arrangements were intended to coordinate and implement

government policies and provide a link between government and the new structure of party in power. It was stripped of most of its predecessor's functions, which were distributed among central government ministries and their agencies (Mukwena, n.d.).

In October 1965, one year after independence, the Local Government Act No. 69 which became Chapter 480 of the Laws of Zambia was enacted. It replaced the Native Authority Ordinance in its entirety, but the Municipal Corporations Ordinance had some sections repealed while others were merely amended (Sakala, 2014). This Act provided for a system of local government in a multi-party environment. It provided for councillors to be elected by universal adult suffrage with mayors and council chairpersons elected by fellow councillors. It also provided for four categories of councils; city, municipal, district and rural (Sakala, 2014). The first schedule to the Act enumerated those functions which all councils were authorised to carry out under part I of the said schedule. Part II of the Schedule enumerated those functions which were added to municipal councils such as civic apparel, electricity supply and legislation in the interests of the inhabitants of the Municipality (Sakala, 2014). Part III of the Schedule provided for the establishment of electricity supply in township councils while part IV of the Schedule provided for additional functions of agriculture, grazing grounds for animals, the control of local forests and the maintenance of mail services in rural councils. The Local Government Act of 1965 remained in place for fifteen years until 1980 (Sakala, 2014).

Under the Local Government Act of 1965, the operations of councils could be further split into two sub-phases. The period 1965 to 1973 was a period of great successes in local government. During this period local councils operated electricity and water supply and sanitation services. This enabled the councils to generate substantial surpluses which helped finance capital projects and general development. The UN-Habitat further reported that 70% percent of the income of councils came from the central government through the Ministry of Local Government and Housing as grants, while 30% was met by revenue raised from local levies, fees as well as specified funds from other sector ministries whose functions they performed. This enabled councils to plan and implement adequate service delivery programmes (Un-Habitat, 2012).

## 4.2 The period 1973 to 1980

The Un-Habitat (2012) explains that during the period 1973 to 1980, the financial bases of councils began to deteriorate directly as a result of central government decisions. The various policies implemented by the central Government negatively impacted the councils' abilities to deliver service. The withdrawal of the housing grant in 1973, police grant, health grant, and fire grant are some of the policies implemented. Others are the 1974 Rent (Amendment) Act which restricted councils from evicting defaulting tenants (until after accruing arrears more than three months), the declaration that undeveloped land had no value and was not ratable and the transfer of electricity distribution from Councils to the Zambia Electricity Supply Corporation (ZESCO). The transfer of electricity distribution was done without transferring the liabilities that related to those services. Further the withdrawal of long-term capital funding all impacted negatively on the councils' abilities to deliver service (Un-Habitat, 2012).

On 13th December 1972, Zambia was formally proclaimed a 'One-Party Participatory Democracy,' thereby granting the ruling party constitutional paramountcy over the entire state administrative apparatus (Chikulo, 2009). This phase witnessed increased politicization and the imposition of the supremacy of the party over local governance.

## 4.3 The period 1980 to 1990

The central and local government administration was merged with the ruling party (UNIP) structures, to create an integrated district administration, under the 1980 Local Administration Act (No.15). The principal objective of the 1980 Act was to "…ensure the effective integration of the primary organs of the party and other local administration units in the district." (Chikulo, 2009)

The most significant structural change entailed in the 1980 Act was the abolition of the distinction between party, central and local governments. The 1980 Act abolished city, municipal and township councils and established district councils in both urban and rural areas. district governors headed these district councils as chairpersons all of whom were presidential appointees. The nomenclature of the town clerk as the chief executive officer (CEO) changed to district executive secretary (DES). The Act apportioned most of the functions formerly listed in the first schedule in the 1965 Act to the new district councils, but provisions of part I of the 1980 Act emphasized district political programmes

within the guidelines stipulated by the overall party policies and programmes (Sakala, 2014).

The reforms involved the establishment of an administrative structure composed of the party, central and local government officials. The stated goal of the reforms was to integrate local administrative departments of the central government, local councils, and the party structure in order to improve coordination and eliminate duplication among them. Consequently, a single integrated political-administrative structure was created in each of the districts that totalled fifty-five, to which was assigned the totality of party, central and local government activity (Chikulo, 2009).

Some Government functions were transferred to local government without finance following these functions. These included registrations of villages, construction of feeder roads and water supply schemes according to the Decentralisation Policy, thereby further deteriorating service provision (Un-Habitat, 2012).

### 4.4 The period 1991 to 2015

A clamour for multi-party democracy led to the scrapping of the de jure one-party state in December 1990, and the introduction of political pluralism (Chikulo, 1996). Consequently, the transition to a multi-party system demanded a restructuring of local government. Firstly, the local government had to be 'de-linked' from the ruling party; and secondly, measures were introduced to strengthen democratic control over administration, and increase its accountability to democratically elected bodies. The promulgation in August 1991 of the Constitution of Zambia and the Local Government Act somewhat delinked the ruling party from all civil service and state apparatus, repealed the 1980 Local Administration Act, and re-introduced the distinction between the ruling party, the central government, and local government (Chikulo, 2009).

After returning to multi-party politics in 1991, the Local Government Act (Cap 281) of 1991 replaced the Local Administration Act of 1980. This Act was substantially a return to the Local Government Act of 1965 (Un-Habitat, 2012). The 1991 Act reproduced many of the provisions of the 1965 Act and in some respects almost ***Ipsissima Verba*** (Sakala, 2014). For example, under this Act, the operations of councils can also be split into two sub-phases. During the period 1991 to 2001 various government policies and pieces of legislation were

passed that either reduced the revenue bases of councils or imposed additional expenditure on councils (Un-Habitat, 2012).

These included the following: The complete withdrawal of government grants to councils announced in the 1992 national budget speech. There were also other actions such as the 1993 transfer of motor vehicle licensing functions that were moved from councils to the Road Traffic Commission (RTC) while the responsibility to maintain the roads remained with the council. Another action was the presidential directive for sale of council and parastatal housing units to sitting tenants in 1996 at below market prices thereby wiping out rental income from the council revenue bases. There was also the rating Act No. 12 of 1997 which increased the categories of properties exempt from paying rates (this was reversed in 1999, but councils had still lost substantial income) (Un-Habitat, 2012).

