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Exploring the Livelihoods of Squatters:

A case study of Shanti Nagar Squatter Settlement in Kathmandu, Nepal

Master of Philosophy Thesis in Development Studies - Specializing in Geography

Trondheim, February 2013
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Master of Philosophy Thesis in Development Studies-Specializing in Geography
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<th>Full Form</th>
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<tr>
<td>GO</td>
<td>Governmental Organization</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Governmental Organization</td>
</tr>
<tr>
<td>INGO</td>
<td>International Non Governmental Organization</td>
</tr>
<tr>
<td>SL</td>
<td>Sustainable Livelihood</td>
</tr>
<tr>
<td>SLA</td>
<td>Sustainable Livelihood Approach</td>
</tr>
<tr>
<td>SLF</td>
<td>Sustainable Livelihood Framework</td>
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<tr>
<td>PE</td>
<td>Political Ecology</td>
</tr>
<tr>
<td>UPE</td>
<td>Urban Political Ecology</td>
</tr>
<tr>
<td>WCED</td>
<td>World Commission on Environment and Development</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>NBBSS</td>
<td>Nepal Basobas Basti Samrakchan Samaj</td>
</tr>
<tr>
<td>NMES</td>
<td>Nepal Mahila Ekata Samaj</td>
</tr>
<tr>
<td>CDYN</td>
<td>Child Development Youth Network</td>
</tr>
<tr>
<td>CBS</td>
<td>Central Bureau of Statistics</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>KMC</td>
<td>Kathmandu Metropolitan City</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>NPC</td>
<td>National Planning Commission</td>
</tr>
<tr>
<td>CBO</td>
<td>Community Based Organization</td>
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Chapter 1

Introduction

1.1 Introduction

This study aims at exploring the livelihoods of squatters in Kathmandu Nepal. Squatting is common phenomenon in many regions of the developing countries in the world. Along with increasing level of urbanization, number of squatter settlement is also increasing. Squatters are excluded/marginalized groups in the urban sphere. The term urban poor are also used for the squatter as they lack access to resources, and live in vulnerable environment. They are facing problem of entitlement living without legal title to land. Life of squatters in the urban geography is complex, holding low socio economic and illegal status creates more vulnerable situation. This study focuses also on the institutional initiatives for improving the livelihoods of squatters. The initiatives comprise programmes and policies of Governmental Organizations (GOs), Non-Government Organizations (NGOs), and International Governmental/Non-Governmental Organizations (INGOs) targeting squatter communities. It also includes squatters' initiatives for their own betterment. Accordingly, this study has tried to explore the engagement of the GOs, and NGOs to the squatter settlement and their initiatives. It focused also on ways and purposes of the engagement of such organizations. However, the initiatives of the squatters are equally important in this study. This study has taken Shanti Nagar Squatter Settlement as a case study area (Figure 4.2). In this situation they need help and support from the responsible bodies. They want their issues to be addressed by the state. Therefore this study has implication to explore the role of institutional initiatives to the squatters.

1.2 Background

According to the United Nations (UN), half of the world populations reside in urban areas (in Thapa and Murayama 2010). Developing countries are experiencing rapid increase in urban growth and among them Nepal is not an exception. Nepal has 6.6 percent annual urban growth rate, highest among other Asian and the Pacific region (Thapa and Murayama 2010).
According to the study carried out by Lumanti (2001), about a quarter of the city dwellers in Nepal live in rental housing and seven percent live in squatter settlement. Squatter settlement are characterized by limited services, impoverished living conditions, inadequate housing, lack of housing security, vulnerability to natural disaster, unemployment and underemployment. The squatter communities are also characterized as marginalized groups from the mainstream development processes. Squatting refers to the occupation of land on which one possesses no Lal Purja; the land ownership certificate or in case of renters, the occupation of land, housing or rooms to which the landlord possesses no ownership certificate. It was estimated that there were only 2000 squatters' in 1985 (the study was conducted by the Norwegian institute of technology and Oslo institute of architecture) Another study carried out by University of Trondheim and Norwegian institute of technology in 1988 showed the figure has nearly doubled to 3,700 (in Gallagher 1992).

Squatters are a heterogeneous group and migrated mostly from other parts of the country. In Nepali, squatters are known as Sukumbasi; the word applied to displaced and landless people, as well as to family illegally occupying land. The word has also become synonymous in Nepal with an excluded person (Toffin 2010). The settlement where squatters live is called Sukunbasi Basti in Nepal. Similarly, in many other countries; squatter settlements are known by their local names. For instance, in Bangladesh, squatters are known as Bastees, the term also used to designate legally recognized settlement with Slum and the squatter settlements are called Bastuhara Colony; means settlement of the homeless people. Similarly, in India and Pakistan squatter settlements are known as Bustees, Jhupris, and Jhuggis; Mexican called Jacoes; in Brazil the squatter settlement are known as Favelas; Casabali in Algeria (Roy and Abdullah 2005). However, they are entitled by different local names; the common problem they are facing is illegal entitlement to the land.

Lumanti an organization working with the urban poor in Nepal, has defined Squatter settlement as:

"the settlement where people live or settle on land without any legal right to settle there. They are neither tenant nor owners of the land. People live in such settlement since many decades without holding legal title to the land" (Lumanti 2001, 12).
As Toffin (2010) defined, legally a Sukumbasi (squatter) is a person who can prove that nobody in his family over the last three generations held any land title. Squatter settlement and *Slum* have some similar characteristics in terms of physical appearances, for example; limited access to basic services, substandard facilities, and their marginalization from the mainstream development process. However, *Slum* refers to long established and homogeneous settlement. In Nepal, slums are found in Kathmandu and the neighboring city of Lalitpur. *Slum* dwellers have legal entitlements to their land and houses (Tanaka 2009; Lumanti 2001) whereas, the squatter settlements do not own any legal entitlements on land (Bhattarai 2005).

Lumanti (2001, 13) has differentiated squatter communities from slum as follows:

**Table 1.1: Characteristics of slum and squatter communities**

<table>
<thead>
<tr>
<th>Slum communities</th>
<th>Squatter communities</th>
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<tbody>
<tr>
<td>Inadequate basic infrastructure</td>
<td>Inadequate basic infrastructure</td>
</tr>
<tr>
<td>Inadequate services</td>
<td>Inadequate or nonexistent services (access to services is limited due to lack of Lalpurja)</td>
</tr>
<tr>
<td>Permanent housing but old and dilapidated</td>
<td>Permanent and nonpermanent housing, mainly brick, with corrugated sheet roofs, also some bamboo and plastic is used</td>
</tr>
<tr>
<td>Small housing units</td>
<td>Small housing units</td>
</tr>
<tr>
<td>Poor sanitary conditions</td>
<td>Poor sanitary conditions</td>
</tr>
<tr>
<td>High level of legal land ownership</td>
<td>No legal land ownership, however, some communities have permission from wards to remain where they are</td>
</tr>
<tr>
<td>Low caste Newar residents</td>
<td>Mixed caste residents, predominantly hill ethnics</td>
</tr>
<tr>
<td>NRS 3,027 average monthly household income</td>
<td>NRS 2,363 (about 28$) average monthly household income</td>
</tr>
<tr>
<td>Low status occupations (sweepers, butchers etc.)</td>
<td>Mixture of occupations, mainly laborers</td>
</tr>
</tbody>
</table>

Source: Lumanti 2001, 13
Squatter settlements comprise about 30 to 70 percent of the housing stock in many cities of developing countries. Squatter settlements are varied in their characteristics, some are massive with population over 100,000 and others are small, occupying landfill sites (Pugh 2000). In earlier times, the main reason behind the increase of squatter settlements in Nepal was natural calamities (flood, landslides etc). However, in recent times, many other factors have been playing important roles. Some of them as stated by Sengupta and Sharma (2009) are the Maoist conflict, rural to urban migration, socioeconomic disparity aggravated by the steady growth, disparities in terms of distribution of resources such as land.

1.3 Objectives of the study

The main objective of this study is to explore the livelihoods of squatters in Kathmandu Nepal.

To obtain the overall aim of the study, following specific research questions have been developed:

Specific research questions

- What are squatters doing to improve their livelihoods?
- Are GOs, NGOs, and INGOs involved in helping the squatters?
- How are those institutions involved with squatters?

1.4 Statement of the Problem

Squatting and being landless is not a new phenomenon in Nepal but the issues of squatters was hidden in the previous decades within the traditional structures where shelter and economic activities of poor people was dependent on local landlords (in Nepali the term used for Sahu Mahajan). People did not cross the village boundary even in the situation of crisis of food and other basic needs because of their dependency on the rich people even though it was not favorable to the poor. Poor people are deprived of access to local resources and among them low caste people are more deprived. Increasing trends of population growth makes the life of poor people more vulnerable. Many government programs and policies
related to the poor were captured by the elites in the villages. In the past decades, several development policies such as modernization and liberalization have led small scale farmers and poor people into difficulties as they could not compete in the market. Increasing focus on human rights, development of a free mass media, and development of transport facilities leads people to cross the village boundary in search of more opportunities. Migration and the displacement of poor people to the urban centers caused increasing numbers of squatter settlements. Poor people could not afford the housing available in city areas and they started to live in abandoned land especially in the river basins. Political instability and the Maoist insurgency also forced people to migrate to the cities (Bhattarai 2005).

Rapid increase of the urban population in the third world countries has become a problem in urban areas. It leads to an increase of the number of illegal settlements and the proportion of urban poor in the cities. In the year 2001, the percentage of world’s population living in the inadequate housing conditions in different parts of the world was 31.6 (Sengupta and Sharma 2006). In recent years, the expansion of squatter settlements in Nepal (especially in Kathmandu) has increased. In 1985, in the Kathmandu Valley, there were only 17 squatter settlements (first documentation of squatter settlements by the researcher from the Oslo School of Architecture) but in the recent years there are more than 70 squatter settlements in the Kathmandu Valley (Bhattarai 2005; Sengupta and Sharma 2006).

