Chapter

Future Planning of Global South Cities with Inclusive Informal Economic Growth in Perspective

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Abstract

Current urbanization trends and projections clearly indicate that the global South cities, especially of Asia and Africa, would be at the receiving end of about 80% of the expected 2.7 billion increase in urban population between 2010 and 2050. These trends and projections make it imperative for the future planning of the global South cities to step out of the box, away from the traditional planning systems, and begin to adopt inclusive and innovative planning approaches that would efficiently tackle the current and emerging urban realities in these cities rather than sticking to rigid planning standards that ignore realities, generate continuous conflict, and fail to take advantage of the potentials of these urbanization consequences, especially the resilient informal economy. The chapter examines the urbanization trends and one of its major challenges in global South cities; informal economic activities, the planning implications of these informal economic activities, various approaches that have been adopted by different governments and the effectiveness or otherwise of the approaches in tackling the challenges of informal economy. The chapter also focuses on the successful planning approaches that have been implemented with a view to portraying the key lessons that can ensure its applicability in other global South cities facing similar challenges.

Keywords: planning, informal economy, global South cities, inclusive

1. Introduction

The global dichotomy between the global North and global South is not a mere fiction but a fact that actually plays out in many spheres of life [1]. The current position of many nations in the global South is involuntary, however, the derogatory characteristics of a global South nation can change when there is a sincere, determined resolution by all stakeholders to make the nation functional and efficient. The much needed functional cities in the global South cannot be achieved without deliberate, effective and apt urban planning. A clog in the wheel of progressive change in urbanization trend of these cities is hinged on the unrelenting position of many global South planners who cling to their colonial-master-bequeathed planning approaches without consideration of current realities, with the results that these cities evolve and grow without circumspective direction and proper management of urbanization trends.

In the light of the above scenario, the characterization of global South cities as informal-economy-cities has not only just persisted but is expanding and taking
new dimensions. Consequently, this chapter briefly discusses the trend of planning at different epochs in history; examined urbanization, and its major consequence in global South cities, which is informal economy. It further explores the Neo-liberal thinking and trends, which underpins and sustains the perpetration of informal economy, and details and interrogates the predominance of informal economy in global South cities. The Chapter specifically devotes sections to discuss the relationship between urban planning and informal economy; the need for adjustment in global south urban planning standards to meet current realities, with lessons drawn from successful story of Singapore, a global South city that has become a model for other global South cities, showing that being an informal-economy-city is not a permanent status but can be transformed when necessary actions are taken by all stakeholders. Finally, the chapter proposes innovative and inclusive urban planning design as the path to economic growth in global South cities.

2. Traditional planning system in the global south cities

The discussion on the trend of urban planning will be incomprehensive without retrospection on the trends of human settlements/development. In fact, each stage of urban planning can only be effectively discussed within the context of the prevailing development era and so a better chronological order is to discuss the type and level of planning that prevailed in each human development era. The focus of this section though on planning in global South cities, needs to first discuss planning globally since most global south planning systems are bequeathed by their colonial masters especially in African cities and their contemporary planning practices still have its foundation on the inherited system. The following section therefore focuses on planning during the six major historical human development eras before the contemporary period.

The human settlement is an organized grouping of human habitation. The first stage of prehistoric human era known as the Paleolithic era was characterized by trial and error of the stone age-man. The Stone Age man at the experimental period had no definite settlement and moved from one place to another, it was a period of experimentation in virtually every facet of life [2]. At this point, planning was non-existent and actually irrelevant since man lived a nomadic life and the only moment of temporary abode was during very harsh weather and security threats in caves and cliffs. The next human development era was the Neolithic era which started around 6000 BC and was characterized by initial settlements first as temporary and gradually to permanent settlements. In this era, the first attempts at planning were identified where the people settled at different locations based on some criteria and definite situational advantages. Planning at this point was informal but was obvious as the location of settlements was based on clearly defined advantages that such locations provided for the settlers. Some of the choice locations for settlements in the Neolithic era included near water bodies and cultivable lands. The next stage is called Bronze Age also known as Urban Revolution was an era when agriculture was the major source of income and so most planning attempts were to organize the available land for effective agriculture as well as set standards for the few towns that had come into existence then. The Bronze Age was a remarkable period and can actually be described as the real starting point of planning. The fourth epoch was called Classical Age. It comprises mainly Greek city-States and Classical Romans. It was at this stage that saw the laying of the many foundations for urban planning especially by Hippodamus regarded as the father of urban planning. The Medieval Age was a time of regression both for the planning and other aspects of life then and as such
no progress was made. The Renaissance era, saw to the revival of planning and some more steps of progress made in the cities that existed then (mainly in the current global North). The features of Renaissance town planning include radial concentric town layout, carriage-way development and landscape planning ([2], p. 50). The Nineteenth century/Industrial Age had a lot of challenges for urban planning and gave the opportunity for planning to thrive and became a very relevant profession especially with the contributions of Robert Owen and Ebenezer Howard.