Besides, several other measures were implemented. For example, the water supply and sanitation undertakings were transferred from councils to commercial utilities, wholly owned by councils, under Statutory Instrument No. 55 of 2000, without transfer of related liabilities. Further, the Local Authorities Superannuation Fund (Amendment) No. 27 of 1991 made it mandatory for council employees who had spent twenty-two years in service of councils to retire but did not provide for the resulting terminal payments to retiring employees (Un-Habitat, 2012). This change also had a negative impact on the operational capacities of councils as crucial expertise was lost. The situation was made worse by the granting of backdated fifty percent salary increments to unionized council employees just before the 2001 elections without providing the required financial resources to cover those increments (Un-Habitat, 2012).

The Schedules to the respective Acts clearly defined the functions of Councils under the 1965, 1980 and 1991 Acts. There is an array of functions of councils under the Second Schedule to the 1991 Act ranging from general administration, agriculture, community development, public amenities such as parks, zoos, gardens, education, health maintenance of public order, registration of births, marriages and deaths, sanitation and drainage (Sakala, 2014). One interesting difference about the functions of Councils under the 1991 Act is that the scheduled functions are for all councils regardless of their status while the 1965 Act had specific functions limited to certain councils such as the generation of electricity for township councils and the establishment and control of forest areas for rural councils. The 1980 Act had divided functions following the structural organisation of councils namely, the district council itself, then the

district committee and the district secretariat. There are other Acts of Parliament which give powers to councils to perform specific functions such as the Trade Licensing Act, the Town, and Country Planning Act, the Local Government Elections Act among others (Sakala, 2014).

Concerning finance, the Act gave councils powers to raise and utilize revenue from their local sources at their discretion. Also, councils receive transfers of funds from the central government, which are supposed to be their primary source of revenue. The transfers are first, the means by which the central government shares taxes with councils; and secondly, provide a conduit through which various grants from sector ministries are disbursed to enable councils to undertake delegated functions on their behalf. These grants take various forms consisting of general, special and capital grants. Special grants are meant for financing projects which are prior-earmarked by the central government. Capital grants are meant to be used for financing capital projects, while general grants are additional financial resources extended to district councils (Chikulo, 2009).

### 4.5 The period 2016 to-date

The 2016 Amended Constitution in Article 147 clause (1) provides that: 'The management and administration of the political, social, legal and economic affairs of the State shall be devolved from the national government level to the local government level.' The above is based on the view that it will result in improved efficiency in the delivery of public services and, hence, a more efficient allocation of resources in the economy. Further, Article 148 of the Constitution has also prescribed that the Government shall provide adequate resources for the performance of the functions of the sub-structures of local government. This provision entails fiscal decentralisation which is the devolution of taxing and spending powers to lower levels of government. This process is seen as an essential means of increasing democratic participation in the decision-making process, thereby, enhancing accountability and transparency of government actions. Article 151 of Part XI of the 2016 Amended Constitution provides for, among other things, transferring the functions, responsibilities, and resources from the national Government and provincial administration to the local authorities in a coordinated manner. It further provides for a sound financial base to be established for each local authority with reliable and predictable sources of revenue.

Following the enacting of the Local Government Amendment Act No. 6 of 2010, the Local Government Service Commission with oversight from the Ministry of Local Government was re-established to enhance human resources management for Councils. It is also mandated to hire, fire, promote, demote and discipline officials of all councils. On December 10, 2014, Cabinet approved Circular No. 10 that brought into effect the devolution of selected functions from central government to councils by January 2015. This circular led to Government to offload a considerable number of employees to councils with only the actual transfer modalities yet to be undertaken. This action entailed the surrender of workers from the central government to the councils.

The government enacted the Urban and Regional Planning Act in 2015 which in essence empowers all councils to become planning authorities in their own right. The councils are now responsible for developing their integrated development plans. Grants to the councils are disbursed by a formula that considers the development status of the district.

The 2002 National Decentralisation Policy necessitated the establishment of the Decentralisation Secretariat in 2003 with the task of harmonising and coordinating all decentralisation reforms and efforts. The change of Government in September 2011 demanded some modifications to the policy which was relaunched in July 2013. An accompanying Decentralisation Implementation Plan (DIP 2014-2017) was also launched. A circular released in 2014 has clear timelines on the implementation of selected devolved functions from Central Government to local governments over a three-year period beginning in January 2015. There is renewed impetus through the 2016 Constitution and the Seventh National Development Plan (7NDP) to ensure that the devolution process is implemented all the way.

The National Decentralisation Policy clearly outlines the roles and overall functions to be performed at Central Government (First Schedule), provincial level (Second Schedule) and local government (Third Schedule). There is a total of thirteen ministries and one institution (the Office of the Vice President) that will devolve some of their functions to councils. Circular No. 10 of 2014 outlines the phased implementation of these devolved functions as outlined in Table 10.

**Table 10: functions to be devolved by ministries**

| Function | **Ministry** |
|---|---|
| Disaster and Risk Reduction Management | Office of the Vice President |
| Extension services | Ministry of Agriculture<br>Ministry of Livestock and Fisheries |
| Primary and Early Education, Adult Literacy | Ministry of General Education |
| Primary Health Care, Social Welfare and Community Development | Ministry of Community Development and Social Services |
| Local tourism and cultural matters | Ministry of Tourism and Arts |
| Urban and Regional Planning | Ministry of Local Government |
| Community Management of HIV/AIDS and TB programmes | National HIV/AIDS/TB/STI Council |
| Infrastructure development and management | Ministry of Transport, Works, Supply and Communication |
| Land allocation and utilization, Management and Conservation of Natural Resources | Ministry of Lands, Natural Resources and Environmental Protection |
| Cultural Affairs | Ministry of Chiefs and Traditional Affairs |
| Business Development Services, Operationalization of Standards and Consumer Protection and Welfare | Ministry of Commerce, Trade and Industry |
| Sport and Youth Development | Ministry of Youth and Sport |
| Child Development | Ministry of Gender and Child Development |
| Water Resource Management | Ministry of Mines, Energy, and Water Development |
| Community police and Community Prisons | Ministry of Home Affairs |

In line with the revised National Decentralisation Policy of 2013, the devolved functions to the council will be accompanied by their respective sector resources,

i.e., all staff, fixed and moveable assets and finances that are related to the devolved functions will be transferred from the Public Service Commission to the Local Government Service Commission.