Due to the agrarian structure of the country, urban issues have been given less priority in Nepal (Bhattarai 2005). Nowadays, a rapidly increasing urban population especially urban poor have been giving more attention in development processes. The urban population growth rate in Kathmandu is 6.65 percent, three times more than the national population growth of the country(2.25 percent) in the year between 1991 and 2001(CBS 2001; Sengupta and Sharma 2009). Unforeseen growth of population and unplanned urban expansion is marginalizing the urban poor. Squatters are marginalized; politically, economically, socially and environmentally (Timilsina 2007).

The majority of squatter settlements are situated along the main river banks of the Kathmandu valley; Bagmati, Bisnumati, Hanumante, Dhobighat and Tukucha. The rivers are in a bad condition; they are polluted heavily and squatters are highly vulnerable to the polluted environment and flood risk (Lumanti 2008). The squatters are also blamed to make Bagmati River polluted. Squatter communities have not been even included in the housing
statistics of many developing countries and even in Nepal; however, they constitute a large proportion of urban dwellers (Jimenez 1982).

1.5 Rationale of the Study

In recent years, especially in developing countries, many GOs, NGOs and INGOs are working with the objectives of improving the living standard of poor people. They are creating better livelihood opportunities for deprived, marginalized and excluded groups of people. The excluded groups comprise women, dalit, and madhesis. In Nepal, dalit is the common name using for some castes that fall under lower caste or the untouchable. Madhesis are the name use for the people who live particularly in Terai (flat land). However, those organizations are mostly working in rural areas with Dalits, women, ethnic minorities, and those who are excluded from the development process. Only few of such organizations are involved in the city areas, though the squatters are excluded from the development process. The condition of squatters is more vulnerable than the rural poor and other excluded groups in Nepal as they lack legal entitlements.

There was not any organization significantly working in the squatter settlement before Lumanti was established in the year 1993, however, there was a record of one Danish NGO in the squatter settlements in the late 1980s. The settlements are still not recognized by states because of their illegal status and they tend to have little-to-no municipal services (Moffat and Finnis 2005). As a result, issues of urban poor, especially squatters are becoming a major problem in the urbanization process as well as in overall development process. In this context, many scholars, planners are focusing on the importance of state to improve the condition of squatters. Literatures also show that there is a necessity of flexible and supportive policy approach rather than leaving them to sink or swim by themselves (Sengupta and Sharma 2006). Therefore, this study will be important for knowing and exploring the institutional initiatives in improving the livelihood of the squatters, the urban poor.

1.6 Organization of the study

This study has been divided into seven chapters. Chapter one is the introduction of the study that includes a short description of the study, objectives, statement of the problem, and rationale of the study and organization of the study. Chapter two presents the theoretical
concepts relevant to the study. Sustainable Livelihood Approach (SLA) has been applied as the main theoretical approach. Additionally, other theoretical concepts; marginalization, capital, and institutional approach have also been discussed and tried to link to the SLA. At the end of Chapter two, Sustainable Livelihood Framework (SLF) has been developed as an analytical framework for the study. Chapter three presents the methodological approach of the study. Which methodological approach has been chosen and why is discussed in chapter three. Primary data have been gathered applying in-depth semi-structured interview, participant observation and focus group discussion while various published and unpublished documents have been analyzed as a secondary source following the qualitative methodological approach. Chapter four presents the geographical description of the study including information on the country, Kathmandu Valley and Shantinagar squatter settlement. In the chapter five historical context of the marginalization of squatters and other contributing factors have been discussed. Chapter six has presented the governmental and nongovernmental initiatives to the squatters. Chapter seven presents the conclusion of the study.
Chapter 2

Theoretical approach

2.1 Introduction

The main purpose of this chapter is to explain and discuss the theoretical concepts that are relevant for this study. Theory is an important part of the research/study that explains the situation or problem. According to Bryman (2008, 6) "theory is important to the social researcher because it provides a backcloth and rational for the research that is being conducted. It also provides guidelines for analysis within which social phenomena can be understood and the research findings can be interpreted". Considering the importance of theory, marginalization theory has been used to define the problem of this study. Similarly, some other concepts such as capital and the institutional approach will also be discussed in different sections. Overall, all these concepts have been combined into the sustainable livelihood approach. At the end of this chapter a livelihood framework is developed for the analysis of the study.

2.2 Defining and conceptualizing Marginalization

The word, marginalization expresses a sense of disadvantage and injustice. It is widely used as an analytical term in the social sciences. The term can be applied to various people, locations and events (Vasas 2005). Marginalization has also been taken as a parallel concept to social exclusion. "Social exclusion refers to the norms and processes that prevent certain groups from equal and effective participation in the social economic, cultural and political life of societies" (Vasas 2005, 195). It is said that marginalization emerged from a more elementary meaning of margins. The term margins means to be on the border or edge. Marginalization is defined as the process through which individuals or groups are peripheralized on the basis of their identities, associations, experiences and environments (Duchscher and Cowin 2004; Vasas 2005). This includes the political economy of resources; powerful people always retain control over resources.
Ferguson described marginalization as; the process, through which margins are created, defined and enforced. Tucker refers to it as "that complex and disputatious process by means of which certain people and ideas are privileged over others at any given time" and "the process by which, through shifts in position, any given group can be ignored, trivialized, rendered invisible and unheard, perceived as inconsequential, de-authored, 'other' or threatening, while others are valorized" (cited in Vasas 2005: 195).

Similarly, a dictionary of Sociology has defined the term marginalization as; "a process by which a group or individual is denied access to important positions and symbols of economic, religious, or political power within any society". According to the dictionary, a marginal group may actually constitute a numerical majority (e.g. Blacks in South Africa) and should perhaps be distinguished from a minority group, which may be small in numbers, but has access to political or economic power (http://www.oxfordreference.com). In Vasas's (2005, 195) words, marginalized populations are those who are socially excluded and experience inequalities in the distribution of resources and power.

Marginalization can happen to individuals, groups or to a society as whole. As Dickie-Clark (cited in Duchscher and Cowin 2004, 290) states:

"The most thorough and recent analysis on the concept of marginalization is that the experience of marginalization exists at many different levels, from the whole of society, such as in caste systems, to parts of that whole, such as occupational groupings".

Further, he claimed that evidence of a hierarchical social division is all that is necessary for marginality to exist. Accordingly, marginality occurs when an individual lives simultaneously in two worlds, two worlds refer here to the dominant and dominated or border or center (Duchscher and Cowin 2004). Marginalization is thus a relational concept. One can only be marginalized in relation to other. Marginalization can occur only in relation to a margin. Margins provide the physical (concrete) and psychological (perceived) constructs around which marginalized people reside. They are the boundary determining aspects of persons, social networks, communities, and environments (Vasas 2005).
The concept of marginalization has been used since the 1920s to describe the experience of living between two cultures where asymmetrical power exists or living between two levels of hierarchy. In the beginning, the concept was used to describe the immigration of second generation Americans and their assimilation into the dominant socio-political culture. Later, it was generalized from the political struggles of women, people of color, the poor, immigrants and sexual minorities. Marginalization is the status based social attributes afforded to the elite relative to that afforded to the impoverished. The determination of the existence of marginalization has conventionally been distinguished by experiences that cause economic or political oppression of individuals or groups over a lifetime (Duchscher and Cowin 2004). By exploring the concept of marginalization, we can gain insights into how vulnerable groups are created and situated along the periphery of mainstream society (Vasas 2005).

As described by Marklund (1990), marginalization perspective has been taken as to describe a wide range of problems of exclusion and the problems of poverty. The perspective sees poverty as a consequence of gradual exclusion from labor markets and autonomous support systems. He tried to link the concept of marginalization with underclass. Marginalization and the related term underclass is concerned with general political and economic factors such as real incomes, income distributions, negative effect of taxes and transfer and exclusion processes in working life. Both concepts have given strong emphasis on structures. However, the marginalization perspective in most cases is interested in long historical perspectives and changes in structures that affect a small section of the population. It also concentrates on social mechanisms that make it hard or impossible for parts of the population to support themselves, and withhold an autonomous private economy or participate in social activities. He further stated lack of economic resources is seen as the main problem; however, other social factor may lead to exclusion from normal activities in the society. For example, if a people became unable to enter the labor market or became unemployed for a long period, other secondary resources will also be weakened i.e. social networks, credit rating, skills or motivation to work (Marklund1990).

The concept of marginalization is also widely used in the nursing field to study health disparities. It has been used since mid 1990s to guide knowledge development and inform nursing research and particularly in the realm of women health (Vasas 2005). Being on the periphery of society exposes groups and individuals to environments that potentially threaten
their health and well-being. Marginalization thus creates vulnerable populations; social groups who have an increased relative risk to adverse health effects. Health disparities resulted from this differential risk between vulnerable groups and less vulnerable, advantaged groups (Vasas 2005).

Mostly, marginalization is concerned with political and economic factors. These two factors often lead to social and environmental/ecological marginalization. The extent of marginalization is not the same for all individuals, groups or societies. A poor dalit woman in Nepal for example is marginalized in many ways as being women, poor and dalit. Wagle (2005) discusses three types of marginalization following the social inclusion approach. For him, individuals and households can be marginalized through three broadly constructed dimensions; economic, political and civic/cultural. Wagle further discusses economic marginalization as exclusion from the labor market, financial resources, and the formal sector economy. As he stated, people can effectively be denied one the needed economic opportunities. Similarly, people become politically marginalized when they lack citizenship certificates, voting rights, participation in political activities, participation in informal policy talks, represents the positions. The third dimension, civic/cultural marginalization implies; not being included in organizational memberships, excluded from participation in social activities, social networks and ties and so on (Wagle 2005).

