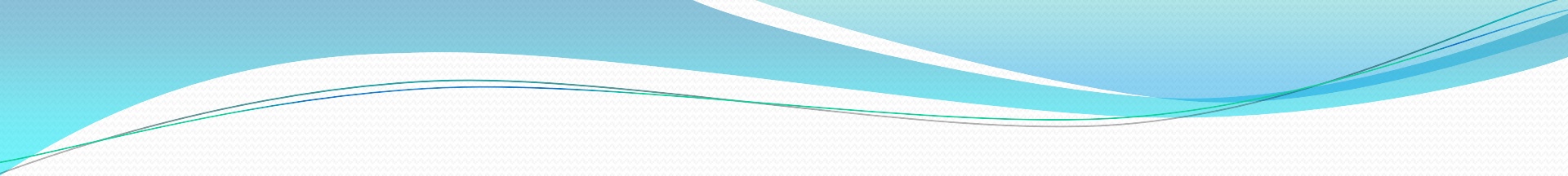




Urban Slums: Strategies of Survival

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- What are the strategies of survival: how do they access jobs?
 - What is the role of informal networks?
 - How effective they are in resulting upward mobility?
 - Role of political networks: can it serve their interest?
 - Wellbeing Index and its relationship with city size: agglomeration economies
 - Duration of migration and wellbeing

- labour market for low income households

The concept of ‘social capital’ provides a substantive basis to the understanding of how the urban labour market in developing countries functions.

- **The caste-kinship bonds and contacts through co-villagers and co-residents of the cluster in which they reside have been quite dominant among the low income households in pursuing rural-based search for urban-jobs and, finally, for migrating to the urban areas to get employed (see Sovani, 1964, Banerjee, 1986; Banerjee, 1991; and Banerjee and Bucci, 1994 and Mitra, 1994).**

- Definition of Social Capital:
- **Social capital, as Putnam (1993) defined, are “those features of social organizations such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions.” It is the networking that helps create linkages, which in turn forge rules, conventions and norms governing the development process (Chopra, 2002).**

Slum Survey

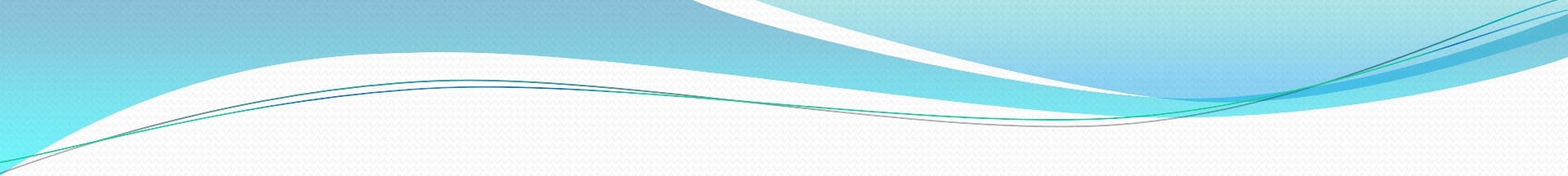
- Three Stage stratified random sampling framework
- Data from four cities (UNDP sponsored) also for Delhi a separate survey
- Migrants and natives both

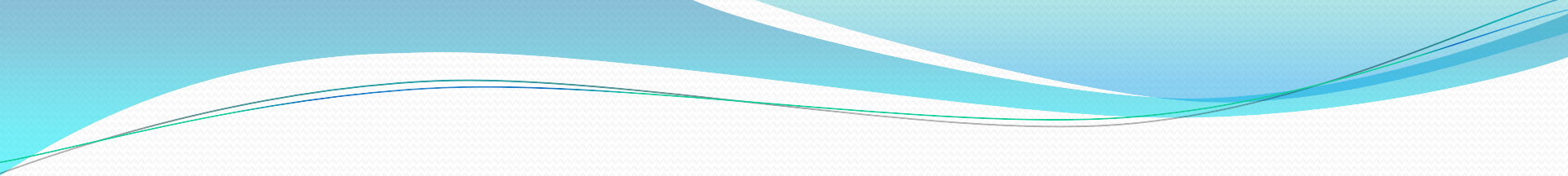
Networks and Jobs

- The bulk of the networks used by job seekers are informal in nature.
- The importance of networks in accessing jobs tends to vary considerably across cities.

Occupational choice model

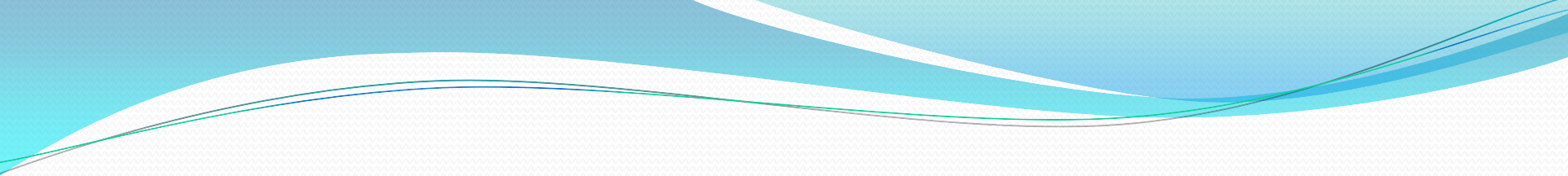
- Multinomial logit model
- (non-workers are taken as the comparison group)
- MLE Estimates of the parameter.
- Coefficients of the main model are not directly interpretable.
- So marginal effects have been calculated.