In the global South, most of the locations known today as cities started as rural areas and had some form of informal planning. Typical examples are some communities in Nigeria (which are part of the global South cities) as Ile-Ife, Kano, Oyo and Bini. The planning practice then was characterized by the ordering of the community features in a radial form with the prime feature such as the King’s palace or place of worship at the centre [3].

The contemporary urban planning is traced to the planning standards introduced by the colonial masters in many global South cities. In Nigeria, the 1932 Town and Country Planning Act of the United Kingdom formed the basis for the 1946 Nigerian Town and Country Planning Ordinance (No. 4) [3]. The current Urban and Regional Planning Law (1992) is also rooted in the former existing laws. Many other countries formally colonized in the global South share the same experience of Nigeria. Singapore is another typical example; its planning legislation was based on the British Town and Country Planning Act of 1947 [4]. The impact of colonial planning laws on the colonized global South cities is quite obvious in the physical organization of the cities right from the colonial era till date. The underlying factors that influenced the colonial planning legislations especially that of the 1930s and 1940s in Britain/Europe are no longer tenable even in the originating nations but unfortunately the colonized nations that were bequeathed with these planning legislations still hold tenaciously to them even in contemporary divergent situations [5]. Also the planning standards practiced in the colonial era had some design issues that were elitist, yet contemporary planning systems in the global South have rigidly upheld these standards till date. The Contemporary planning system is vividly captured by Watson ([6], p. 2261).

Remarkably, much of the global South, as well as part of the North, still use variations of an approach to urban planning which emerged in Europe and the US in the early part of the 20th century, adapted to forms of government and urban conditions which have changed significantly.

The traditional forms of planning that have persisted in global South cities are opined to somewhat be driven by some forces [6] even the current trend of global South cities’ urbanization reveals their inadequacy and ineffectiveness.

3. Urbanization and its effects on the global south cities

The global population reached the 7 billion mark in 2011 and is expected to get to the 9 billion mark by 2050. Urbanization, which is the influx of people from rural to urban areas, is a global concern. Globally, urban population reached the 50% mark in 2007 and has continued to increase ever since then with a projected 70% by 2050. Urbanization is a process predominant in the global North in the nineteenth century and has currently shifted to the global South [7]. It is predicted that 80% of the expected 70% urban population by 2050 would be resident in Asian and African cities [8]. The urbanization of the global North was accompanied by many positive effects such as new employment opportunities and poverty reduction. However,
global South urbanization is fraught with many challenges in virtually every facet of the society due to its rapid rate and the governments’ unpreparedness for the challenges. The urbanization challenge focus of this work is on the urban economy and its effect on the urban environment. Urbanization in the global South has had a great toll on the economy. The influx of people to urban areas in the South has led to constant increase in the level of unemployment. As the population increase has not been matched with commensurate growth in gross national product (GDP) and employment provisions both by the government and the private sector resulting in high level of unemployment with many urban residents resorting to the informal economy. The urban informal economy characterized by unregistered and unregulated businesses, has become the sole resort for many urban residents. This informal economy has been traced to some government policies and international economic policies which have affected the global South nations more than the developed global North nations. One of the major policies that have influenced and sustained the informal economy is neo-liberalism. Going through history, one can glean insights on how humankind and their groups have identified and reacted to threats and openings which were embedded in their natural settings. Urbanization, in this case, is seen as one of three fundamental approaches in history employed by humans towards problem solving. This particular approach involves movement of people from areas of scarcity and lack to areas of available resources. As for the actual timing of when urbanization started, it is believed to date back as far as the pre-historic period of 2350–1800 B.C.

Urbanization is not restricted to any particular region of the world; however, the rate at which urbanization is taking place is seen to be fastest in global south cities of Africa, Latin-America, Asia, the Pacific and the Caribbean. The United Nations (UN) projection is that higher than 4 billion or 77% of urban residents of the world will be in less developed regions in 2025. This figure will translate to a total increase of 186% or an equivalent of 2.61 billion new urbanities in Latin America, Asia and Africa starting from 1990. The State of World Population indicates that in year 2009, urbanization level in less developed countries stood at 45 and 29% in least developed countries. The growth rate of urban population in the same report indicates 2.6% for less developed countries and 4.1% for least developed countries annually.