According to Political Ecology (PE), the concept of marginalization was elaborated through studies of how the least powerful social groups in third world countries are made vulnerable to socio environmental changes. Marginalization connotes how social inequalities limit the livelihood options of these groups, leading them to degrade landscapes and occupy hazardous environments, constraining their abilities to cope with environmental changes (Collins 2010). Blaikie and Brookfield (1987) defined marginalization from three aspects: economic, ecological/spatial and political. The least powerful groups and classes in a given society inhabit the most hazardous environments (Collins 2008). Economic marginalization is related to the cost of production, labor and surplus. Accordingly, a land owner becomes marginalized in terms of land use, through the imposition of taxes, and other relations of surplus extraction. There includes institutional processes and the creation of rules, regimes etc. Severe marginalization often involve a whole number of readjustments particularly a loss of labor (because of war, emigration) leads to change in land use and inability to keep up longer-term investments in soil and water conservation. The land becomes marginal when the result is a
decline in capability in the ecosystem (ecological marginality). Political economic marginality can be seen as the dominant classes (strong in political and economic sphere) usually control and use more fertile resources and force others (dominated) to use marginal land. Land degradation leads to social marginalization and social marginalization leads to land degradation (Blaikie and Brookfield 1987).

According to Howard (1998) ecological marginalization occurs as a result of rising scarcity of land and fuel wood, injustice to access resources. In the marginalization process, state elites manage resources and manipulate property rights. Howard (1998) sees feudal social order and population growth are major factors that lead ecological marginalization. Feudal social order allowed state elites to capture resources as necessary. Ecological fragility does not necessarily make an area ecological marginal rather it is the combination of quality of fragility and the social assessment of the resource wealth of a produces such as designation. If a particular resource is valued by social elites, they may shift access rights in their favor. For example, if a company observes that forest timber is being removed for fuel wood by a rapidly growing community, it may ask the state to deny access to local groups so that the timber can be removed exclusively for the benefit of the company. Ecological marginalization also resulted from a rapid growth in human population and degradation in the quality or quantity of natural resources within the context of an inegalitarian resource regime that denies a portion of the population regular access to resources. In response to rising consumption of local resources, social elites further manipulate this regime to capture the best resources for themselves, often forcing a population to deepen their poverty through migration to ecological fragile areas unable to support large human communities. These areas are marginal because the land is relatively susceptible to rapid degradation by erosion and overuse (Howard 1998).

According to Collins (210), in the critical hazards literature, the concept of marginalization is the most relevant explanation for the production of risk. This concept was elaborated through studies of how the least powerful social groups in the global South are made vulnerable to environmental hazards. Marginalization connotes how social inequalities limit livelihood options of these groups, leading them to degrade landscapes and occupy hazardous environments, constraining their abilities to cope with environmental change. According to Susman, O’ Keefe and Winsner (cited in Collins 2010, 259):
The marginal are those who have either been forced off the land or onto very poor...land ...they often live in the most dangerous and unhealthy places. It is no accident that major slums in San Juan (Puerto Rico) is frequently inundated by high tide or that the poorest urban squatters in much of Asia live in hazardous floodplains....it is believed that international division of labor among rich and poor countries, and market forces within the poor underdeveloped capitalist economies of the third world, cause the poorest of the poor to live in the most dangerous places. The process of underdevelopment is intimately linked with the control and exploitation of indigenous resources by the governing elite and outside interests. The underdevelopment process forces the peasantry into a more vulnerable position, which in turn, directs them to look for another source of livelihood in areas where security may less and hazard more severe or to change their resource use in ways that exacerbate vulnerability.

Collins (2010) also focuses on Urban Political Ecology (UPE) perspective to describe the marginalization of urban populations. According to him, metabolic processes are shaped by asymmetrical power relations in which, the material conditions that comprise urban environments are controlled and manipulated and serve the interests of the elite at the expense of marginalized populations. The state and market institutions serve to marginalize the least powerful segments of society while facilitating elites one. Socially marginalized groups are assumed to experience constrained access to environmental amenities (Collins 2010).

The poor in Gaillard and Cadag's (2009) words are economically marginalized. Political marginalization is linked to those whose voices are disregarded (Gaillard and Cadag 2009). Social marginalization can be constructed in terms of geography; people and groups who are placed that are far away from the resources they need for example schools, food, water, hospitals. Incarceration is an example of geographic marginalization (Vavas 2005). The geographically marginalized live in hazardous area. Marginalized people in this situation interact with their environment on the basis of the concrete margins that define the boundaries between and around people (Vasas 2005: 195).
Marginalization usually leads to high vulnerability in facing natural hazards, vulnerability refers to the propensity to suffer from damage should natural phenomena occur or in other terms, the condition of a society which makes it possible for a hazard to become a disaster. As Gaillard and Cadag (2009) stated, marginalization does not stop with the occurrence of disasters as disastrous events do not equalize victims in suffering. People who were rich before will still be well off after the event while the poor are likely to remain poor. Disaster frequently leads to more marginalized people as the victims who have lost their livelihoods are often unable to recover. Geographical marginality which leads people to settle in hazard-prone areas reflects poor access to natural capital. The inability to access safe lands and other natural resources forces people to live in hazard-prone areas to sustain their daily needs. Economic marginality or the lack of financial and physical capital further prevents people from accessing the means of protection (resistant housing, warning systems, evacuation routes, safe shelter, etc.) should they be compelled to live in hazardous areas due to insufficient natural capital. This inability to protect one in the face of natural hazards also mirrors social marginality as it may result from poor access to human capital (fragile health status, little knowledge of hazards and protection means). Geographical, social and economic marginality is ultimately tied to limited social capital and powerlessness, i.e. political marginality and the lack of political capital, as it prevents access to other forms of capital (Gaillard and Cadag 2009). Different forms of capital are discussed in the following section.

2.3 Forms of Capital

Bourdieu sought to answer questions about capital in the article “The Forms of Capital” (Svendsen 2001). He reformulated Marx’s concept of capital into both material as well as non-material forms. Bourdieu defined capital as, accumulated, human labor which can produce different forms of profits. Bourdieu classified capital in three forms; social capital, economic capital and cultural capital (Svendsen 2001). All forms of capital can be sources of social advantage and social differentiation. For Bourdieu, economic capital is the root of other capitals but at the same time, he explained that each form of capitals possesses its own dynamic.
Bourdieu defined social capital as the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition. In other words, to membership in a group, which provides each of its members with the backing of the collectivity owned capital a credential which entitles them to credit, in the various senses of the word. In Bourdieu's concept these relationships may exist only in the practical state, in material and/or symbolic exchanges which help to maintain them. They may also be socially instituted and guaranteed by the application of a common name for example; name of a family, a class or a tribe, a party etc (Bourdieu 1986).

For Bourdieu, the three forms of capital are interdependent and interchangeable. Bourdieu's understanding of social capital is different from Coleman and Putnam. For Coleman (1988) social capital is highly consequential for social inequalities. In his view, social capital mitigates the effects of economic disadvantage. He identified social capital as obligations and expectations, information potential and norms and effective sanctions, which are generated within and outside families, and produce human capital (educational achievement). For example, parents invest in their children, which enable those children to increase their human capital, which then enables them to gain greater economic rewards (Silva and Edward 2004).

Making similar claims as Coleman on social capital, Putnam (2001) describe social capital as comprising networks, norms and trust as a key drivers for social inequalities, social cohesion and democratic involvement. Social capital is a distinct form of public good, embodied in civic engagement and having consequences for democracy and economic prosperity. He highlights self sustaining voluntary associations as creating and supporting the bridging social capital that enables people to get ahead. Decline in people's involvement in voluntary associations has led to a decline in social capital and thus increasing social and economic inequality.

However, Bourdieu, sees social capital as a resource or asset derived from social connections that can be cashed in terms of mobility. Bourdieu argued that possession of different sorts, and of different levels of particular sorts of capital place people differently in the social hierarchy. He presents a classic example; comparison between teachers who have high cultural capital and low economic capital, and industrialists who possess low cultural capital and high economic capital. These two groups have different capabilities of drawing from and
generating resources. They are placed differently in the social structure (Silva and Edward 2004).

John Goldthorpe (1996) has argued that participation in culture depends on economic position rather than on taste and judgment, within a framework that views economic capital as more significant than cultural in allowing individuals to mobilize resources (Silva and Edwards 2004). Robert Putnam's central idea of social capital is that networks and the associated norms of reciprocity have value. Social capital is certainly far from homogeneous. There are some forms of social capital that are good for some and not for others. Social capital has multiple dimensions, varies from formal to informal. Some are highly formal, formally organized with chairman and a president and membership dues. Some forms are highly informal; the groups of people who meet and gather in teashops, restaurants in the certain time. Both constitute networks in which they can easily develop reciprocity (Putnam 2001). Capital can be accumulated and transferred, when it is used for a specific purpose it becomes a resource (Johnson 1997). Both, capital and resources are productive in the sense that they both facilitate ends which would not be attainable in their absence. Capital is a vital component of sustainable livelihood framework and Access to capital is determined by institutional process. Thus, before addressing the livelihood framework institutional approach has been briefly discussed in the next section.

2.4 The Institutional Approach

According to institutional theories (Johnson 1997), institutions are not organizations. Institutions are the rules of the game of society or more formally, are composed of formal rules (statute law, common law, regulations), informal constraints (conventions, norms of behavior and self-imposed modes of conduct), and the enforcement characteristics of both. Organizations are the players, groups of people bound together to achieve objectives. Organizations comprise political, economic, social and educational bodies. Institutions bind people to organization and help to regulate intra and inter organizational behavior (Johnson 1997). Institutions are prevalent wherever individuals attempt to live and work together. We produce institutions while conducting all aspects of our social life. The process ranges from political decision making to economic production and exchange to the rules governing personal relationships (Knight 1992).
Institutional theories also differentiate prescriptive institutions and proscriptive institutions. The former institutions are the rule that classified people's responsibilities and rights. It means that it stipulates what people are required or entitled to do or receive rights and entitlements. Prescriptive institutions often use incentives to encourage particular behavior; this is known as positive sanctions. The later types of institutions are the rule that stipulate what an individual cannot do. It uses negative sanctions to penalize transgression. (Johnson 1997).