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- Findings
 - Interestingly, many of the network dummies are significant, and the differences in networks operating across occupations are also evident.
 - It is evident that the informal channels of information-flow are dominant over the formal channels.

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- The fact that informal networks play a crucial role in accessing jobs and that they vary across occupations, suggests that even within the informal sector not all activities are available to all the job seekers.
 - Depending upon the nature of contact they land up in different activities though the impact of other variables like experience, household size and gender is important as well.

Mobility: income and occupation

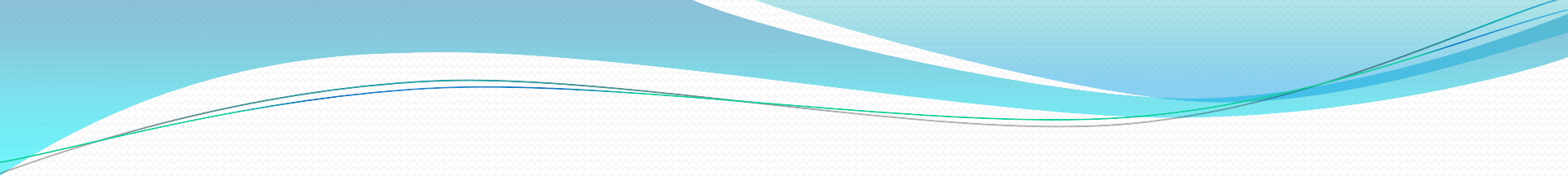
- what is interesting to note that intra-occupational mobility is a significant phenomenon in comparison to the inter-occupational mobility
- Matrix representing the distribution of workers across various income size classes formed on the basis of present and past income shows that both upward and downward income mobility have taken place over time

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- Those who experienced an upward change have been distinguished from the reference category formed by those whose income either remained unchanged or did not undergo any improvement over time.

Network and Upward Mobility: Binomial Logit Model (MLE Estimates)

- Variables : household size , gender (taken in the form of a dummy with 0 for males and 1 for females), age of the worker as a proxy for job market experience, levels of education of the workers taken in terms of three dummies with illiteracy as the comparison category (EDU₁ takes a value of 1 for those who studied up to primary level and 0 otherwise; EDU₂, 1 for those who studied above primary level but up to secondary and 0 otherwise; EDU₃, 1 for those who studied above secondary and 0 otherwise),

- Empirical results suggest that networks operating through close relatives neither enhance nor reduce the probability of upward mobility.
- On the other hand, networks, which include general relatives (other than close relatives), reduce the probability of upward mobility.
- Networks, which represent friends, neighbours, members of the same caste group and co-villagers etc., reduce the probability of upward mobility.
- On the other hand, NET₄, representing formal institutions raises the probability of upward mobility.

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- On the whole, these findings tend to suggest that informal networks do not have any positive effect on upward mobility while formal networks do reveal such a tendency.
 - This is despite the fact that the informal networks are indeed inevitable in providing an access to the urban job market in the initial stages.
 - Hence, there is room for policy.

Political strategy

- Edelman and Mitra (2006):
- Political leaders are interested in groups rather than individuals, as groups help mobilisation of political support during the time of an election.
- However, to access these groups the political leaders require the help of group leaders, who can enter into direct negotiations with the rest of the residents.

- Negotiations pursued through local political workers and the head of the slum cluster help resolve certain issues, partially though.
- A “**token**” in the first stage, a **semi-legal passport to stay in the city**, and later **voter’s identity and a ration card**, legitimizes the stay as a city resident and helps the dweller to participate in the public distribution system.

Size Distribution of Households as per the Well-being Index

Size Class	Jaipur	Ludhiana	Mathura	Size Class	Ujjain
Upto 200	1.2	3.6	7.6	Upto 200	8
201-400	24.6	28.2	49.2	201-400	53
401-600	37.4	29.8	24	401-600	27.4
601-1000	27.8	25	14.2	601-800	8.8
1001-1500	6.6	9.2	3.6	800 and above	2.8
1501 and above	2.4	4.2	1.4		

Large cities: slum dwellers are better off

Positive association between duration of migration and wellbeing but not linear

Caste and deprivation: almost similar across various caste categories

Registered slums: not very high incidence of fresh migration

Unregistered slums: high

Measures for reducing urban poverty
(inadequacy of the rural development programmes)

study based on two primary surveys of the same households in two different years (2007/08 and 2012) assesses the extent of inter-temporal change in income of the individual workers and makes an attempt to identify important correlates of upward mobility.

The findings are indicative of a rise in the income of workers across a sizeable percentage of households though many of them remained below the poverty line notwithstanding this increase.

Inadequate education reduces the probability of upward mobility while education above a threshold level raises it. Savings are crucial for upward mobility impinging on the importance of asset creation. Views that entail neighbourhood spill-over effects also received validation.