A greater percentage of people who move from rural to urban areas find themselves living in harsh or extreme conditions, more often than not, in the worst areas of cities. Such areas are often characterized by slums and squatter settlements. Houses in these areas are mostly shacks and cheap self-made apartments of mud, wood and zinc, corrugated iron sheets, etc. The most unfortunate ones are completely homeless or just manage to put up anywhere possible in global South cities like in Nigeria.

3.1 Effects of urbanization

Urbanization has both negative and positive effects on global South cities, though, discussions in this respect often tilt towards the negative effects. The negative effects will be addressed along two broad areas of environment and economy.

3.1.1 Environment

Urbanization effects on the environment of global South cities come in two major ways: air and water pollution. The hallmark of cities and towns is the existence of automobiles and factories. As more people move into cities, larger quantities of dangerous gases such as carbon-dioxide, carbon-monoxide and
nitrogen oxides, and smoke are emitted into the atmosphere. These gases present severe threats to our health and are known to cause serious respiratory challenges. What is more it is generally responsible for depleting the ozone layer with the many adverse consequences. The next immediate environmental challenge is water pollution. Increase in the population of the cities makes it difficult to manage water generated for use. Most times, waste generated find its way into streams and rivers or onto the streets. Sometimes, solid and other waste from factories is dumped into water bodies. As this happens, the water sources become polluted and dangerous for use. In consequence, city dwellers are presented with more difficulty in assessing clean water.

3.1.2 Management of waste and sewage (sanitation issues)

It has already been pointed out that slums and squatter settlements are unavoidable fallouts of urbanization, management of waste and sewage is a major problem in these areas. One of the reasons is that official health and sanitation arrangements do not adequately cater for these areas. In as much as the city dwellers are not directly involved, any outbreak of diseases or epidemics will definitely not spare city dwellers. Most of the residents of these settlements indulge in open defecation with the attendant health hazards associated with it.

3.1.3 Other types of pollution

There are a number of other types of pollution which urbanization brings in its wake. They include traffic congestion which comes with the inevitable increase in various kinds of automobiles such as pedicabs; noise pollution which result from extra noise from small production units established by the migrants; inconvenience to pedestrians as they struggle with hawkers and street vendors; and a host of other types of environmental pollution. Another ancillary urbanization issues is the emergence of urban sprawls. This requires special mention as a form of environmental adverse effect of urbanization. The reason is that urban sprawls are not part of the original urban planning policy of any city. A sprawl indicates an increase in space or adjoining area of a city. Sprawls provide a haven for a plethora of informal economic activities which put pressure on the facilities meant for formally planned segments of the cityscape.

3.1.4 Economic

The economy of global South cities are affected by urbanization in several ways:

3.1.5 Unemployment

Generally urbanization comes with it a spillover effect of hands that are not engaged in productive activities. The unemployment among developing countries of the global south cities have been a thing of worry. For instance, the official figure of Nigerian unemployment is put at 23%, while youth unemployment figure is put to about 52% as at 2018 [9]. The immediate side effect of this high level of unemployment is unrestrained increase level of poverty. As at 2017, Nigeria with a population estimated at about 200 million people had about 86 million in extreme poverty. This made her exceed India as the highest destination of poor people globally. On the wheels of this growing incidence of poverty is increased spate of criminal activities such as banditry, kidnapping, bribery and corruption among many other crimes. The basic explanation is that man is self-preservative, and in the
absence of a genuine means of livelihood, resorts are made to criminal activities for survival. This fits into the age-long proverbial saying; that an idle hand/mind is a devil’s workshop.

3.1.6 Loss of natural ecosystem

The springing up of urban sprawls is attended with the destruction of forests and natural reserves for squatter settlements. This leads to the loss of farm land which ordinarily would have been available to city dwellers for farming.

3.2 Benefits of urbanization

In as much as urbanization has negative effects on global South cities, however, there are immense benefits that accrue when cities get urbanized. Urban cities enjoy delivery of services in terms of supply of basic amenities such as water, electricity, and health attention. This flows from the fact that administrations of cities are usually planned. Different activities of city life are allotted to specific areas and are carefully monitored to ensure compliance. In comparative terms, life in the city is much more sophisticated and advanced than the rural areas. It boasts of better transport, communications, educational and health facilities. There is much more convenience and comfort in the city. Finally, products of different types both local and foreign normally find their way into the city. Larger markets are cited in the city and these attract buyers and sellers from diverse places. This result to growth in commercial activities much more than what obtains in the rural areas. Other benefits include: growth in economy, social and cultural integration, efficient use of resources.