From the preceding, it is clear that the local government structures in Zambia have been weakened over time. Successive governments eroded the capacity of councils to generate income overtime. The span of control was also reduced. The efforts to devolve will change the circumstances for the local government in Zambia. This, however, will be subject to the extent to which the increased functions of the councils will be supported with the requisite resources. Therefore, the use of a composite index will be meaningful at the time that devolution comes to fruition. The status quo shows that the local authorities do not currently have the control over a wide range of the variables that affect welfare as the central government controls these. Complete devolution, therefore, will be vital to providing opportunities for the use of performance measurement tools such as a composite index which is discussed later in the report. Such a tool would provide enough information for the central government as well as the local governments to assess the performance of local authorities in public service provision.

## 5.0 Assessing performance of Zambian cities in managing urbanization using a composite index

### 5.1 Theoretical framework

The problem relating to the measurement of human development which is usually equated to the quality of life in a national or city has been at the hands of economists for a long time. The major challenge has been both in developing a strong theoretical underpinning and in measuring the key variables. As Westfall & de Villa (2001) observe through the Cities Data Book (CDB) a severe problem for urban policy making has been the lack of appropriate data at the city level. Significant economic data for measuring the health of the urban economy, like city product, investment, income disparity, and financial status and other data for measuring the living condition of the city, like infrastructure service levels and environment, are not available or are seldom collected in comparable frameworks (Westfall & de Villa, 2001). The lack of data is especially frustrating for the typical situation where city staff is trying to manage rapid growth with few human, technical, and financial resources (Westfall & de Villa, 2001).

The UN justifies the need to build capacity at the local government level by stating that there is an urgent need to build capacity at all levels of government to collect useful information on urban conditions and trends. Further, the UN stresses the need to analyse this information and use it to make decisions that aim to improve access to and coverage of essential services and other urban infrastructure. There is also the need to improve targeting and operational performance of services and to apply that knowledge in formulating and implementing urban policies and programs (United Nations, n.d.). Processing of information in this way will also assist the national Government to devise interventions for those areas that fall under its jurisdiction.

Many international organizations have been working on methodologies of measuring the performance of cities with regards to improving welfare. Organizations such as the UN-Habitat and others have anchored their work based on Amartya Sen's work. Sen developed what is now commonly referred to as Sen's Capability Approach (CA). The CA proposes that social arrangements should be primarily evaluated according to the extent of freedom people have to promote or achieve functionings they value. The various combinations of functionings (beings and doings) that the person can achieve is, thus, a set of vectors of functionings, reflecting the person's freedom to lead one type of life or

another and provides one with an ability to choose from possible livings. According to Sen, “there is a single universal definition, not of money, but of “capabilities” and “functionings.” People all have the same hours of the day. Subject to certain constraints, they can spend this time in any way they like. Also, they could do many more things, but this would depend on their potential, which many of them fail to realize” (Westfall & de Villa, 2001).

As the Westfall and de Villa (2001) observes, central to Sen’s theory, is the concept of development as freedom. In contrast to the conventional view of development, Sen argues the fact that substantive freedoms (such as access to primary education or health services or a job) do not only contribute indirectly to the growth of GDP; they are among the constituent components of development (Westfall & de Villa, 2001). This ability to do valuable things simultaneously makes one free, and also helps one achieve valuable outcomes; Sen says it has a “generic similarity” to the notion of “quality of life” (Westfall & de Villa, 2001). Although this point of view could be necessary for the development of developing countries, Sen points out that more prosperous countries, too, often have profoundly disadvantaged people, who lack basic opportunities to get health care, or functional education, or gainful employment, or economic and social security. Sometimes such groups may have a life expectancy no higher than that in much poorer countries. Moreover, women in many countries are worse off than men (Westfall & de Villa, 2001).

Critical to Sen's ideas is the theory of empowerment which he refers to as functioning. The focus is on the possibilities for people, particularly poor people, to develop their own lives; as he puts it, “to favour the creation of conditions in which people have real opportunities of judging the kind of lives they would like to lead” (Westfall & de Villa, 2001). The Westfall and de Villa (2001) explains that Sen referred to the functioning as things that people care about and they range from basics, like having enough to eat to complicated things like playing a valuable role in one's community. The critical argument, therefore, is that we need to ask how far people can do these things or in other words, how far people participate in development processes. Sen postulated that such freedoms might correlate only poorly with conventional measures of economic development, such as GDP per capita (Westfall & de Villa, 2001).

Westfall & de Villa, 2001 explains that Sen’s theory has been very influential in framing the concept of human development, now the subject of an annual report from the United Nations Development Programme (UNDP). The United Nations (UN) Human Development Index (HDI), first published in 1990, is designed to

produce “real” indexes of development by using a variety of internationally comparable, and therefore “objective,” indexes. Slightly different sets are used for developing and developed countries. For developed countries they include:

- longevity: life expectancy at birth (female/male); percent not expected to survive to sixty years;

- knowledge: adult literacy rate; enrolment ratio; female and male rates; adult functional literacy rate; female and male combined enrolment ratio; and;

- a decent standard of living: adjusted per capita income in purchasing power parity in United States Dollars, male and female shares; percentage of people living below the income poverty line (50 percent of median personal disposable income) (Westfall & de Villa, 2001).

There are several indices developed to assess the performance of cities. Some of the existing performance measurement includes the City Development Index (CDI) by the UN-Habitat. The City Development Index was developed as a prototype for Habitat II to rank cities according to their level of development. This formulation of the index by an extensive use the same formulae as in UNDP Human Development Report (1999), for the Health, Education, and City Product sub-indices. The CDI is defined at the city level and could also be taken as a measure of average well-being and access to urban facilities by individuals. The high statistical significance and usefulness of the index indicate that it measures something real. The CDI is a measure of depreciated total expenditure over time on human and physical urban services and infrastructure, and it is a proxy for the human and physical capital assets of the city. The technique used to construct the City Development Index is similar to that used by UNDP for their Human Development Index. It can also be deduced that separate sub-indices are constructed and combined to create a composite index. Thus, the CDI is based on five sub-indices – City Product, Infrastructure, Waste, Health, and Education - the values of which range from 0 to 100.

## 5.2 Evaluating measurement indicators

The UN system identifies a basket of indicators that could be considered to develop a composite index. Part of the research was investigating the possibility of including any of these variables in the index. The variables include:

### i) Population, Migration, and Urbanization

This first group contains a series of indicators which describe essential demographic and socio-demographic characteristics of the city population (population, both resident and working; net migration; household size; household formation rate; and household type). They also include some measures of housing condition (population and households in informal settlements).

