



The International Growth Centre (IGC) aims to promote sustainable growth in developing countries by providing demand-led policy advice founded on frontier research. Based at the London School of Economics and Political Science, the IGC directs a global network of world-leading researchers and in-country teams in Africa and South Asia and works closely with partner governments to generate high quality research and policy advice on key growth challenges.

One of the main challenges the IGC addresses through its research is the rapidly growing rates of urbanisation in developing countries. Through increased density and the creation of productive clusters, this process brings with it both promises of important economic growth and prosperity as well as threats of congestion, contagion, and crime. The IGC Cities Programme promotes research that addresses the drivers of urban growth and how to tackle the downsides of density, in order to paint a holistic picture of how developing cities can be made into productive centres of economic growth.

The IGC has a wide network of world-class researchers who can offer assistance to policymakers and practitioners interested in designing evaluations of cities projects and policies. The IGC funds cutting-edge research on urbanisation and development through its bi-annual calls for proposals. For more information visit: www.theigc.org/research-themes/cities

1. Cities as drivers of growth

Urbanisation, growth, and poverty reduction: The role of secondary towns Tanzania

Luc Christiaensen and Joachim de Weerd, in progress

Should Tanzania foster growth through investment in large cities, by concentrating on reducing congestion costs there and banking on economies of scale and agglomeration? Or should the same total amount of investment be more geographically spread across secondary towns to increase exposure of the hinterlands to urban centres? This project aims to better understand the motivations behind migrants' choice of destination (i.e. cities, secondary towns, or other rural areas). To this end, the project carries out focus group discussions and records life histories from a group of carefully stratified survey respondents. This will allow a rich narrative around destination choice among rural-urban migrants to be developed, with particular attention to the features distinguishing smaller from larger urban centres.

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Modelling urban growth and agglomeration with large-scale mobile phone data

Sri Lanka

Joshua Blumenstock and Saad Gulzar, 2015

This project examines the impact of transport infrastructure on labour market outcomes in Sri Lanka. As a first step, it considers how changes in transport – such as new roads and bus routes – can affect labour mobility. Next, it attempts to understand how these changes in mobility affect wages for labour and related labour market outcomes. The project also speaks to the extent to which Call Detail Records (CDR), or anonymised cellular communications log datasets, are useful to model the spatial distribution of economic activity, and the density and movement of disaggregated populations, such as labour.

Urban corridors: Strategies for economic and urban development

India

Shriya Anand and Neha Sami, 2015

Managing India's urban transition to ensure the sustainability of the growth and inclusion agenda in the coming decades is of crucial importance. This project seeks to analyse the relationship between such infrastructure projects and growth, focusing on the intermediate process of urbanisation, or on the unplanned and unintended consequences of urban settlements. In doing so, it attempts to address the question of whether India's corridor development policy is a strategy for urbanisation (inter alia), or if urbanisation is simply a by-product. Moreover, it looks at how the development of the Delhi-Mumbai Industrial Corridor (DMIC) impacts existing settlements and local stakeholders. In addition, the project investigates the potential for better integrating spatial and economic planning, particularly in the context of large infrastructure investments and newly urbanising areas.

Integrating urban datasets: The path to effective socio-economic planning in urban Pakistan

Pakistan

Sohaib Ahmad Khan, Amal Aslam, Maria Zubair, and Ali Rehan, 2012

Pakistan's urban population is set to equal its rural population in the year 2030. This calls for effective urban planning tools to ensure universal delivery of basic municipal services, control of the spread of slums, the minimisation of pollution and the control of crime and political violence. Yet, effective urban policy making and implementation in Pakistan is impeded by severe problems related to data collection and measurement. This policy brief recommends policy actions that will overcome these problems.

2. Transportation and infrastructure

Public transport and urban labour market integration: A randomised control trial Pakistan

Erica Field and Katherine Vyborny, in progress

A well-integrated citywide public transport network contributes to economic growth by reducing transport costs and travel time, facilitating specialisation of firms and workers, and decreasing the cost of economic transactions. Yet, despite increasing urbanisation, most of Pakistan's cities suffer from a poorly connected public transport network. This research uses a randomised control trial (RCT) in partnership with the government transport agency, Lahore Transport Company, to test the effect of urban public transport links on labour market outcomes. The experiment tests the impact of a new public transport link on labour market outcomes: whether men and women who have access to transport are more likely to take a job at all, or more likely to commute to a higher quality, higher-paying job. The research will provide cost-benefit analyses of transport services that could be provided in urban areas, assessing whether any subsidy is required to run services in different kinds of areas and over what time period, as well as potential ticket pricing policies.