4. Neo-liberal trends and effects on global South cities

The word Neo-liberalism etymologically is an amalgam of two words, namely ‘Neo’ which means ‘new’ and ‘liberalism.’ which connotes ‘freedom and without let’. The simple literal translation is that it is a new and revived form of liberal political economic thinking. Impliedly, this definition suggest that there was a time liberal ideology ruled the political-economic thinking of the world; and with time got replaced by other ideological thinking, and has come back into the political-economic thinking with the new christened name- Neo-liberalism [10–13]. Proponents of this perspective see Neo-liberalism as a revived form of liberalism.

Another perspective of looking at Neo-liberalism is akin to the concept of ‘Neo-conservatism’ which descended from and shares a lot of similarities with conservatism but represent a different thoughts altogether [14–16]. The implication of this school of thought is that neo-liberalism, albeit, share the same roots and similarities with liberalism it comes with a lot of embellishments to give it an independent school of thought. The key question is what is the essential thrust of Neo-liberalism thinking? What are its trends and how does it affect global south cities?

4.1 What is neo-liberalism?

The concept of neo-liberalism is fraught with polemics and varying interpretations in the literature that it defies uniform and integrated definition. These divergent opinions inhere from the fact that most literature discourse of neo-liberalism is largely approached from the point of critiques rather than an attempt at definition, description and postulations. The heterogeneity of opinions notwithstanding,
neo-liberalism shares certain coherent characteristics, strands of thought and ideology that give it a unique characterization in the literature.

The roots of Neo-liberalism can be traced to the realm of political-economy. As a successor to classical liberalism, it shares the belief that the best way to efficiently allocate resources is to leave it in the hands of free market forces. As Munck [17] rightly observes, neo-liberalism is an economic philosophy which believes that the best way to allocate resources is to give free reign to market forces and individual liberty to economic pursuit. Consequently, neo-liberals advocate for less government interference in economic activities as it undermines the fine logic of distributional efficiency of the market. A more concise definitions of Neo-liberalism were given by Harvey [18] and Blomgren [19] thus:

\[\text{Neo-liberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets and free trade ([18], p. 2).} \]

\[\text{Neo-liberalism is commonly thought of as a political philosophy giving priority to individual freedom and the right to private property ([19], p. 224).} \]

Implicit in these definitions is that Neo-liberalism advocates for and promotes the freedom and liberty of individuals to pursue entrepreneurial activities, free exchange of goods and services and own private property. Inherent in these definitions is that the state should act as umpire and provide the necessary enabling environment for the individuals to actualize their potentials. Given this ensuing analysis, it is axiomatic therefore to conclude that modern day capitalism and the accompanying democratic philosophy is underpinned by Neo-liberal ideology.

It is pertinent to note that neo-liberal thinking has evolved overtime with various prototypes at display in its shelf. These varying typologies descend from the literature polarization of the understanding of the role of the state in economic activities and the degree to which it should intervene. From the time of Adam Smith, who was the proponent of classical liberalism (believes that the state should steer clear from meddling into economic activities) and John Maynard Keynes, who is the father of macroeconomics and a firm believer that state should run the economy, other economists pitch their tents in between these polar ends. In the same vein, Neo-liberalism has various categorizations according to the limit of state’s role in economic activities. Some extreme Neoliberals believe that the state should be abolished completely, they are referred to as ‘anarcho capitalism,’ while some others believe that there is need for a strong state whose role is to safeguard individual liberty and property rights [20–22]. The latter is referred to as classical liberalism.

In a nutshell, Neo-liberalism is a political ideology that believes in the free reign of market forces as a best means of allocating resources with the role of state being to provide the enabling environment to protect individual freedom to economic pursuit and property rights.

4.2 What are Neoliberal trends and effects in global South?

There is no doubt that we live in a globalized world, with various nation states linked together in such a way that the world is seen as a global village [23, 24]. The implication is that what happens in one region generate in some ways a ripple effects in other regions of the world. The neo-liberal thinking which was developed in the global west has since permeated and shaped the political and economic thinking in other regions especially in the global south. For instance, the major institutional
frameworks that drive neo-liberal thinking are capitalism (economic mode of production) and democracy (political ideology). Prior to the era of neo-liberalism of the nineteenth and twentieth century, various countries of the global South cities adopted various types of political-economic ideological formation. In sub-Saharan African countries for instance, depending on their historical experiences, there were divergent political experimentations. While some practiced various forms of western democratic type of government, others practiced eastern type of communism and yet others experimented on domesticated forms of African socialism. At some point, military type of centralized totalitarian government became the vogue among many countries in the global south nations. However, with the increased specter of neo-liberal thinking there is an overwhelming convergence in the adoption of western democracy as the best form of political ideology. The tenets and values of western democracy has become so internationalized that there is instant global rejection of any overthrow of any democratically elected government by way of coup d’etat. Fascism and totalitarian government in any form, including apartheid regime were denounced and repudiated. As a result, what you see, albeit there are various shades, is the enthronement and respect of democracy as the dominant global political thinking; many thanks to neo-liberalism.