### ii) Income Disparity, Unemployment, and Poverty

The second group of indicators includes measures of economic deprivation including income distribution, poverty, child labour, informal employment, and unemployment.

### iii) Health and Education

The third group of indicators measures explicitly the society's achievements in health and education covering persons per hospital bed, child mortality, life expectancy, mortality from infectious diseases, family planning, the adult literacy rate, school enrolment rates, graduates from tertiary education, median years of education, and school children per classroom.

### iv) Urban Productivity and Competitiveness

The fourth group of indicators directly addresses measures of economic development including city product per capita[3], the structure of employment, household expenditure on main items, investment by sector (mainly the public sectors of infrastructure, housing, and services), tourism, a list of major investment projects, the cost of a day's stay, and the number of corporate headquarters in the city. The indicators measure different things like the general level of economic development, the efficiency of the private

[3] defined as the total city product per year divided by population.

sector, the effect of national macro- and micro-economic policies, and unique characteristics such as might attract tourists and investors.

v) **Technology and Connectivity**

The fifth group of measurements also deals with economic development, especially in information and communications technology. They include research and development expenditure, telephone traffic (distinguishing local, international, and mobile), and internet hosts per 1,000 population.

vi) **Housing**

Included in this group are basic housing measures, including dwelling type, tenure type, house prices and rents, available area, financing of house purchase, the production of new housing, treatment of squatter settlements, government expenditure, and homelessness.

vii) **Municipal Services**

Here are several sub-series of indicators for water, electricity, sewage/wastewater, telephone, and solid waste collection that measure the delivery of basic services, whether by the public or private sector.

### 5.3 Analytical framework

This paper adopts a case study approach to investigate the subject matter. This paper uses three districts in Zambia as cases for the study. The three districts are Lusaka, Ndola, and Solwezi. Lusaka has been included because it has assumed the role of primacy. Lusaka's primacy has increased steadily in recent decades. The expansion of secondary and tertiary cities is compared to the growth of Lusaka. Lusaka's expansion is projected to outpace that of its smaller urban counterparts until 2030 when it hosts nearly 40 percent of the country's urban population (Randolph, 2018).

Ndola, on the other hand, has been included for its resilience. Ndola is one of the Copperbelt towns which has been negatively affected by the economic downturn experienced in the 1990s. The town has, however, been showing signs of resilience over the years. Solwezi, on the other hand, has been included because it has a very different story altogether. Besides being a provincial headquarter, it remained underdeveloped for a long time. The district used to

host some copper mining operations in the 1980s, but these were abandoned due to operational difficulties. However, relatively recently, with new technology on the market, some Canadian companies First Quantum Mining (FQM) and Barrick Gold showed interest in the copper deposits in the district.

FQM runs the Kansanshi mine in Solwezi which is described as the largest copper mine in Africa. In Kalumbila, a district located 150 km away, FQM operates what it terms the Trident project, which consists of the Sentinel Copper Mine and the Enterprise nickel mine. Barrick Gold has the Lumwana mine situated about 100 km from Solwezi. With these developments, the centre of gravity of Zambia's copper-mining industry has shifted from the Copperbelt to North-western province. The FQM and Barrick operations already account for about half of the country's annual production. (Chamber of Mines of Zambia, 2018). This turn of events has significantly changed the economic profile of Solwezi. Anecdotal evidence shows that the town has begun to transform from a partly rural to fully fledged urban centre.

The section below provides a full description of the selected cities.

**i) Lusaka**

Lusaka District is the most significant economic centre in Zambia and has a very diversified production of goods and services. Lusaka serves as a robust market for other provinces given its economic base. Manufacturing, financial, transport, and retail businesses are the most critical industries in Lusaka (UN-Habitat, 2009). It is estimated that only 15 percent of the city's population is engaged in formal employment (CSO, 2016). A significant reason for this is that the local economy has been drifting towards the private sector and self-employment since the liberalisation of the economy in the early 1990s. Due to its location and the fact that it is the capital and seat of government, Lusaka plays a significant role in the socio-economic life of adjoining rural and urban areas: it provides a ready market for agricultural and other goods.

Randolph (2018) states that that Lusaka is not only a primate city but an increasingly dominant city in Zambia's urban system. This fact is demonstrated not merely through changes in population distribution, but also through a more granular examination of labour market outcomes and trends. Lusaka hosts a growing concentration of people,

and it also hosts an increasingly large share of the country's economic opportunities. Further, In the 1990s, when Zambia faced significant economic turmoil and an average GDP growth rate of just 1.3 percent, the share of unpaid workers rose rapidly in urban areas throughout the country – but it fell in Lusaka. In that era, secondary and tertiary cities witnessed an astounding loss of wage employment, and many workers returned to agriculture, while in Lusaka the movement of workers out of agriculture and into industry and services continued unabated (Randolph, 2018).

**ii) Ndola**

Ndola is a town in the Copperbelt province and considered a current level two city. Current projections indicate it will keep its place as one of the top five most prominent cities in Zambia by 2035. Ndola was once a thriving commercial and industrial centre for Zambia hosting consumer goods companies and automobile plants alike. While its manufacturing base has shrunk significantly in the last years, Ndola does not solely depend on copper for survival (as is the case with another Copperbelt town). It still serves as the Copperbelt administrative and commercial centre, hosts petroleum, cement, and lime processing industries and is strategically located to develop as an agro-processing hub for nearby agriculture-based districts. Logistically it hosts an international airport and has proximity to the international trading centres in the north (Democratic Republic of Congo).

**iii) Solwezi**

In Zambia, Solwezi is in the "new Copperbelt area" in the North-western province. The area has been underdeveloped for a long time, but with mining coming into the area, including one of the largest copper mines in Africa, there are new opportunities for economic activity and growth in the area. Its economy is wholly dependent on the copper mining activities at Kansanshi, Lumwana and Kalumbila mine. As indicated in the earlier section, Solwezi population is expected to grow four-fold by 2035. A lack of planning oversight has resulted in the town's uncoordinated and chaotic sprawl. Currently, Solwezi lacks residential housing stock and social infrastructure to accommodate the growing population (mostly immigrants). It also faces considerable social challenges due to the inward migration from other parts of the country.

## 5.4 Methodology approach

In order to compute a composite index of multiple variables, the paper adopts the poverty measurement methodology.

Poverty is traditionally measured using a single dimension. Common among such measurement methodology is the Foster Greer Thorbecke (FGT) method. The FGT approach identifies the poor by setting a poverty line (z) corresponding to a minimum poverty level below which a person ($x_i$) is considered weak ($x_i<z$). Aggregation is achieved through the use of a numeric poverty measure that determines the overall level of poverty given the poverty line P(x;z).