Knight (1992) defines institutions as a product of the efforts of some to constrain the actions of others with whom they interact. He focuses on changes on rules at a micro institutional level and wishes to explain the processes through which rules become socially shared prescriptions and why one particular rule is adopted rather than others. In Hall's (cited in Ostrum 1995, 174) word, "institutions are the formal rules, compliance procedures, and customary practices that structure the relationships between individuals in the polity and economy"

According to Knight (1992), the institutional arrangements establish the framework in which social interaction is taking place. A series of social conventions, rules and norms affects the way in which we act our everyday lives. From small firm to the multinational corporations are governed by institutional frameworks. For example economic markets themselves are structured by institutions that include the system of property right. Political organizations from the neighborhood associations to the government of a nation are formed by institutional rules and procedures (Knight 1992). Institutional theory has risen to prominence as a popular and powerful explanation for both individual and organizational action. Although its scope has certainly been expanded, institutional theory has often been criticized as largely being used to explain both the persistence and the homogeneity of phenomena (Dacin, Goodstein and Scott 2002).

Institutional arrangements can encourage or discourage the pursuit of sustainable livelihoods. It also helps to regulate collective behavior, represent both an obstacle and an opportunity for obtaining sustainable livelihoods (Johnson 1997). For example; the poor can be denied access to forest by the conservation policy on which they depend on, while the state can get benefit from it. Institutions enable individuals to go beyond the limitations of acting in isolation
Institutions influence the range of livelihood options open to different categories of people. An enabling policy and institutional environment makes it easier for the poor to gain access to assets they need for their livelihoods. A disabling policy and institutional environment may discriminate against the poor, and makes it difficult for them to get access to land, livestock, capital and information (Carloni and Crowley 2005). As Carloni and Crowley (2005) stated, local institutions have both direct and indirect influence on household livelihood strategies. Directly, it determines which activities are legal/illegal and appropriate/inappropriate for women and men, by creating incentives to pursue certain activities and choices over others, and by influencing perceptions of the effectiveness of particular strategies for achieving desired outcomes. Indirectly, it affects household livelihood strategies through their influence on access and control of household assets.

2.5 Sustainable livelihood

The Livelihood perspective starts with focusing on people, as Scoones (2009) stated, it starts with how different people in different places live, their activities, interaction and diversity of ways people make living. It starts with focusing on a multi-sector approach to solving rural development problems. The Livelihood approach has been taken as an ideal entry point for participatory approaches to interact between local people and outsiders (Scoones 2009). The history of livelihood perspective dates back 50 years, where cross disciplinary livelihoods perspective has influenced rural development thinking and practice (Scoones 2009).

The concept of sustainable livelihood came into the development debate and in research literatures in 1980s. The Sustainable livelihood approach has also been taken as the shift from economic growth to the human well-being and sustainability (Solesbury 2003). The concept is increasingly central to the debate about rural development, poverty reduction and environmental management (Scoones 1998). The concept was put forward in the report of an advisory panel of World Commission on Environment and Development (WCED) report in 1987 (Chambers and Conway 1992, 5). The report focused on 'Sustainable Livelihood Security' and proposed it as an integrating concept and made it central to the report. In 1987, WCED report defined livelihood focusing on Sustainable Livelihood Security (Chambers and Conway 1992, 5):
Livelihood is defined as an adequate stocks and flows of food and cash to meet basic needs. Security refers to secure ownership of, or access to, resources and income-earning activities, including reserves and assets to offset risk, ease shocks and meet contingencies. Sustainable refers to the maintenance or enhancement of resource productivity in long-term basis. A household may be enabled to gain sustainable livelihood security in many ways -through ownership of land, livestock, trees; rights to grazing, fishing, hunting and gathering; through stable employment with adequate remuneration; through varied repertoires of activities.

According to Chambers and Conway (1992) sustainable livelihood is a combination of three independent concepts; capabilities, equity and sustainability. Firstly, capability is the term originally used by Amartya Sen (in Chambers and Conway 1992, 4). Capability refers to being able to perform certain basic functioning or to what person is capable of doing and being. Livelihood capabilities means being able to cope with stress and shocks, and being able to find and make use of livelihood opportunities including gaining access to and using services and information. Secondly, equity in terms of less unequal distribution of assets, capabilities and opportunities and especially enhancement of those who are most deprived. Thirdly, sustainability refers to the ability to maintain and improve livelihood without harming the local and global resources and capabilities on which livelihood depend (Chambers and Conway 1992).

A sustainable livelihood is a way of thinking about the objectives, scope and priorities for development, in order to enhance progress in poverty elimination. Sustainable livelihood aims to help poor people achieve long term improvements against the indicators of poverty that they define (Ashley and Carney 1999). Chambers and Conway (1992) have simply defined livelihood as a means of gaining a living. Livelihood is also defined as a combination of resources used and the activities undertaken in order to live (Scoones 2009). Chambers and Conway modified WCED's definition of livelihood and proposed a working definition of livelihood (Chambers and Conway 1992, 6):

\[ \text{A livelihoods comprise the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance} \]
its capabilities and assets, and provide sustainable livelihood opportunities for the next generation, and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term.

This definition has been widely used in livelihood literatures with slight modification (Scoones 1998; Scoones 2009). After the realization of limited success in poverty reduction for many decades, the sustainable livelihood approach was developed by the Department for International Development (DFID) as a new approach to the elimination of poverty. Poverty analysis has highlighted the importance of assets, including social capital in determining social wellbeing. Community level institutions and processes have been a prominent feature of the Livelihood approach and are strongly emphasized, though the stress in sustainable livelihood is in understanding and facilitating the link from the micro to the macro, rather than working only at community level. The Sustainable livelihood place people firmly at the center, the benchmark of their success are whether sustainable improvements in people's livelihoods have taken place. It is expected that in SL, the poor will make significant difference to the achievement of poverty elimination goals. According to the sustainable livelihood approach, success can only be achieved if a good understanding of a household economy is combined to the attention to the policy context (Ashley and Carney 1999, Scoones 1998, Shankland 2000).

According to Scoones (2009), livelihood approaches in recent time can be applied to everything for example livestock, fisheries, forestry, agriculture, health, urban development and many more. Sustainable livelihood approaches follow the principle. Firstly, it is 'people-centered'; according to this principle poverty reduction policy should be based on understanding the realities of struggles of the poor people themselves, their participation in determining priorities, and their need to influence the institutional structures and process that govern their lives. Secondly it is 'responsive and participatory'; poor people are known as the key actors in identifying and addressing livelihood priorities. Thirdly, it is multi-level, it attempts to bridge the gap between micro and macro level policy. Fourthly, it works with both public and private sector. Fifthly, it focuses on sustainability in economic, institutional, social and environment. Sixthly, it is dynamic in that it attempts to understand change, and complex cause-effect relationship (Ashley and Carney 1999; Scoones 2009; Nigel 2011).
2.6 Marginalization, capital, institutional approach and sustainable livelihood

Marginalization, capital, sustainable livelihoods and institutional approaches are closely interrelated. Marginalized sections of the community have limited access to resources or they lack some or all kind of capitals. The figure (2.1) presented by Gaillard and Cadag (2009) for example, shows the linkages between capital and marginalization relating to disaster. It shows how vulnerable population face marginalization when they face disaster. Accordingly the concept of marginality and livelihoods are closely related concepts as marginality reflects poor entitlement to livelihoods.

Figure 2.1: Livelihoods, pre-disaster vulnerability, post recovery and the process of marginalization

Source: Gaillard and Cadag (2009, 211).

The institutional arrangement is important in achieving Sustainable livelihood of marginalized sections of the society. For example, formulating effective policies such as employment policy, legalization policy for squatters, legal arrangement may help to create better and sustained livelihoods. I tried to shows the relationship between the concepts discussed above by the following figure (2.2).
The figure shows the importance of the concepts discussed in this chapter and how the concepts are linked to each other. It also shows why these concepts are important in this study or to explain the issues of squatting. Squatters are marginalized in terms of social, economic, physical, political and environmental/ecological capital and resources. They lack entitlement, they lack access to resources, lack representation, and they have limited options for better livelihoods. This means that they are excluded from the development process. Hence, they need help; they need concern from the government, civil society, private sector. The Government has the responsibility to provide secure livelihoods to the citizens especially to such excluded sections or who are in need. I tried to discussed all this concept in the sustainable livelihood approach

2.7 Analytical Framework

Sustainable Livelihoods Framework
Sustainable Livelihood (SL) Framework is a tool that helps to understand the people's livelihoods. It shows how, in different contexts, sustainable livelihoods are achieved through access to a range of livelihood resources (natural, economic, human and social), which are combined in the pursuit of different livelihood strategies (agricultural intensification/extensification livelihoods diversification and urban migration). The ranges of formal and informal organizational and institutional factors are central to the SL framework those influence sustainable livelihood outcomes. Any analysis of sustainable livelihoods is "given a particular context (politics, history, socioeconomic condition), what combination of livelihood resources (different types of capital) result in the ability to follow what combination of livelihood strategies (livelihood diversification, migration) to achieve the outcomes. The institutional processes (embedded in a matrix of formal and informal institutions and organizations), which mediate the ability to carry out livelihood strategies and achieve (or not) livelihood outcomes" (Scoones 1998, 3). SL framework has a number of basic elements (Figure 2.3).

**Figure 2.3: DFID's Livelihood framework**

![DFID's Livelihood framework](source: Ashley and Carney 1999, 47)

SL framework can be applied at a range of different scales; from individual, to household, to households cluster, to extended kin grouping, to village, region or even nation. This study will analyzed the combination effects of community level and governmental level initiatives.
to the livelihood outcomes of squatters. According to SL framework, socio economic differentiation of squatters is the context of this study. Because of their exclusion in the society they are facing a problem of accessing the livelihood resources. In this context, how the institutional processes helping them to obtain sustainable livelihood or constraining it has been analyzed.