The question is how did this neo-liberal thinking permeate the political thinking of these global south cities? The answer to the question takes us back to the nature of the relationship between the global south nations and their previous colonial or trading masters. During and after colonialism the relationship between these developing countries and their colonial masters continued in the form of dependence of the former on the latter. This subservient relationship shifted from direct political and administrative dependence during colonialism to economic dependence during post-colonial dispensation. For instance, most advanced western countries used loans and grants conditionalities to compel these nations to politically align to liberal democracy and to deregulate their economy. The Breton woods institutions (IMF and World Bank) that are used to supervise many of these credit handouts would usually require the beneficiary nations to structurally adjust their economy to align to neoliberal thinking before the deal is struck.

Another manifest influence of Neo-liberal thinking in the global South economies is the unprecedented bilateral, multilateral and international growth in trade relations between and among countries of the various geographical divides. Neo liberalism has supported the removal of barriers and inhibitions to global trade to the extent that most global south cities are net importers of basic necessities of life. Several institutions such as World Trade Organization (WTO), United Nations Conference on Trade and Development (UNCTAD) and a plethora of regional and sub-regional trade agencies were conceived to facilitate international trade. The implications are that the specter of neo-liberalism has left in its wake a clear dismantling of the structural inhibitions to international trade. This move is further supported by credit, aid and donor granting agencies that insists that these barriers would be removed as a condition for continuous financial aid to these countries. The anticipated and sometimes unintended consequences of these unequal economic relations are the growing huge indebtedness of these developing countries to international financial institutions.

The concluding remark of this section is that neoliberalism provides the theoretical context that explains the spiraling growth of informality in the global South cities. Neo-liberalism supports a milieu that promotes free economic enterprise with minimal, if any interference from the state. The implication of the tenets of neo-liberal theory is the roll back of the state and by extension, the reduction of formal sector which unfortunately, contemporary formal urban planning in developing countries superintends [25, 26]. The growth of urbanization and complimentary
deregulation of the economy as supported by neoliberal thinking and forces provides theoretical explanation of the growth of informal sector in developing economies of the global South.

5. Predominance of the informal economy in global South

Defining informal economy or informal sector has attracted much research within academic circles. In literature, hence, there is a plethora of definitions and perspectives of informal economy. Many more definitions and re-definitions are still on-going. For this study, however, two definitions are trite: (i) The last general discussions of informal economy by the ILO tripartite constituents in 2002 International Labour Conference... define informal economy to include “all economic activities that are—in law or practice—not covered or insufficiently covered by formal arrangements”; and (ii) Employment in the informal sector was defined by the 15th International Conference of Labour Statisticians as “including all jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a supplementary job”.

Researchers have attempted to delineate the main threads that run in the several definitions. For instance, Kasarda and Grenshaw [27] after synthesizing several works submitted that the conceptualization of informal economy were hinged on four main characteristics namely: (i) size of firm; (ii) source of financial and material resources; (iii) the degree of linkages between regulated and unregulated sectors and (iv) the extent to which firms comply with government regulations. With regards to the main characteristics of enterprises that operate in the informal sector, Becker [28] presented the following characteristics; (a) start-up and conditions are minimal; (b) activity level is normally small with a number of workers; (c) normally, formal education does provide the expertise required for business operations, and (d) goods and services produced require a lot of labour.

5.1 Origin of informal economy

The informal economy or sector had existed in various forms in the pre-historic times. In literature, however, two research works are credited with popularizing the concept. The honor of “discovering” the concept has frequently been given to Keith Hart, a British Anthropologist, as a result of the work he did in Ghana from the mid-to-late 1960s [29]. The second work was the research by the International Labour Organization (ILO) alongside the United Nations Development Programme (UNDP) Employment Mission to Kenya in 1972 [30]. These research efforts are believed to have greatly popularized the use of the term and as a result triggered off much research in that field. Going through literature, however, reveals that each bloc/country within the economies in the global south regions have their peculiar version as regards the origin of informal economy.