In computing the multidimensional deprivation index, the paper draws on an extension of the FGT methodology proposed by Alkire and Foster (2007) which has come to be popularly known as the AF methodology. Alkire and Foster derived a new class of dimension adjusted multidimensional poverty measures based on the FGT poverty measures. The AF methodology satisfies an array of desirable axioms which includes 'decomposability' and 'monotonicity[4]. Decomposability property is useful in assessing the poverty conditions among target groups. It is appropriate for targeting poverty intervention programmes. Monotonicity, on the other hand, is a property that allows the changes in the number of deprivations experienced by the 'poor' households to reflect in the poverty measure. That is if the number of deprivations in which a 'poor' household increases, the overall poverty should increase (Alkire and Foster, 2007).

Since there are multiple distinct dimensions as opposed to one, there is a need to find a way of identifying and measuring poverty. Alkire and Foster (2007) propose the use of dimensional specific lines which are called cut-offs as a basis of determining who is deprived and in which dimension. Alkire and Foster further posit the existence of an identification function, which determines whether a household is deprived enough to be called weak, and a poverty measure, which evaluates how much poverty there is overall. Therefore, following the AF methodology, the following steps are taken to identify the poor suffering from multiple deprivations and to aggregate the results.

[4] Ibid

1. Identification

The first task is to construct a matrix y of well-being scores for n households in d domains. Domains are indicators for dimensions such as health, living standards, education, etc. A vector z of deprivation cut-offs is used to determine whether a household is deprived in each domain. If a household does not meet the deprivation cut-off, the household is said to be deprived in that dimension. The next step is to create a matrix $g^o$ that takes the value of 1 if a household is deprived and zero, otherwise. Thirdly, ci is created, a one by m vector which counts the number of dimensions that a household is deprived. Fourthly, then set a cut-off k which identifies the poor if $c_i \geq k$. In our case, the number of domains used in the study is 12, and the cut off was set at five domains. This means that a household was identified as deprived if it was deprived in 5 or more dimensions.

Using the dual cut-off approach, the identification function is then derived as $P_k (y_i;z) = 1$ if $c_i \geq K$ and $P_k (y_i;z) = 0$ if $c_i < k$. A vector w of weights is used to indicate the relative importance of different deprivations. In this paper, equal weights are applied to each of the dimensions. Four dimensions, education, urban productivity and competitiveness, Housing, and municipal services are considered. Each of the four was given a weight of a quarter (1/4). This weight was further distributed equally across the indicators under each dimension.

2. Aggregation

The aggregation step of the AF methodology builds upon the standard FGT methodology which also generates its class of measures.

This involved calculating some partial indices that provided information on some single aspect of deprivation. The multidimensional headcount ratio H is calculated as a percentage of household identified as inferior (i.e., dividing the total number of poor households by the number of population). The second is the intensity of poverty A which shows the deprivation share for each household. This is derived by adding up all household's share of weighted deprivations and dividing by the number of deprived households. Using the above sets of information, we derived the adjusted headcount ratio Ma which is used to measure acute deprivation. The Ma is the mean of the censored deprivation matrix and can also be derived by multiplying M and A (MxA). The Ma satisfies dimensional monotonicity.

## 5.5 Justification for the methodology

The proposed methodology as suggested by Alkire and Foster is very adaptable to different contexts, and purposes in that different dimensions and indicators can be selected depending on the purpose at hand. For example, different dimensions of deprivations might be relevant in different countries. The methodology could also be used in one sector, to represent the quality of education or dimensions of health, for example. Also, different weights can be applied to dimensions or indicators. Furthermore, ordinal, categorical, and cardinal data can all be used. The signal advantages of this measure for policy is that it is highly intuitive, is easy to calculate, and can be decomposed by geographic area, ethnicity, or other variables. The measure can then be broken down into its dimensions to identify which deprivations are driving multidimensional poverty in different regions or groups. This last factor makes it a powerful tool for guiding policies to address deprivations in different groups efficiently. It is also a useful tool for targeting (Alkire & Foster, n.d.).

## 5.6 Data Requirements

This methodology requires data for each variable to be available from the same survey and linked at the individual or household (HH) level. For this purpose, the CSO 2010 Census of Population and Housing data was used. The 2010 Census data included many variables that are useful in defining multidimensional poverty. Stata statistical software was used to compute the statistics. The table below shows the type of dimensions and their indicators which are contained in the Census data. The unit of analysis is the household with the total number of households used being 2,178,482. The composition of the households in the three districts is shown below:

**Table 11: Number of Households in the data set**

| City | Population in rural | Population in Urban |
|---|---|---|
| Lusaka | 0 | 331,831 |
| Ndola | 0 | 78,321 |
| Solwezi | 23,808 | 15,980 |

The table also shows the weights that were assigned to the domains and indicators. The 2015 Living conditions and Monitoring Survey (LCMS) data would have been ideal for this exercise. However, the data set could not be used given that the sample was the only representative at the provincial level.

### 5.7 Dimensions & Indicators

The following table describes the dimensions and indicators used in the study.

Table 12: Dimensions and cut-off

| Dimension (weight) | Indicator | Deprivation Cut-offs | Weight |
|---|---|---|---|
| Education (1/4) | Whether people can read and write in the city or | An adult in a household who is not able to read or write | 1/8 |
| | the proportion of people beyond grade 12 | Deprived if a household head's education does not exceed grade 12 | 1/8 |
| Urban productivity and Competitiveness (1/4) | Employment status and skills endowment | Unpaid family worker and self-employment | 1/8 |
| | | Deprived if the household head has no tertiary level qualification | 1/8 |
| Housing (1/4) | House type | Deprived if house type is unconventional[5] | 0.083 |
| | Flooring | Mud/wood (not wooden tiles), other | 0.083 |
| | Overcrowding | | |

[5] A building that does not meet the legally approved building standards

| | | | |
|---|---|---|---|
| | | Deprived if more than four adults share a bedroom | 0.083 |
| Municipal services<br><br>(1/4) | Lighting energy<br><br>Cooking energy<br><br>Access to clean sources of water<br><br>Garbage disposal<br><br>Toilet | Deprived if the source is not clean<br><br>Deprived if Wood, cow dung, charcoal, none<br><br>Deprived if sources are- unprotected borehole; unprotected well; river; dam; lake; other<br><br>Deprived if garbage collection services are not available<br><br>Deprived if bucket and no toilet | 0.05<br><br>0.05<br><br>0.05<br><br>0.05<br><br>0.05 |

### 5.8 Computation of indices

#### 5.8.1 Raw headcount by dimension

The table below shows the outcomes of the headcount for each of the 12 domains.