The SL framework has five key elements which are briefly outlined below:

**Vulnerability context:** vulnerability is exposure to risk, shocks and stress. According to Chambers (2009, 33),

"Vulnerability refers to exposure to contingencies and stress, and difficulty in coping with them. Vulnerability has thus two sides: an external side of risks, shocks, and stress to which an individual or household is subject; and an internal side which is defenselessness, meaning a lack of means to cope without damaging loss".

For Ellis (2000), vulnerability is a households' inability to cope with an adverse effect to available resources. According to livelihood framework, vulnerability context comprises trends, shocks and seasonality. These include policy, history, economic conditions, social differentiation, demography, and climate and so on (Scoones 1998). Vulnerability can be political, physical, social, and environmental and these constrain livelihood assets (DFID). In this study, I have taken the illegal status of squatters, poor living condition near the river and marginalization of squatters as a vulnerability context (figure 2.4).

**Livelihood assets:** the tangible (material) and intangible (non-material) resources that people possess to achieve livelihood outcomes are livelihood assets. Households can use livelihood assets for building their livelihoods. According to Bebbington (1999), livelihood assets are not only resources that people use in building their livelihoods but access to livelihood assets also gives them capability. Access to livelihoods assets is crucial to pursue livelihood activities and strategies. The lack of access leads to increased vulnerability. The access to livelihood assets determined by social relations, institutions and government, and power relation plays an important role (de Haan and Zoomers 2005; Scoones 1998). The key livelihood assets have been analyzed in chapter 6. The key livelihood assets are:
Natural capital: natural resource stocks (land, water, air) and environment from which people generate means of living.

Physical capital: this includes physical infrastructures such as road, buildings, water supply, shelter, toilets facilities.

Human capital: this includes level of education, professional skills, health, and labor.

Social capital: it comprises networking, trust, memberships in clubs etc

Financial capital: it includes income, savings, credits remittances, support from the government.

Political capital: holding political power, representation, relationships to other political leaders.

Transforming structures and processes: this refers to the institution, organizations, policies and laws. This is important and central to the livelihood framework that shape peoples' livelihood by influencing their access to livelihood assets, livelihood strategies and activities, and vulnerability. The institutions range from both formal to informal whereas, organizations are related to government, private sectors etc. Power relations are embedded within institutional forms. Institutions are dynamic and can be shaped and reshaped over time (Scoones 1998).

Livelihood strategies: livelihood strategies are the ways which households take or develop in order to achieve their livelihood goals. It is composed of activities that generate the means of households' survival (Ellis 2000). The combination of livelihood resources (capital) is required for different livelihood strategies in order to achieve livelihood outcomes (Scoones 1989). Scoones (1998) has discussed three types of rural livelihood strategies such as; agricultural intensification/extensification, livelihood diversification and migration. According to Farrington et al (1999) people can pursue multiple livelihood strategies for example, work on farm, migration and selling their labor locally within the same year. Farrington et al (1999) idea of livelihood strategies is relevant to this study as most of the squatters are selling their labor to pursue the means of living. Livelihood strategies can be
described at an individual, household and village level as well as regional or even national level. However, this includes differences in terms of net livelihood effects.

**Livelihood outcomes:** the livelihood outcomes of households may result in loses as well as achievements or result may be both positive and negative. The livelihood outcome included changes in income, well being, poverty level, vulnerability, access to livelihood assets. In this study the attempt is made to understand the losses/vulnerability and achievement.

**Figure 2.4: Modified livelihood framework**

Source: Author (adapted from DFID)
Chapter 3

Methodological Approach

3.1 Introduction

This chapter presents the methodological approach of the study. The chapter includes methodology employed for this study, methods of data collection and method of data analysis in different sub sections below. The study is mainly based on qualitative method of data collection and analysis. The first section begins by giving information about choosing qualitative research methodology. Section two presents how data have been preceded from different sources (primary and secondary sources). The later sections followed by the ethical issues, data analysis, process of field work, reliability and validity of the study respectively.

3.2 Qualitative Research Methodology

The study is mainly based on qualitative research methodology. Qualitative research methodology aims to explore people's feelings, perception and experiences of particular events and phenomenon more closely (Limb and Dwyer 2001). Qualitative research, broadly defined, "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss and Corbin, 1990 cited in Timalsina 2007, 36-37). According to Patton (2002) qualitative research uses a naturalistic approach that seeks to understand phenomenon in a context specific setting. In this process qualitative researchers do not attempt to manipulate the phenomenon of interest and this does not include predetermined assumptions ideally. Researchers engage in naturalistic inquiry, studying real-world settings inductively to generate rich narrative descriptions and construct case studies in qualitative studies (Patton 2005). The strength of qualitative research derives mainly from its inductive approach that focuses on specific situations or people. Hence, researchers are involved in the processes, meanings, and understandings through words and images rather than numbers (Maxwell 1998).
As Limb and Dwyer (2001) stated, social world are constructed through the interaction of cultural, economic, social and political processes and the interaction is possible through qualitative methodology. Use of qualitative methodology is a proper way to understand lived experience, interpret the understanding and share meaning of the everyday social world. Qualitative data are mediated through human interaction rather than statistical procedures (Patton 2001). According to Valentine et al (2010), qualitative techniques emphasize quality, depth, richness and understandings instead of the statistical representations and scientific rigor. Qualitative information can be gathered through participation in the setting, direct observation, in-depth interview and analysis of documents and materials. According to Patton (2005), qualitative research analyzes data from direct field work observations, in depth, open-ended interviews, and written documents. It helps to understand and analyze the circumstances in-depth.

As mentioned above, qualitative methodology engages to explore the feelings, experiences, and perceptions in real world setting through human interactions rather than statistical procedures. I have chosen to employ qualitative methodology in this study. The issues of squatters could only be explored through qualitative methodology as their lives are deep rooted in the process of marginalization. The reasons for being squatter are not the same for all and are a result of heterogeneous characteristics; coming from different class, caste, cultural background and geographical locations they are facing differential livelihoods struggle. In this study, I wanted to explore the government/non government engagement, their perceptions, views on squatters. At the same time I wanted to explore the feelings, experiences, their perceptions about themselves, on government, and their livelihood struggle in the squatter community. Therefore, this is only possible through in-depth understanding of the problem rather than gathering surface data.

3.3 Selection of the respondents

The Selection of respondents is an important aspect of any research for getting reliable information. It is not possible to study everyone, everywhere and everything. Hence, sampling is essential for researcher for completing the study within the time frame and available resources. In qualitative research there is no obvious rule of thumb in choosing a sampling method. Sampling technique in qualitative research depends on the researcher's
purpose of the study. According to Bryman (2012), discussions of sampling in qualitative research tend to revolve around the notion of purposive sampling. Purposive sampling is a non probability form of sampling where researchers seek sampling on the basis of the questions developed in the study. Patton (2002) also discussed purposeful sampling in qualitative research. According to him, the logic and power of purposeful sampling derive from the emphasis on in depth understanding that leads to selecting information-rich cases for the study. Information rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the research (Patton 2002, 46). Furthermore, purposive sampling focuses on specific groups of people who can provide needed information in order to answer questions of the research. The Sample is relatively small which cannot be representative but we can get in depth understanding of the phenomenon.

As this study aims at obtaining qualitative information from the respondents, purposive sampling technique has been used in the process of selecting respondents. First, the respondents were selected on the basis of the objectives developed in this study. According to the study objectives, I needed respondents from three different areas; from the government, from the NGOs and from the squatter settlement who can provide necessary information to my study. Respondents from government and NGO were needed to address the first two questions. Similarly, the last two questions can be addressed by selecting respondents from the squatter settlement. Firstly, selection was made randomly; normally the random sampling method is not used in purposive sampling but here it is important to talk or meet people in the settlement who I found first. Afterwards, I followed snowballing sampling method. The selection was also made as the respondents represent different ethnic groups, class, women, Dalits. It is also important to gain information from these groups as they have different livelihoods experiences, perspectives, and differential impacts of particular a program.

3.4 Methods of Data Collection

As mentioned earlier, qualitative data can be gathered through participating in the setting, direct field work observations, in-depth interview and analysis of documents and materials. This is possible through primary and secondary sources of information. In this study I have gathered information from both primary and secondary sources.
3.4.1 Primary data collection

The data which is personally collected by the researcher is primary data. Primary data can be produced through many ways. Generally, primary data in qualitative research are collected using interview, observation and focus group discussion. Interview and observation methods are commonly used techniques for collecting primary data (Kitchen and Tate 2000; Patton 2002). Bryman (2012) focuses on ethnography; interview, observation and focus group discussion. In this study, interview, participant observation, and focus group discussion have been applied for collecting primary data. More about each method have been detailed in the following sub sections.

3.4.1.1 Semi structure Interview

An interview is the ability to conduct a conversation. It is a kind of guided conversation, primarily based on specific everyday lives specific issues. According to Kvale (1996), a research interview is a specific form of conversation that is theme oriented. Interview is a commonly used technique in qualitative research that helps to produce a rich and varied data set in a less formal setting (Kitchen and Tate 2000). The interview is thus more informal in nature; it is like entering and maintaining a conversation. Interview seeks to explore everyday lives, experiences, meanings, opinions of interviewees. It focuses on qualitative knowledge; it aims at obtaining uninterrupted descriptions; it focuses on specific themes; it is deliberate or questions are not ready made and it is flexible according to the situation (Kvale 1996).