5.2 Predominance of informal economy in Global South: Statistical evidence

Evidence is rife in research literature concerning the prevalence of informal economy in the Global South. On a global scale, World Bank [31] observed that an equivalence of two-thirds of the entire workforce is employed in the informal sector. On the African continent [32] observe that a good junk of economic activities are taken-up by the informal sector notably in mining, finance, commerce and manufacturing. Xaba et al. [33], in his sub-Saharan African countries’ study has
shown that the informal economy has shown to be the single practical option in the face a drop in rise of formal employment and has effectively functioned as a shock absorber, remained consistent across period and got enlarged in operations. Gali and Kucera [34] in agreement assert that the informal economy has repeatedly acted as a shock absorber for official employment, whereas, the informal sector accounts for 93% of jobs created in the African continent in the 1990s [35]. Comparably, whereas, the portion of formal economy recorded a reduction in the total workforce, the informal economy recorded an increase [33].

More statistics on the prevalence of informal economy in the global South was presented by ILO [36] and; Williams and Nadin [37]. When the incidence of informal sector vis-a-vis the formal sector is disaggregated across the various regions of the world in terms the percentage of the self-employed, we have the following data: 70% in sub-Saharan Africa (SSA); 62% in North America; 60% in Latin America and 59% in Asia. Horn (cited in [38]) notes that: 72% of non-agricultural employment in sub-Saharan Africa is informal; 84% of women non-agricultural workers are informally employed in sub-Saharan Africa and the greater part of recent employment in Africa are in the informal economy. Across the continent of Africa, reports that the informal sector provides between 50 and 75% of jobs, and 72% of non-agricultural employment. The portion of non-agricultural employment rises to 78% with the exclusion of South Africa. The informal economy has the following portions out of some countries’ labour force in Africa: more than 50% in Kenya and Uganda; about 43% in South Africa and Zambia; and 89% in Ghana [35]. Nigeria’s informal economy is believed to have contributed greater than 50% to both the entire country’s labour force as well as its GDP, estimated to have gone up from about 50% in the 1970s to about 65% in the 1980s [39–41]. Estimate of Nigeria’s average portion of informal economy relative to the nation’s GDP was put at 56% within 1999 to 2005 [42]. A third of Nigeria’s urban labour is believed to come from the informal economy [33].

5.3 The role informal economy in global South

Informal economy plays a vital role in transition and developing countries in facilitating successful adjustment to globalization and structural reforms. It provides a means of survival to a large number of poor and extremely poor workers in a society and also plays a vital role in unlocking entrepreneurial potentials which could become lost in the bureaucracy of formality.

6. Urban planning and informal economy in global South

Urban planning in the global South is established as founded and inherited from the global North [6, 43, 44]. The global South surely appreciates this offer, however, instead of moving ahead to re-examine what has been received and practiced for decades based on current urban realities, many global South cities’ planners have stuck to the traditional planning system, which Watson ([6], p. 2262) has aptly captured as dinosaur in contemporary era. The dogmatic attitude of global South planners in the midst of glaring current urban realities is very much exemplified in planners’ reaction to the informal economy which is obviously the ONLY available alternative for many urban residents based on the dwindling formal economy.

One of the descriptions of informality in Duminy ([45], p. 1) as a range of behaviours and practices unfolding within cities has been very much overtaken as many researchers have realized that informality and precisely informal economic
ventures have come to stay [46]; a fact that many planners in global South cities have refused to accept [43]. The stance of urban planners in relation to informal economy in the global South is mainly of three categories; suppression (which is the most common), compassionate disregard [47, 48] and the recently growing positive responses [26]. Earlier descriptions of informal economy as illegal activities no longer holds in many instances as some governments in the global South have realized the role of informal economy and started having a rethink, however many have adopted alternative terms for it such as small-scale enterprises, entrepreneurs, etc., probably to suit some class of the society. The indispensability of informal economy in the global South is not debatable as many governments do not have any tenable alternative formal employment for the growing unemployed in the cities. The realization of this fact has actually motivated the inclusion of entrepreneurship as a compulsory course in some institutions. Apart from the internal forces that are driving informal economy in the global South, there are external forces; economic globalization, neoliberal urban policy responses coupled with the 2008 global economic/financial crisis [46]. These turn of events re-iterate that informal economy (then traditional sector) is not a phenomenon that is about to fade off soon as earlier speculated by Lewis [49] rather it has not only come to stay in many global South cities, it has actually become the convention rather than the exception.

Despite these obvious relevance and permanence of informal economy, many urban planners are yet to view it from a positive perspective resulting in constant conflict between urban planners and informal economy operators. The non-acknowledgement of the role of informal economy operators has also caused planners not to key-into contemporary trends of maximizing the potentials of this group in some global South cities. Urban planners have been alleged to use the very planning instruments in their custody like the master plan and zoning as instruments to dispossess the urban poor among the informal economy operators of their property and source of livelihood many times without compensation or alternative livelihoods. This is particularly peculiar to Nigerian cities. Some governments in the global South are argued to be promoting informal activities by their policies and yet penalize the urban residents caught-up by these policies [50]. However, it's not all negative attitudes, Onodugo et al. ([26], p. 97) has some of the success stories on positive attitudes of planners/government towards informal economy while Yuen [44] tells the success story of Singapore.