**Table 13: Raw headcount**

| | House type | Floor | Water | Overcrowding | Lights | Cooking | Garbage | Toilet | Literacy | Education | Employment | Training |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ndola | 32% | 17% | 33% | 32% | 49% | 74% | 94% | 57 % | 5% | 68% | 53% | 72% |
| Lusaka | 4% | 1% | 10% | 39% | 38% | 50% | 59% | 77 % | 4% | 65% | 48% | 70% |
| Solwezi | 80% | 69% | 61% | 34% | 82% | 88% | 96% | 93 % | 15% | 61% | 75% | 76% |

Lusaka seems to have done very well in housing types with only 4% of the population living in shacks. Solwezi town has a long way to go in this regard. Although it is a provincial capital, it remained mostly underdeveloped until the three mining companies began operations in the area. Regarding the quality of housing, Lusaka still dominates with only 1% of the population with a mud floor. In Solwezi, 69% of the households have mud floors. The same can be said for access to tap water/clean water. Only 10% of households in Lusaka lack access to clean water sources compared to 61% in Solwezi and 33% in Ndola.

In all the three urban centres, overcrowding account for about a third of the households. Lusaka seems to fare relatively poorly in this regard at 39%. Access to clean lighting energy is also better off in Lusaka compared to the two other places. The same applies to cook energy although in this case, the proportion of deprived households increases for all the areas. For Lusaka, for example, 50% of the households are deprived of this factor compared to 75% in Ndola and 88% in Solwezi.

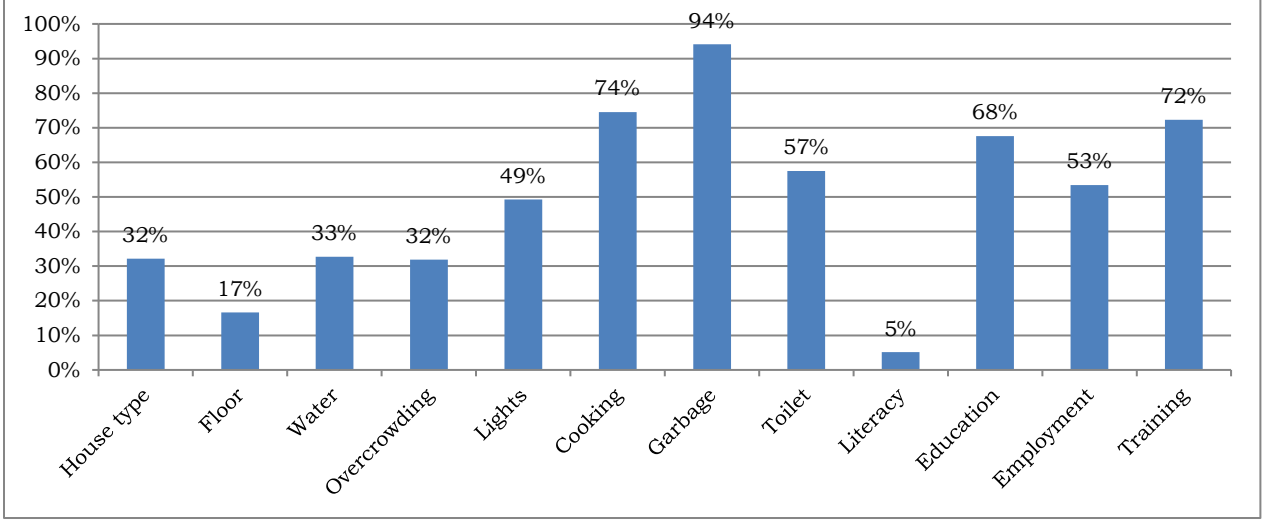
The performance for solid waste managers seems to be poor in all the three areas with over half of the households suffering this aspect. In Lusaka, 59% of the households do not have access to any robust waste services, compared to 94% in Ndola and 96% in Solwezi. Access to proper sewerage services lacks in all the three areas with Solwezi having the least access at 93%. For literacy levels, the country has done so well in this regard with only 15% in Solwezi who cannot read and write and 5% and 4% in Ndola and Lusaka respectively.

The raw headcounts based on each of the dimensions for Ndola are shown in Figure 3. As can be seen, the majority of the households do not have proper solid waste management services. The most common practice is to dig a pit and bury

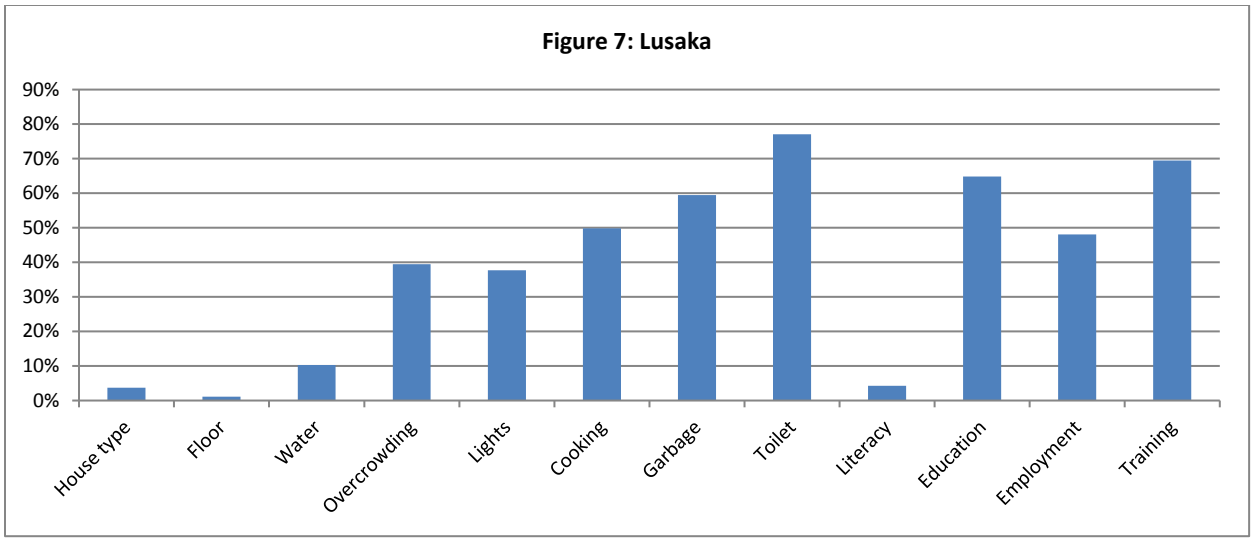
the garbage. The council, in this case, does not provide a solid waste collection service. Since the data was based on the 2010 Census, it could be that at that time there were also very few private solid waste collection companies servicing the city. Energy poverty is also very prominent in the city. 74% of the people do not use clean energy sources for cooking. The levels of skills endowment as well as education levels are some of the attributes that are making the city unattractive. Members who have no tertiary qualification head the majority of the households (72%). This perhaps can be explained by the fact that the majority (68%) of the household heads have not gone beyond grade twelve.