- See also [Urban Transportation, Labour Markets and Access to Economic Opportunity: Evidence from Lahore's Bus Rapid Transit System](#) (Altaf, Vyborny, Malik and Majid, in progress)

From clean-fuel to clean air in India's metropolitan cities India

Rohini Somanathan and Parikshit Ghosh, in progress

Outdoor air pollution has been a major component of the Indian government's environmental policy. Over the last decade, several states have passed legislation that mandates the use of clean fuel in public transport vehicles and have expelled old vehicles from major metropolitan cities. In addition, federal norms have been brought in that control the emissions from newly manufactured vehicles and industry. This project consists of an elaborate data gathering exercise in order to assess the impact of these regulatory changes. The study collects data from the five major metropolitan cities in India (Delhi, Mumbai, Kolkata, Chennai, and Hyderabad) on the regulatory environment that governs public and private transport. This will determine the costs and benefits to public transport operators from shifting to new technologies. For each of these cities, data is also collected on state pollution control boards on air quality, registrations of new motor vehicles, and the costs and revenues of public transport operators (auto-rickshaw and taxi drivers).

- See also [Distributional Effects of Air Quality Legislation in India](#) (Rohini Somanathan and Parikshit Ghosh, 2014)

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Connecting the red corridor: Infrastructure provision in conflict zones

India

Oliver Vanden Eynde, Jamie Hansen-Lewis, Austin L. Wright, and Jacob Shapiro, 2015

The challenge of bringing economic growth to communities affected by violent conflict is important to many developing countries. By studying the link between conflict and rural infrastructure development, this project addresses a clear economic growth constraint. More specifically, this project studies how the implementation of rural infrastructure projects has affected the intensity of Maoist violence in India's so-called "Red Corridor." It also investigates the determinants of the successful completion of rural infrastructure projects in regions affected by Maoist violence. The districts in the Red Corridor are among India's poorest and they are characterised by a large share of Scheduled Tribes. In this context, understanding the ingredients of successful infrastructure development and its relationship with conflict is particularly important.

Infrastructure and well-being: Employment effects of Jamuna bridge in Bangladesh

Bangladesh

Minhaj Mahmud and Yasuyuki Sawada, 2015

This study focuses on the poverty reduction effects of large infrastructure investments, such as job transformation and non-farm employment. In particular, the study looks at the impact of Jamuna multipurpose bridge (JMB), the largest ever infrastructure project in Bangladesh, on labour market integration. The study analyses the JMB evaluation data collected by BRAC's Research and Evaluation Division (Ghosh et al., 2010). The study findings inform policy makers on the broader impacts of physical infrastructure on well-being; using insights from the findings, policy makers will be able to formulate evidence-based policies on local infrastructure, transport and communication.

Roads, railways, and decentralisation of Chinese cities

China

Nathaniel Baum-Snow, Loren Brandt, Vernon Henderson, Matthew Turner, and Qinghua Zhang, 2012

This project investigates how the extent and configuration of Chinese road and railroad networks has shaped the spatial transformation and degree of compactness of Chinese urban regions in the last 20 years – a period in which centre cities experienced strong population inflows but relative losses of industry to the urban periphery. The study finds strong evidence that the presence of radial roads and ring roads outside of the central city reduce central city population density. However radial roads are found to have no effect on the spatial distribution of economic activity (GDP) in urban regions, though ring roads outside of centre cities may contribute to industrial decentralisation. In conclusion, the project finds that in a country where inter-city trade relies heavily on rails, rail networks have significant impacts on the extent to which economic activity decentralises.