Interviews range from highly structured through semi-structured to highly unstructured (Crang and Cook 2007; Kitchen and Tate 2000). Similarly, Patton (in Nigel 2011) has discussed three types of interviews such as informal conversational interview, semi structured interview and standardized open ended interviews. In highly structured interview, questions are predetermined in a specific order whereas, semi-structured interview happens according to the general parameter set by the researcher and participants for discussion. The highly unstructured interview does not include any predetermined focus, it is a friendly conversation (Crang and Cook 2007; Kitchen and Tate 2000). Generally, the qualitative research interview is semi- structured (Kvale 1996). Semi-structured interview is neither a free conversation nor highly structured.
For this study, semi-structured interview technique has been chosen to explore and gather information on squatters; their lives, experiences, and so on. Interviews were carried out following the interview guide. Three sets of interview guides had been prepared, each for squatters, and key informants for Lumanti and the government respectively. I followed the interview guide during the interview and formulated some additional questions during the interviews. During field work, 15 semi-structure interviews have been carried out with the squatters in the Santi Nagar squatter settlement. One interview has been carried out with the employee from Lumanti and employee from the government (Kathmandu Metropolitan Office). Questions to the squatters were about their life in squatter settlement, how they survive there, why they started to live there, how they handle the difficult situation in the settlement, involvement of GOs and NGOs; their programs and its effect to the squatters. Questions to the government were asked about their programmes and policies to the squatters; how they respond to the increasing flows of squatters to the city; their future planning and so on. Similar question were asked to the Lumanti's official.

3.4.1.2 Observation

According to Marshall and Rossman (cited in Kitchin and Tate 2000, 220), observation entails the systematic noting and recording of events, behaviors, and artifacts in a social setting. It focuses on people's behaviors in an attempt to learn about the meanings behind and attached to actions. Observation relies on the observer's ability to interpret what is happening and why. The researcher watches and listens what people do and say rather than asking about their experiences, feelings and views (Kitchin and Tate 2000). Observation is a common technique in which the researcher engages in other people's practices in order to understand their lived experiences in the context of their everyday lives. There are many terms that can be used for field work observation, for example; participant observation, fieldwork, qualitative observation, direct observation and field research (Patton 2002, 262). Though, there is a variation in term, the aim is being in or around an ongoing social setting, and the purpose is to analyze that social setting.

Both participant and non participant observation methods have been applied to this study along with interviews. Participant observation can be described as being there or being in the middle of the action. Crang and Cook (2007) describe participant observation as 'deep
hanging out. It focuses on depth rather than breadth of data. Participant observation allows the researcher to observe events and the behavior of people by taking part in the activity themselves (Kitchin and Tate 2000). I followed the open participant observation method. Open participation observation is also known as overt participation observation where the researcher's role as researcher is known (Kitchin and Tate 2000; Patton 2002). Open participant observation is important in studying cultures and the situation of the poor. I introduced myself as a student researcher and explained the purpose of the study. It is however not possible to follow total participation in the squatter community because of their poor status in the society and their anger with outsiders. I have participated in their activities by informal talking about general issues of life and observe their activities. Personally, I am not from the squatter community, but the people who are living in the squatter community they came from the same kind of society where I live, the society where people from different economic, social, cultural ethnic background live. I developed close relationship with them by using the same language, even though some of them have their own native language they use to speak Nepali language. I had also developed closeness by using of respected term according to the age and sex of the informant for example didi (sister), daju (brother), aama (mother), buba (father), these create the family environment. I did not stay in the community during the night.

The non participant observation has been done by observing the things in surface. Sometimes, I walked through the street and observed physical characteristics of the houses, location, and condition of the river. I also observed activities during interviews and after finishing interviews.

3.4.1.3 Focus Group Discussion

Focus group discussion is a way of collecting primary data on the qualitative research. It is an informal group discussion where a small number of people has been gathered and focused on a particular topic. Sometimes, focus groups are also known as group interview (Silverman 2011). Focus groups consist of relatively small groups of people who are brought together by a researcher to explore attitudes and perceptions. Focus group discussions include three important factors; first is to explore the common experiences and knowledge of the participants. Second, it includes interaction within the group and means for eliciting
information. The third includes the researcher's role to facilitate the group interaction and
monitor the process (Crang and Cook 2007). I have conducted one focus group discussion for
this study consisting of 9 members. The discussion had been taken place in a small
community house. Both male and female were there. The discussion has been important for
knowledge on dynamics of livelihood activities, resources availability, relationships within
the community members, services provided by the government, NGOs etc.

3.4.2 Secondary source of information

A Secondary source of information is required in this type of study. It is useful from the
beginning of the research process from the preparation of the research proposal to the
finalization of the research report. It helps to find objectives, relevant theories and shape
research in a clear way. From the secondary source of information we can get demographic,
social, economic, geographic information of the study area and people. It is not an exception
for this study as well. I used various previously published and unpublished documents as
secondary source. Those consisted of relevant books, journal articles published in national
and international journal, survey reports of institutions, programs and policies of the
government, progress reports of institutions have been thoroughly reviewed as published
materials. The documents also comprised master's thesis and PhD dissertations. The
discussion/seminar/ background papers related to the issues also helped to gain more
information on the issue.

3.5 Ethical Considerations in the Field

According to Valentine et al (2010), by behaving ethically, we maintain public trust. From
that position of trust, we may be able to continue research and to do so without causing
suspicion or fear amongst those people who are our hosts...Not only is it important that we
feel sure we can depend on the integrity of colleagues’ work but trustworthy work helps
ensure the continuing support of agencies up on whom we depend to fund our research
(Valentine et al, 2010). In acceptance of this perspective, I explained to the respondents that
the information obtained from them is used only for the research purpose ahead of the
interviewing process. I showed respect to the respondents. I told them that they can withdraw
from the interview session in the middle of the interview and/or to jump answering some
questions if they are not feeling comfortable with them. To keep the privacy and confidentiality, participants were told that their names will not be disclosed. If I have used any names here they are anonymous and the real names are substituted with other unidentified name.

3.6 Analysis of data

The purpose of qualitative data is to seek the understanding from the respondent's perspective rather than to generalize data. An analysis of the data in qualitative research, engages with the interpretation of the meanings of people's behavior, practices and actions. I have analyzed the data gathered from primary sources; interview, focus groups, observation and secondary sources using the livelihood framework developed as well as other theoretical concepts discussed in chapter 2. For this, I made note for all interviews, group discussions, and observation at the same time of interviewing, discussion and observation and after getting back to the home the same day. The researcher neither recorded their voices nor took any photographs of the respondent because of ethical reasons.

3.7 Reliability and Validity

Reliability and validity are ways of demonstrating and communicating the rigor of research process and the trustworthiness of the findings (Roberts and Priest 2006). It is important for any researcher to be concerned about reliability and validity while designing a study, analyzing results and judging the quality of the study (Timalsina 2007). As defined by Kirk and Miller (1985, 41-42), reliability is the degree to which a measurement remains the same in the repeated actions; stability of measurement over time and similarity of measurement within a given time period. Validity at the same time refers to the issue of whether an indicator or a set of indicators that is devised to gauge a concept really measure that concept (Bryman 2012, 171). Kitchin and Tate (2000) relate validity to the soundness, legitimacy and relevance of a research theory and its investigation. Validity is a means for obtaining rigor through using techniques of verification. Creswell and Miller (2000) defined validity as how accurately the account represents participants' realities of social phenomena and credible to them. Validity does not refer to the data but the inferences drawn from them (ibid 2000). According to Kavle (in Morse, Barret et al. 2008), validate means to investigate, to check, to question and to theorize. These activities are integral components of qualitative inquiry that
insure rigor. The term rigor in research appears in reference to the discussion about validity (Timalsina 2007). The procedures include of validity are those strategies issued by researchers to establish the credibility of their study (Creswell and Miller 2000).

It is argued that reliability and validity are terms appropriate to quantitative research only and is not applicable to qualitative research. However, reliability and validity can be used in all kind of scientific studies whether it is quantitative or qualitative (Golafshani 2003; Morse, Barrett et al. 2008). Morse, Barrett et al (2008) also argued that reliability and validity remain appropriate concepts for attaining rigor in qualitative research. They suggested adopting new criteria for determining reliability and validity, and hence ensuring rigor, in qualitative inquiry. In qualitative research reliability and validity are not used separately as in quantitative research (Golafshani 2003). Trustworthiness is used as a parallel concept of reliability and validity that bridges both reliability and validity in qualitative research. All research must have truth value, applicability, consistency and neutrality in order to be considered worthwhile whether it is qualitative or quantitative (Morse, Barrett et al. 2008). As Lincon and Guba (in Morse, Barrett et al. 2008) proposed, the criteria to ensure trustworthiness are credibility, transferability, dependability and conformability.

Triangulation is a validity procedure where researchers search for convergence among multiple and different sources of information to form themes or categories in a study. The four types of triangulations are defined by Denzin (in Creswell and Miller 2000); sources (participants), theories, methods (interview, observations, and documents) and investigators. As a validity procedure, triangulation is a step taken by researcher and it is a systematic process of sorting through the data to find common themes or categories. A popular practice is for qualitative inquiries to provide corroborating evidence collected through multiple methods such as observations, interviews and documents to locate major and minor themes. The narrative account is thus more valid because researchers go through this process and rely on multiple forms of evidence rather than a single incident or data point.

Considering the importance of reliability and validity in qualitative research, I have used a combination of several methods to improve the validity and reliability and reduce the risk of biases. To ensure as much reliability and validity as possible I conducted the interviews by myself. To avoid misinterpretation I made field notes during interviews. The focus group discussion and participant observations also allowed me to collect more reliable information.
I played the role of a student researcher in the community. I followed ethical guidelines to assure my respondents that the information collected from them will not be published otherwise than for study purposes.