Households in Ndola also suffer the lack of access to proper sanitation services. A pit latrine is still popular with 57% lacking access to proper sanitation.

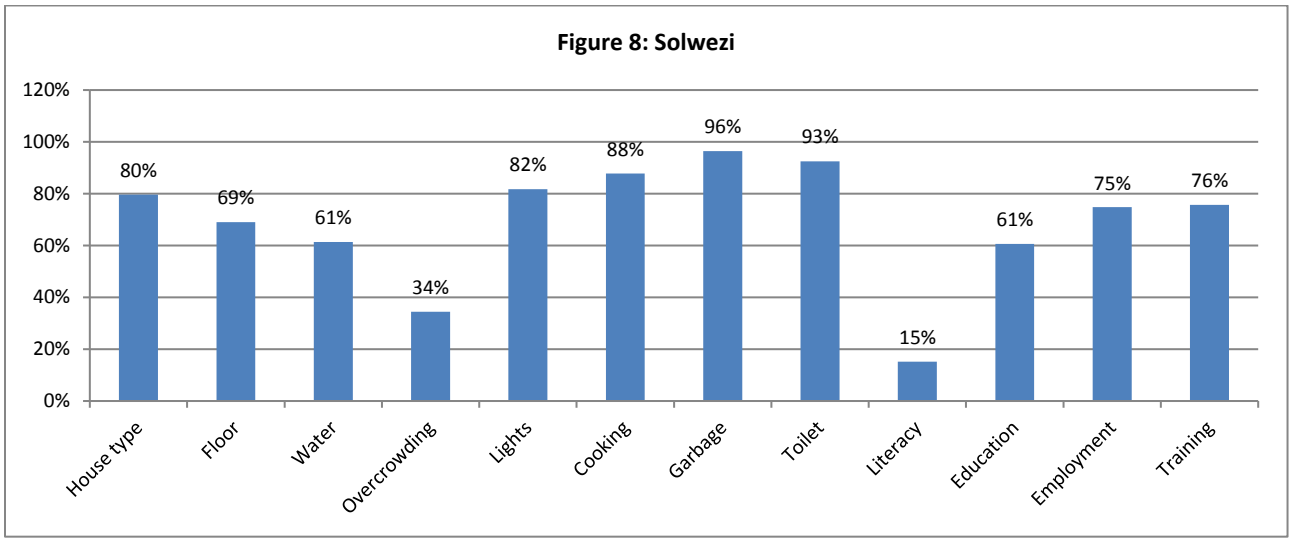
**Figure 6: Ndola**




Lusaka has performed quite well regarding the quality of and type of housing as well as access to clean water and literacy. However, it still has challenges with sanitation with 77% of the household lacking access to proper sanitation facilities. The city also has a relatively large proportion of unskilled workforce as well as uneducated people. Slightly over half of the households subscribe to solid waste services. Even if the city is relatively better off, access to clean cooking energy is also a challenge with 50% of the household using unclean sources of cooking fuel.




Solwezi, being one of the fastest growing cities in the country has many challenges. Only two, literacy (15%) and Overcrowding 34% are below 50%. The types of houses for the majority of household are unconventional (80%), the majority of household use hydrocarbon for lighting and cooking (82% and 88%), and the majority of households (96% and 93%) are lacking in garbage disposal as well as access to proper sanitation, respectively.



### 5.8.2 Derivation of the indices

For this particular analysis, the cut off is pegged at five dimensions meaning that the performance of each town is measured on the extent to which the household suffers at least five dimensions. The table below shows the parameters of measurements.

Table 14: H, A, and Ha

| | **Headcount** | **Intensity** | **MO** |
|---|---|---|---|
| Ndola | 68% | 60% | 0.41042 |
| Lusaka | 58% | 53% | 0.30379 |
| Solwezi | 84% | 73% | 0.61371 |

a) **The headcount (H):** This statistic indicates the proportion of household that is deprived in five or more areas. In this case, the results show that based on the 2010 Census data, 84% of the households in Solwezi lacked in five or more dimensions. This compares to 68% in Ndola and 58% in Lusaka. In or the three towns, the majority of the households are deprived in five or more dimensions.

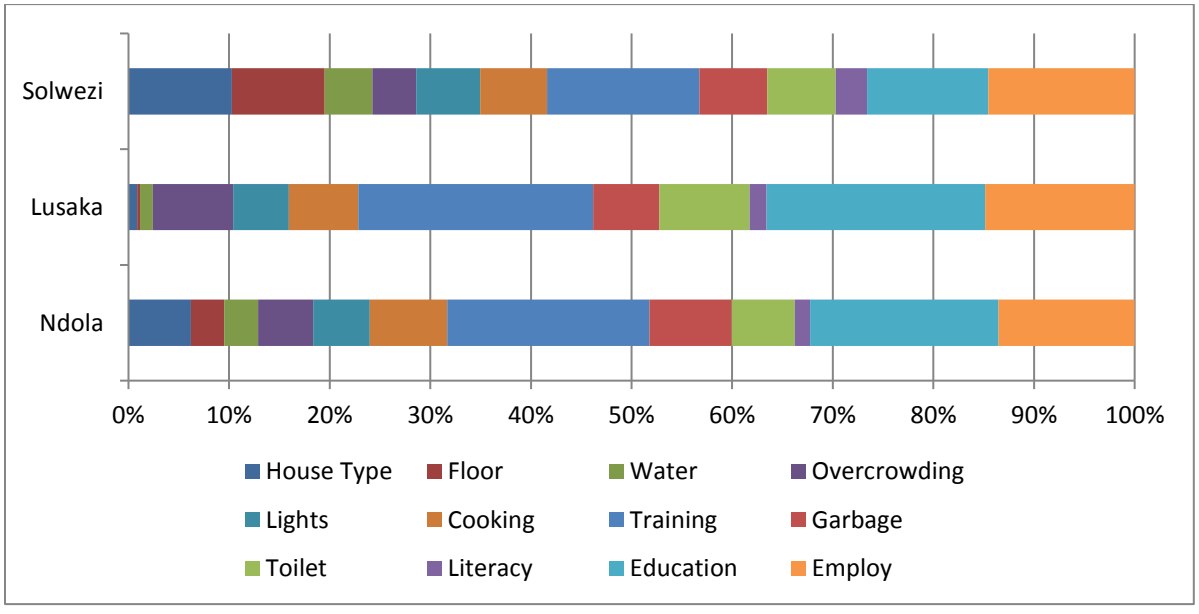
**b) Intensity (A):** This statistic shows the average number of domains suffered by each household in each town. The results show that in Solwezi, on average, a household is lacking in at least nine dimensions out of the possible twelve that were included in the model. In Lusaka, the average number of domains suffered by a household is six. This compares favorably to Ndola which is at seven dimensions.