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Railroad to growth: Evaluating the impact of investments in railroads on firm behaviour

Mozambique

Sandra Sequeira and Neil Rankin, 2012

This research project examines the impact of railways on firm performance, looking at the specific case of investments in rebuilding a railway in Southern Africa. Using original survey data from over 900 firms in South Africa and Mozambique, the study concluded that investments in rail had a negligible impact on the performance of firms in the region. Key findings suggest that one of the potential reasons for the limited impact of rail on firm performance is the poor management of rail services in the form of uncompetitive pricing and discriminatory access to rail slots. Overall, these findings emphasise the importance of securing adequate governance and management of rail services to maximise the impact of rail infrastructure on economic activity.

3. Water, sanitation, and efficient service provision

Water connections in urban Zambia: Measuring the private and social benefits of water

Zambia

Nava Ashraf, Edward Glaeser, Bryce Steinberg and Abraham Holland, in progress.

The rapid growth of cities on the African continent provides tremendous economic potential, but also risks bringing significant negative externalities, such as congestion and contagious disease. There is a view among urban economists that one of the most important roles of urban government is to provide clean water and remove potentially dangerous waste. This project will collect measures of both the private and social benefits of water in order to determine what incentives households have to connect to existing water lines, as well as the impact of household water connections on health, productivity, employment, and education. This project is part of an Urban Agenda developed with the Government of Zambia, following their commitment to promoting evidence-based solutions to promoting the healthy and productive growth of Zambian cities.

Dynamic cities: What role do urban local governments play in improving urban service delivery performance in Africa and Asia?

International

Jamie Boex, Devanne Brookins, Benjamin Edwards and Ammar Anees Malik, in progress

This comparative study of urban local governments and public service delivery systems attempts to better understand how the institutional arrangements within which cities operate either constrain or enable urban service outcomes. Specifically, the study explores the roles, discretion and accountability mechanisms faced by urban local governments in 42 cities across 14 countries in Africa and Asia as they seek to provide (or support the provision of) three key urban services—solid waste management, water

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supply and sanitation services. In each country, the project looks at three cities across the urban spectrum, typically a diverse selection including one small, one medium and one large urban jurisdiction.

Water pricing to promote equity, efficiency, and sustainability in the growing city of Faisalabad

Pakistan

Saleem Ali, Usman Mirza and Shabbir Ahmad, in progress

This project aims to investigate the water pricing strategies that can help improve allocative efficiency and achieve equity and sustainability in cities. This research builds on existing literature on water pricing to analyse residential water demand in Faisalabad by taking into consideration the prevailing pricing structure (both public and private) and water allocations. Data for the research was produced through a micro-level household survey of water users. The project aims to answer the following research questions: 1) What are the determinants of willingness and ability to pay for different income groups? 2) Is the current water pricing structure creating inequities in water allocation and causing a market failure in terms of wastage and supply gaps? 3) Can the principles of efficiency, equity and sustainability be negotiated in a proposed water pricing/tariff structure? Based on the analysis, the research proposes a pricing structure to better manage and allocate water resources.

4. Housing and land use

Low cost housing for Africa's cities? The impact of the government condominium scheme in Ethiopia

Ethiopia

Berihu Assefa Geberhiwot, Simon Franklin, and Alebel Weldesilassie, in progress

Cities in Africa face severe shortages of affordable formal housing. It is estimated that Ethiopia's current housing deficit in urban areas is about one million units. In order to address this shortage of housing supply, and to ensure that the poor are able to access decent housing conditions, the Ethiopian government has implemented the Integrated Housing Development Programme (IHDP) to provide high-density condominium housing at subsidised rates to eligible urban households, on an enormous scale. However, households moving into new housing will have their existing neighbourhood communities disrupted. Therefore, the aim of this project is to measure the impacts of this housing on lottery winning households, by exploiting the randomised lottery system by which housing is allocated. The project looks at the impact of receiving the physical housing asset on health, education, employment, and household savings behaviour.