7. The need for adjustment in global south urban planning standards to meet current realities

The dogmatic stance of many urban planners in global South cities has aggravated the challenges of many urban areas. Instead of working towards solving the problems, they are concerned with ensuring ‘ordered’ cities at the expense of livelihood, economic growth and accomplishment of many other sustainable development goals. However, Watson [6] has described the reason for the ineffectiveness of global South planners as a complex issue which in some cases lies beyond the powers and will of the planners and linked to some local political ideologies and beyond, to the international policies. One of the tools of traditional urban planning is the master plan, a very powerful tool that has been used by planners to affect the urban rich and the poor in different ways. For the rich, it’s a tool that helps them to maintain their properties at strategic locations of the city while the urban poor have been marginalized using the master plan. The master plan of earlier years concentrated on physical development without much consideration of other aspects of life like economic and
social. The continuous use of the traditional planning systems by global South planners especially in African cities to manage contemporary cities has been described as an impossible task ([51], p. 4 in [43]). This is due to Colonial-based urban planning systems adopted by these planners instead of contextual-based planning systems that take cognizance of the current urban realities in the global South. Another reason for the adjustment of the global South planning standards is that, the challenges of informal economic activities, were believed to be a problem characteristic of informal/unplanned settlements in global South cities and so did not constitute much challenge to urban planners’ areas of jurisdiction, however, recent researches have shown that since the Structural Adjustment Programme of the 1990s, the 2008 global economic recession and more recently, the international neoliberal policies, the proliferation of informal economic activities has extended to the formal/planned layouts of high and medium density and surprisingly to the low density areas [52], the very domain of the rich in our cities. This is thought provoking and calls for urgent action by planners rather than the dogmatic refusal to acknowledge informal economy. Another reason for planners to reconsider their planning standards is that many governments of the global South cities have found solace for unemployment challenge by setting up skill-acquisition centres, entrepreneurship centre and small-scale training and empowerment centre, no matter the nomenclature adopted, the bottom line is that the possible form of empowerment and employment that most global South governments can offer to the teeming unemployed youths and adults is in the informal economy. Yet urban planners have no plan for accommodating these growing entrepreneurs in most global South cities. This scenario will very soon make the planning profession in the global South obsolete, inefficient and irrelevant to the contemporary city-residents. It is therefore a wakeup call for urban planners in the global South to rise up to the current challenge to ensure a continued relevance. It is expected that planners should step up from the traditional planning systems that laid the foundation of global south planning and step into current urban realities of the global South by producing innovative and inclusive urban plans.

8. Innovative and inclusive urban planning design: The path to economic growth in global South cities

Innovative refers to featuring new methods; advanced and original, introducing new ideas; original and creative in thinking. Inclusive means including all the services or items normally expected. Innovative and inclusive urban planning designs therefore refer to planning designs that reflect steps ahead of the foundational planning systems to contextually-effective planning approaches that reflect current Global South urban realities. The innovative design should not be a copy and paste design that is a mere replica of the received planning standards rather it’s a design that takes into account what is currently happening and considering a projected future condition. For the design to be effective, every sector of the city needs to be given some consideration—ensuring that it is all-inclusive. The innovative and inclusive urban planning design, if proposed by the planner may not get to the point of implementation with other stakeholders and so is not solely dependent on the urban planner but the planner needs to conceive and propose the idea and should show adequate evidence of the design being implementable that can convince other stakeholders to key-into the design.

An innovative and inclusive planning design should not also be a one-size-fit all design, the fact that a particular design worked in a city does not mean it will wholly work out in another city. The important point to note however is the need for there to be a willingness to accept a workable design and then the design can be adapted.
to suit the prevailing context. One of the limitations of the traditional planning standards is its focus on physical planning, ordering of land uses to accomplish an esthetic city without adequate balance in terms of economic and social life of residents. An innovative design must give due consideration to economic growth which will sustain the design when implemented and improve the standard of living of the residents to ensure affordability of provided infrastructure. The need for urban designs that give consideration to economic growth in addition to the usual ordering of land uses in global South cities cannot be over emphasized given that most global South cities have already been condemned to the position of informal economy cities. Without a conscious plan that includes economic growth and considers the urban poor which is expanding in global South cities, the cities will continue in their status quo. The change in our planning approaches and designs must start with the mind set of first the urban planner who proposes the design and that of all other stakeholders. The short-lived Warwick Junction case [53] from 1995 to 2010 is an example that planners can actually step out of the box and get planning to work and maximize the potentials of informal economy in Africa, the briefness of this South African case makes it an incomprehensive case for a model. However, a better and vivid case of a global South nation that has stepped ahead of the rudimentary traditional planning standards and clearly succeeded is Singapore.