c) **Adjusted Headcount (Ha):** The Ha is the most telling indicator that focuses on the population that is deprived in five or more domains. It shows the acute deprivation levels in the towns. This result is arrived at by multiplying the H by the A. The results show that as expected, in Solwezi adjusted Headcount is 60%, Ndola, 40% and Lusaka, 30%.

In addition to the above statistics, the figure below analyses the individual contribution of each dimension to the Ha of each town. It is clear that for all the towns, training, education and employment contribute more to the Ha than other dimensions. This means that the three are the most common factors that most households lack the most. It means that the relative education levels of household heads are low, and as such, they are not able to attain some training.

It also means that it is difficult for people to find jobs with this attribute. It could also mean that generally, jobs are not readily available for the populace. A necessary implication for policy is that the cities should invest in first and foremost the educating the population as well as in ensuring that there are sufficient opportunities for technical and vocational skills as well as providing incentives for investors to open shop in the cities. In Solwezi, quality of housing and housing types also contribute significant proportions to the Ha. Lusaka needs to address the sanitation. In Ndola, toilet, garbage, cooking and types of housing contribute equal proportion to Ha.

**Figure 9: Absolute contributions to the Ma**




The analysis above is extended to the top ten urban centres in Zambia. (Table 12). It can be seen that other than Lusaka and Livingstone, the cities that are predominantly mining towns are in the same range (30-40%). The standards of

the towns outside the line of rail, Chipata, and Kasama are way above 60%. An indication that the cities have a long way to function effectively.

Table 15: Ranking for the top ten cities

| Main urban centres of Zambia | Ranking in 2010 | HA |
|---|---|---|
| Lusaka | 1 | 30% |
| Kitwe | 2 | 38% |
| Ndola | 3 | 41% |
| Kabwe | 4 | 43% |
| Chingola | 5 | 38% |
| Mufulira | 6 | 36% |
| Livingstone | 7 | 36% |
| Luanshya | 8 | 40% |
| Chipata | 9 | 65% |
| Kasama | 10 | 66% |

### 5.8.3 Discussion

In this section, the paper attempts to explore the use of a composite index as a basis for measuring the performance of local authorities in meeting the welfare needs of the inhabitants. The index used the 2010 census data which covers all districts in the province. The methodology is useful in as far as the data is available. In Zambia, however, availability of data is a huge problem. Operational level data from councils is challenging to access and as such, census data is used to proxy most of the variables. The councils seldom produce reports, and if they do, the reports are always lagged. The Central Statistical Office (CSO) in Zambia collects welfare level data through the various sets of surveys it undertakes. The census of population and housing is usually the most comprehensive dataset. The problem is that this survey is only conducted after a space of ten years. The second best is the LCMS, a sample survey covering about 20,000 households. However, the data sets have a compressive list of variables that can speak to the various aspects of the service delivery of the councils, especially when they are fully evolved. The variable includes housing (types, quality, ownership), access to services, income, employment, economic sectors among others. This paper could not use the latest LCMS dataset because the survey was not representative at the district level.

If such a proposed index is adopted by the local authorities, it would mean that they would need to be transparent about the institutional level data which could go into the index. The CSO would be the appropriate entity to collect the data and manage the database. However, there is scope for research institutions including universities to participate in developing the indices. The Ministry of Local Government could support the process by ensuring that the resources needed for such an exercise are covered under its budget. There may be a need, for example, to decentralize further the offices of the CSO, which are currently at the provincial level. Further, other data variables may need to be included to ensure that the index captures all the facets of services under the jurisdiction of the local authority.

## 6. Conclusion

In Zambia, the local government's structures have been assigned increasing roles and responsibilities. These responsibilities are aimed at ensuring that the service delivery to the people is enhanced and the welfare standards are improved. The paper has highlighted the projections regarding the growth of cities. This paper underscores the importance of well-functioning local government structures for urban development. Such structures are essential both for issues of democratization and good governance, as well as for service delivery to the urban poor. In the case of Zambia, the various reforms to the local governance structures meant that the capacity of the local government to deliver services effectively was undermined. The central government stripped the councils of most of the viable revenue generating streams. The councils were left to depend on the central Government to survive. These measures led to the collapse of the service delivery by local authorities.

The recent measures of decentralization have however put the local government structures on a life path. Although the process of full devolution is still too far away, the legal framework and some administrative measures are already in place. The new policy measures entail that the councils will assume some of the functions that central government was doing. Functions that to be administered locally include early and primary education, electricity provision, garbage collection, and health and business development. The local government will now be in charge of ensuring the households in the district or municipality or city have access to all the amenities that will enable them to improve their standard of living. The councils will now be directly responsible for ensuring that people have proper housing structures; that people have access to clean water and sanitation; that the primary education standards are maintained, and children have access to early childhood education facilities.

The proposed welfare measurement index, therefore, will play a pivotal role in helping cities measure performance. The cities will need to have a basis of assessing their performance in meeting the various roles that have been assigned to them through the devolution process. The primary goal of devolution is that the councils are well placed to deal with the challenges that the households face subject to the availability of resources needed to execute the functions. A performance measurement composite index that shows the severity of deprivation will be a reliable indicator of progress for the councils.

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