3.8 Process of field work

As Crang and Cook (2007) identified, it is very important to develop early contacts (which is the first step in any ethnographic work) with organizations/industry/community/area where the researcher intends to carry out his/her study and where probable constraints exist (e.g. access, time, and money). I was not completely unfamiliar with the study area because I was involved in a survey in 2008. The survey was conducted by Care Nepal in 2008. But it was guided by a set of questionnaires and the guidelines of the organization. At that time, I was only responsible to fill up the form according to the requirement of the study. I should not make any arrangements for meeting people. Therefore, I did not have any close relationship and contacts with the people. However, I was familiar with the location of the study area. I had also gathered information about numbers and location of squatter settlements in Kathmandu from previous thesis and other publications (especially Lumanti’s Publication) before going in to the field work. When, I was studying previous thesis and other documents relating to squatter and the settlement, I found that Lumanti is a crucial institution working in the settlement. Then, I decided to go first to Lumanti for gathering information and to develop networking to the squatter settlement and other institutions.

After arriving Kathmandu, I went to see Lumanti to gather information about squatters and the settlement. I went regularly to Lumanti for visiting the library and talking to the people. I found Lumanti very helpful for providing all relevant information. I also came to know by the official that Lumanti is the only NGO working with squatter settlement. Some other NGOs also tried to work in the squatter settlement but closed in short term. After Lumanti, I went to Kathmandu Municipality located in Shundhara but it was very difficult to find the department because I did not find any reception/information section that can provide the information of location and purpose of the department. I went to many departments but they did not know about any involvement in squatters. Finally, I was sent to Social Welfare Section where I found helpful people for providing information.
I gathered contact information of Nepal Basobas Basti Samrakchan Samaj (NBBSS, Nepal Settlement Protection Society) and Nepal Mahila Ekata Samaj (NMES, Nepal Women’s Unity Group) and Child Development Youth Network (CDYN) hoping that it will make for an easier entry into the settlement. But unfortunately it was not as easy as I thought before. When I entered in the settlement I met a man who was sitting on the ground. When I started talking to that man, other people in the settlement was noticing me because I was new to them. They came and started to investigate me, about my status and purpose to be there. At the same time, a man said to me that it is ok if you are student and want to gather information here but you need to go first to the office and talk to them. Actually there was not any office but their intention was to get me out of community. Before I reached the place where the office was supposed to be, the crowd had already gathered there. They started investigating me. Again, I explained intention and let them know that the information collected from here is used only for study purposes. I showed them my student identity even visa to Norway. Afterwards, they allowed me to gathered information in the settlement.

To some extent, it is easier for the student researcher to study in the settlement as they believe that student use the information for the study purpose only. If I wouldn’t be a student, I was not allowed in to the settlement at that day. Still people were curious whether I was hiding my real identity and showing them a fake identity as student. It is because, some people come and say that they are student, but in reality they were not and they disclosed their information in newspapers, radio, television, etc. A woman full of anger reported that a reporter came from one national newspaper; he visited the settlement and wrote unnecessary statements about the settlement. And she was curious about me as I may be also from some media. When I went everyday in the community, their confusion/curiousness no longer existed.

People seemed hesitant to give information during the interview/conversation when the topic was about their occupation, income and involvement in business or in some political institutions. According to the habitants, every day, many people come and gather information in the squatter settlement, especially student from the medical college and students from Tribhuvan University and the got nothing in return. A woman from the settlement complained;
"Every day I meet people like you and should answer their questions and at the same time I also should take care of my children and household works but I don’t get anything in return it is just a waste of time for me".

Such things make them irritatable towards people from outside; I used the term outsiders here because generally people from outside of the community are interested in the squatter community. I tried to convince them as far as I can, give respect to them, used respected term according to gender and age for example didi, ama, daju, buba etc. I told them I don’t want to irritate you, you are free to not giving information but your information is worthwhile for my study. I also told them I cannot guarantee but this may help in future if I find the opportunities working with the issues of squatters. I did not feel any language barriers in the field; I could easily convince and clarify them if they feel uncomfortable or confused. Though, I am not from the squatter community and from a higher caste (Bramhin), I live in a mixed (heterogeneous) community where Muslim, Dalits, and other ethnic communities live. The difference is they face discrimination from the state as a whole, they posses illegal status.
Chapter 4

Study Area

4.1 Introduction

This chapter gives a brief overview of the study area. It starts with the country's introduction in the first section. The first section provides general information about geography, topography, administrative, and socio economic status of the country. Section two provides information about the Kathmandu valley where the study area is located. At the end, it gives information about the case study area; Shantinagar Squatters Settlement.

4.2 Nepal Country Profile

Geographically, Nepal is a small landlocked country situated in the foothills of the Himalayas. It lies between the Tibetan autonomous region of the People's Republic of China in the North and India in the South, West and East. The total geographical area of Nepal is 147,181 square kilo meters (sq/km) with the east to west length average 885 km and 193 km south to north. According to preliminary result of the national census 2011, the population of Nepal is 26.6 (26,620,809) million with an annual growth rate of 1.4 percent (CBS 2011) whereas the figure was 2.25 percent per year in 2001 (CBS 2001). The population of male and female in Nepal is 12,927,431 and 13,693,378 respectively (CBS 2011). The majority of the population lives in rural areas whereas, only 14.2 percent of the population lived in urban areas in 2001 (CBS 2001) increasing massively in 2011 to 17 percent.

Ecologically, the country has three distinct zones named; Terai, Hill and Mountain. Terai is a flat land lying below the elevation of 610 meters to the south part of the country from the east to west. This region constitutes 23 percent of the total area and half (50.2 %) of the country's population. Hill areas are found above the 610 meter from the sea level to the 4876 meters in the middle part from the east to the west of the country. The area constitutes 42 percent of the total land area and 42 percent of the total population. Areas from the 4876 meters to the 8848 (the highest peak in the world; Mount Everest) are called Mountains; the area lies to the north part of the country from the east to west. The area constitutes 35 percent of the total area and seven percent of the total population of the country (MOHP 2011).
For administrative purposes, the country is divided into five development regions; *eastern development region, central development region, western development, mid western development region and far western development region*. The highest proportion of the population lives in the central development region as the capital of the country is located in this region and the least proportion in the far western development region (the least developed region). The central development region constitutes 36.5 percent followed by eastern (21.9), western (18.6), mid western (15.6) and far western (9.7) development regions respectively (CBS 2011).

Economically, Nepal is an under developed country in the world with low per capita income of 642 USD annually. A quarter (25.2 percent) of the populations still lives below the poverty line. The majority of households are still dependent on agriculture sector; the figure is 75 percent. Agriculture sector shares 35 percent of the total Gross National Product (GDP)
in the national economy. Nepal is facing low economic growth and high income inequality with the Gini co-efficient 0.46 (CBS 2011). The literacy rate of Nepal is 61 percent (6 years and above) whereas, 72 percent male and only 52 percent females are literate. This figure is higher for urban areas (77 percent) and lower in rural areas (57 percent) (CBS 2011).

4.3 Kathmandu Valley

Kathmandu has a long history like many other south Asian cities. The Kathmandu valley is located in the central east part of the country and falls under the central development region. It occupies a surface area of only 600 square kilometer (Toffin 2010). The Kathmandu valley forms a bowel shape and elevation ranges from 1100 to 2700 m above the sea level (Thapa and Murayama 2012). It has 3 million of population in 2010. The valley has great political, economic, and administrative importance (Toffin 2010). The three cities in the valley, Kathmandu, Lalitpur and Bhaktapur represent oldest and historic cities in Nepal. Evidence shows the existence of settlement dating back to 200 B.C. It is said that king Gunakamdeva was the founder of the city in 723 A.D. for the last four decays the valley has been facing unprecedented and dramatic urban growth (Gallagher 1992).

Kathmandu Metropolitan City (KMC); the only metropolitan city in the country is located in the middle part of the Kathmandu valley. Kathmandu is the capital of Nepal. It has been administratively divided into 35 wards and has an area of 50.67 sq. km in the valley. It can also be broadly divided into three sectors, historic core city, city center and outer belt of the city. Kathmandu Valley includes three districts named; Kathmandu, Lalitpur and Bhaktapur. The study has been carried out in Kathmandu district of Nepal. Kathmandu has the highest urban population in the country with the annual growth rate of 6.5 percent between the years 1991 to 2001 and it has been increasing in recent years. In 2011 the population of Kathmandu Metropolitan City has reached 1,006,656 (CBS 2011). The average density of population per sq km was 1837 in 2001. However, the average population density of the country is 157 (CBS 2001).

4.4 Shanti Nagar Squatter settlement

The Shanti Nagar Squatter settlement has been selected as the case study area of this study. Out of more than 70 (Bhattarai 2005) squatter settlements, Shantinagar is relatively new and
the second largest settlement in the Kathmandu Valley (Lumanti 2008). In the Kathmandu district only, the settlement is the largest. Because of limited time and financial resources it was not possible to study many squatter settlements. This settlement is selected also because of the qualitative nature of the study. It is important to focus more on gathering information regarding people's experiences, feelings which can fulfill the objective of study than on numbers of people and settlements. Geographically, Shanti Nagar squatter settlement is located in the Bagmati River basin with 589 household and a population of 1290 male and 1132 female (total population 2422). The average household size is 4.1 and the majority of the population is in the 15-19 age groups. Geographically this settlement is located at the river bank of the Bagmati River and most people have migrated from the other parts of the countries and are a composition of different ethnic groups, castes and class (Bhattarai 2005).

Figure 4.2: Shanti Nagar Squatter Settlement

Source: Google Earth 2012
Chapter 5

Marginalization and access to livelihood assets of squatters

5.1 Introduction

This chapter deals with the marginalization of squatters and their access to livelihood assets. First, it presents the historical context of marginalization that includes how different regimes and institutional processes lead people to become poor and landless. Similarly, other factors such as population growth, migration, conflicts have also been discussed as contributing factors. Secondly, this chapter presents access to livelihood assets of squatters and problems relating to accessing them. The livelihood assets discussed here are natural, human, physical, social, financial and political capitals as presented in the livelihood framework.