Singapore, the smallest nation (area-wise—700 sq km) in Southeast Asia, one of the least urbanized regions of the world like Africa; gained her independence from Britain on the 9th of August, 1965 after it was colonized in 1819. The economic success of Singapore from the 1980s saw it having its unemployment rate reduced to as low as 3% while its GDP growth averaged 8% up till 1999. The March 2019 unemployment figure is 3.2% [54]. The success story of Singapore’s urban planning is detailed in Yuen [44] and would be briefly discussed here. Singapore like other colonized global South cities had its Singapore Master Plan set out in the 1959 Planning Ordinance, which was a 20-year statutory planning for land use with the major objective of urban growth control and implementation of spatial improvements. This major objective depicts the general picture of British-inherited master plans. In a brief analysis of the objective; urban growth control in the global South cities is currently a very difficult; and almost impossible task especially when it has to do with rural–urban migration, the international urban growth control may be possible but not intra-national. The second part of the objective on implementation of spatial improvement is like dealing with a superficial outcome of an issue while neglecting the root-cause, implying that if the root-cause is not dealt with, the issue will keep resurfacing until the root-cause is adequately treated. Based on these two scenarios, the master plan has become an incompetent tool for current urban challenges. After Singapore’s independence, by 1971, they improved on the master plan by adopting the Concept plan—the non-statutory, strategic planning framework and the same year the Singapore Institute of Planners was established. In her description of the concept plan, Yuen noted that; it embodies a planning approach that is more agile and collaborative across all urban aspects. Reflecting goal-oriented strategic urban planning, its emphasis is on defining the emergent vision of the city and strategies to effect flexibility and responsive shifts to solve big urban problems and meet growing needs, changing circumstances and available opportunities as they arise. The approach is influenced by pro-growth politics, seeking to describe what a city should have rather than what it can have... ([44], p. 153).

The 1971 concept plan was reviewed in 1991 and 2001 and is planned for a regular 10-year review. Some key lessons to be gleaned from Singapore’s planning approach—Concept plan are as follows:
The concept plan is not all about physical planning but went a step further to give real consideration to the economy and even quality of life. Also the Concept plan entailed an integrated planning process that includes all agencies involved in all facets of development coming together to take a consensus decision on the development of the nation. The Concept plan was prepared to align with the twenty-first century globalization while the strategies are contemporary approaches such as urban greenery and new regional centres with the maximization of the scarce land in perspective. Two key words noted in the Singapore minister for finance’s speech ([55] c.f. [44]) are constant learning and adaptation these we believe are the secrets of Singapore’s planning and general success and unfortunately are the very elements lacking in the dogmatic, traditional planning approach of many global South cities that has kept them static and even in retrogression in some cases. The planning and development of cities have been opined to have effects on the urban challenges and possible resolution [44]. This chapter therefore advocates that other global South city planners and stakeholders should learn from Singapore and adopt innovative and inclusive planning approaches that will lead to effective planning and management of other global South cities.

9. Conclusion

The key problem that provided impetus for this study is the unprecedented population growth of most developing cities of the global South. This is so much that it is estimated that by 2050 it will provide haven for most of the world’s additional population. The immediate sequel to this is that urbanization trend in these countries has and will continue to overwhelm the formal sector of these cities. Consequently, the unplanned informal sector will fester across the formally planned and inherited urban cities, distorting the original master plan in its wake. Underpinned by neo-liberal thinking that promotes protection of individual’s right to free enterprise and private property ownership, coupled with limited labour absorptive capacity of the formal sector, informal sector will continue to thrive and grow.

This chapter views as anachronistic, moribund and counter-productive, the current rigid top-down exclusive planning approach by conventional urban planners that refuses to appreciate context specific changes in the socio-economic landscape of these global south cities. Insisting on an urban planning that refuses to integrate the views of more than half of the labour market (that operates in the informal market) in the cities is at best shadow boxing and at least an exercise in motions without movement as evidence point to colossal failure.

The import of, and perhaps the contribution of this chapter is the proposal that there should be a reversal of the present planning model that only sees to the formal sector. We propose that modern urban planning should be both innovative (finding new, context specific and creative ways of doing old assignments) and integrative. The latter implies admitting the changes that has occurred in the socio-economic and demographic landscape of urban development and incorporating all the stakeholders in the planning process. Inter alia, people tend to comply with policies that they made inputs in designing.
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