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Social networks, property rights, and public services in the slums of Patna and Jaipur

India

Anirudh Krishna and Erik Wibbles, in progress

Despite their rapid growth, knowledge about slums remains rudimentary. This project therefore has three objectives: First, to refine and extend a satellite-image-based methodology for identifying, mapping, categorising and tracking slum settlements through time and in real time. Second, to understand if and how individual slum settlements upgrade over time, acquiring property rights and access to public goods. Third, to examine how different factors – including period of settlement, land type, population composition and social networks, and political linkages – have affected the trajectories observed. The study combines data from household surveys and network surveys with satellite imagery in Patna (Bihar) and Jaipur (Rajasthan) to provide important original insight into the factors that condition the capacity of the urban poor to achieve formal recognition of slums, private property rights, and better public services.

Delivering affordable housing and supporting infrastructure in Kigali, Rwanda

Rwanda

Robert Buckley, in progress

The problem of delivering affordable housing remains one of the most difficult urban challenges globally and more so for the fast growing cities of developing countries. This study aims to develop a responsive and affordable housing supply policy framework for Kigali. The framework will highlight the conditions that are inhibiting supply of affordable housing, one of the top priorities the government has identified in recently released housing policy documents and earlier IGC projects.

- See also [Government support for low income housing in Kigali](#) (Robert Buckley, 2014)

Slum-upgrading in Tanzania: Public infrastructure and private property rights

Tanzania

Stefan Dercon, Andrew Zetlin, and Klaus Deininger, 2012

This project seeks to understand the relationship between the provision of public infrastructure and the demand for formal property rights in the unplanned urban settlements of Dar es Salaam, Tanzania. The study analyses take-up patterns in two adjacent settlements where residents were offered the opportunity to purchase formal land titles at subsidised prices. Detailed plans for proposed infrastructure investments were drawn up for both settlements, but these infrastructure investments were only implemented in one of the two locations. The project exploits this quasi-experiment to show that proximity to actual, but not hypothetical, infrastructure investment significantly increases demand for property rights, and this effect appears to be driven by both increased property values and a dramatically-higher perceived risk of expropriation.

5. Migration and employment

Displacement and urbanisation: Assessing the levels of vulnerability of the refugee and urban slum populations in Dar es Salaam, Tanzania

Tanzania

Aisling O’Loghlen, in progress

The majority of the world’s population now live in urban areas, but the inability to plan and manage rapid urban growth constitutes a failure of governance sometimes manifested through large-scale humanitarian disasters. This project specifically examines the relationship between forced migration to urban areas and humanitarian intervention in the city of Dar es Salaam, Tanzania. By examining the effects urban planning policies have on refugee and urban poor populations, the study explores the potential for creating a framework to adequately meet the needs of both groups within an urban setting. Two case studies are conducted in two informal settlements in Dar es Salaam city. These case studies look at the practices adopted by both the refugee population and the urban poor in accessing land, water and sanitation, education and health services, and the obstacles that they encounter in their everyday lives.

Assisting job search in low-employment communities

Ethiopia

Simon Quinn, Girum Abebe, Stefano Caria, Paolo Falco, and Simon Franklin, 2015

In African labour markets, successful matches between young job-seekers and firms are often prevented by search costs and informational asymmetries. This project evaluates an intervention that facilitates firms’ screening of the young unemployed in Addis Ababa, Ethiopia, by improving the presentation of their CV and by certifying performance in a number of standard personnel selection tests. The study looks at the effects on job-seekers’ search decisions, employment outcomes, and the quality of matches of the new intervention. The project also compares the cost-effectiveness of this intervention to that of a transport voucher intervention that is run in parallel with a similar population.

Under-investment in a profitable technology: The case of seasonal migration in Bangladesh

Bangladesh

Gharad Bryan, Shyamal Chowdhury, Ahmed Mushfiq Mobarak, and Jashmin Uddin, 2014

Hunger during pre-harvest lean seasons is a widespread challenge in the agrarian areas of Asia and Sub-Saharan Africa. To test how migration can mitigate these seasonal famines, this project ran an experiment in rural Bangladesh. By randomly assigning an \$8.50 incentive to households to out-migrate during the lean season, the project finds that this induced 22% of the households to send a seasonal migrant to the adjoining cities. Moreover, the migrant families’ consumption increases significantly, and someone in their households were 8-10 percentage points more likely to re-migrate one and three years after the incentive is removed. In conclusion, the research finds that as migration is risky, mitigating risk requires both individual-specific learning as well as understanding of the heightened risk experienced by families already close to subsistence.