5.2 Brief historical overview of marginalization process in Nepal

As discussed in chapter two, marginalization expresses disadvantage and injustice. It denotes exclusion of people from the effective participation in social and economic activities. In this process people are excluded or peripheralized on the basis of their identities, associations, experiences and environments. Marginalized groups experience inequalities in the distribution of resources and power. The process of marginalization involves long historical perspectives and gives strong emphasis on structures. The dominant always control productive resources using their economy and power and the dominated always struggle for resources. The dominant group may include state, political leaders, village elites and so on. This section presents a brief overview of marginalization processes in Nepal. How different institutional processes create marginalized sections in the society is briefly discussed here. It starts with the historical context.

5.2.1 Institutional processes

Institutional processes can be described as different kinds of regimes, rules, development programs/projects that are important factors in the process of marginalization. Historically,
colonialism and capitalism (mostly related to the land) was found important for the process of marginalization especially in African and some Asia countries. However, Nepal has never been colonized by any European and other countries, but Nepal also faced exclusionary discourses internally at the same time periods. Marginalization and social exclusion process in Nepal has been taken place in different time period and regimes. Some of the examples are briefly outlined below:

5.2.1.1 Unification process

Historically, social exclusion process has been rooted since long in the society although it has been noticeably seen at the beginning of unification process by king Prithivi Narayan Shah. Several studies on social inclusion/exclusion describe the unification process as important for displacing local ethnic communities (Thapa 2009). After the unification process, many ethnic groups lost their political and economic control over the local community structures. All the small states were unified and centralized. Local communities faced central dominance and taxes over the local resources were collected from the center. The dominance of privileged groups was supported by the center and they were mostly from higher caste groups. Landlords, civil administrators, traders were mainly represented by Brahmin and Chhetries emerged in the society. Civil administrators were supported by the village elites. The indigenous people, less educated and illiterate people who were original from the community were excluded and displaced. Land ownerships of local and illiterate people were transferred to the village elites and administrators for own their benefit. The locals were restricted to use the communal resources, such as land, forest, water on which they depend on for their livelihoods (Thapa 2009).

5.2.1.2 Rana Regime

During the 104 years long Rana’ (Rana is one of a surnames of Nepal, they are near and relatives to the royal family) regime which was turned down in the 1950s. Supporters of Ranas’ benefitted from using these resources. The Ranas implemented many rules and regulations which were totally against the poor. The land tenure system is one of the examples. Ranas distributed land to the people from whom they benefited. The state offered land to certain communities or people as a reward. Such examples are; to a private individual
(birta), to Government employees (jagir), to Royal vassals and former rulers (rajya), to religious and charitable institutions (guthi) and communal land ownership (kipat) (Neupane 2008). The elites were the ones who mostly benefited from them and the poor always had to dependent on the elites. As a result poor were compelled to live in the ecologically, and economically marginal areas; the areas where there is less food production and they are more vulnerable to landslides. At that period, development meant to make the state strong. Issues of the poor were often neglected.

The second example of formal/institutional exclusion of people in the Rana regime was the formal implementation of the Caste system. The caste system in Nepal is an important factor for marginalization process. The system placed people differently in the society. In 1854, the then Prime Minister Janga Bbahadur Rana introduced the muluki Ain (National Code). According to the code, people were divided into four main categories. Bramhin remain on the top as purity, and Dalits remain on the lowest ranked as polluted, known as untouchable (acchhut). This caste system allows higher caste people to have access to more fertile land and other resource. At the same time, it prevents low caste people to access such resources. Low caste people are compelled to live in geographically vulnerable areas which are prone to floods and landslides. Their occupation skills also remained in a traditional way as Balighare¹. Even the lower caste people were not entitled to touch people and public resources like water tab (Ahuti 2004).

5.2.1.3 After the Rana regime

After the end of the Rana period, many programmes and policies are restructured. However, the previous elites ruled the villages. The government structure of the Nepal is concentrated in central level and programmes and policies are formulated from the centre to the bottom. It means that the programmes and policies are formulated in a top down approach. Planned programmes and policies hardly reach the poor. The caste system is widespread phenomena in Nepal. Higher caste and people dominate low caste². There have been some reformulations in the caste system though it is still in practice. The Interim constitution states in article

¹ Term denotes the exchange of labor with grain. People get a certain amount of grain instead of cash for their work in a year.
² Low caste people are those who are regarded as untouchable, in 1854, the national code was developed and created the caste structure, the code defined caste in terms of ritual “purity” and “pollution”. Bramhin is the highest rank and dalit is the lowest means pollution (Nepal human development report 2009).
"no discrimination shall be made against any citizen in the application of general laws on grounds of religion, race, sex, caste, tribe, origin, language or ideological conviction or any of these" (Interim Constitution 2007). Discrimination limits the lower status people from getting access to the resources and access to various kind of development programmes, although, many development programs are designed to improve the livelihoods of people.

### 5.2.1.4 Infrastructural Development

Building a road and such physical infrastructure meant to bring progress and economic wellbeing. But the top down development model often have negative impact on lower caste, class, and illiterate people in the society. Often rich and high caste people in the society take benefits from such programmes and lower status groups are supposed to be displaced or marginalized in the society. Kattel (2006) has presented a good example of Kumal community in Arun Valley on how they were marginalized by the physical development projects. The establishment of an airport in the community breaks the long established settlement. They have been living there since the unification period (1774/75 AD). Afterwards, they became victims of trickery of high caste neighbors and officials. Some were displaced from the community and went to India, some find squatter settlement somewhere else, there is a possibility many of them displaced from the program are squatters living in the squatter settlement in Kathmandu. Who remain in the community has lost most of their land and are living with few resources as poor and some of them became bonded labor (Kattel 2006).

### 5.3 Contributing Factors of Squatting

The majority of squatters in Kathmandu are living in the main river basins such as Bagmati, Bishnumati, Hanumante, Dhubikhola and Tukucha River. Their settlements are therefore very vulnerable to flood and a polluted environment. They possess no legal status; the land occupied by the squatters cannot be use for productive purposes. The security of their houses is uncertain, at any time the government can take over the land. However, the squatting process has not been stopped rather it is increasing in rate. Therefore, it is important to be noted that why they are living there. There are many factors that lead to them for moving to such vulnerable environments. Some of the major factors are outlined here.
5.3.1 Population Growth and Migration

Population growth is one of the important factors for squatting process. Nepal has been experiencing a rapid population growth since the 1960s. The rapid growth rate put pressure on available socio economic resources. The major pressure of population growth in Nepal is seen on limited land. As a result, people started to cultivate marginal land; land is the most important resource of livelihood for most of the people. Most of the people who live in rural areas are depended on available land for their income generating activities (see natural capital for land holdings size). When people put pressure on marginal land then small occurrence of disaster may loss the productivity of the land. The poor are mostly affected by such occurrences and their ability to recover is still low compared to rich people.

Gallagher (1992) has emphasized population growth and migration as predecessors to urbanization and emergence of squatter settlements. The worsening conditions in rural areas due to population growth led to out migrations. The dominant reason for migration is economic while marriage, natural disaster and social factors are other motivating factors. Push factors in rural areas includes conventional land tenure system, natural hazards, increased unemployment and underemployment. The modernization process of the village economy has led to changes in consumer behavior which is not appropriate for most of the villagers especially for poor. Though marginalized groups were targeted by land reform acts, they were unable to organize or were too vulnerable to claim their newly established rights. As a result they were pushed into the subsistence and landless categories, and for them migration is the only option for survival. City centers present many employment opportunities, education, health and other facilities as pull factors.

In earlier times, natural disasters were the main cause of being a squatter. People used to move because of floods, earthquakes and landslides, and these natural disasters and phenomenon are the result of unequal social structure in the society where the poor were forced to live in hazardous areas. According to marginalization theories (Collins 2010), the poor are compelled to live in hazardous areas where natural calamities are very frequent. Traditionally, shelter and economic activities of poor people was dependent on local landlords. Illiteracy, poverty, powerlessness made people unable to cross the village boundary even in the situation of crisis of food and other basic needs. The dependency of the
poor on landlords was strong. Poor people are deprived of access from local resources. After introduction of liberalization policies, the condition of poor and displaced people became worse. In recent years, the increasing trend of privatization make poor more vulnerable. People started to migrate or displaced to the urban centers (Sengupta and Sharma 2006). As a result of discrimination, population growth and natural disasters people migrated to other parts of the country (e.g. in squatter settlement).

Almost all people in the study area migrated from the other parts of the country. Among them, most migrated from neighboring districts; Ramechap, Kavre, some migrants are also from Kathmandu Valley. The reason behind migration is not the same for all people living in the settlement. A female respondent stated that population growth is the main cause for her migration to the squatter settlement. She said;

"It is not our wish to move in the city; especially in this settlement. We are not landless people from the beginning although available resources were not sufficient to feed all the family members. We came here for searching more opportunities for better livelihood".

For them, the main cause for migration is to search economic opportunities in the city area. However, finding employment in the city area is not an easy task and finding a place for living is even more difficult. The rent in local housing market is not affordable for the poor, lower caste. For them it is easier to make small huts in free space and settle down there.

5.3.2 Conflicts and Migration

In the later decades, the increasing trend of squatter settlement originated from different contexts, related to the economic, institutional weakness, government's limited capacity to investment and implementation. Widespread poverty, unequal distribution of resources and political instability created the 12 years long Maoist insurgency also seen as a contributing factor for migration (Bhattarai 2005). After 1990, the number of squatter settlements increased because of the Maoist conflict. During the conflict mass displacement from the rural area took place. There is no any exact figure available but it is assumed that one million people were displaced due to conflicts (Sengupta and Sharma 2006).
Some of the respondents reported that Maoist conflict created conditions for migration. According to a conflict affected respondent:

"It was so hard to live in the conflict situation, Maoist always forces us to join them, and they also threaten us to give the punishment if we don’t become the member of their party. On the other hand if we became member of Maoist then we had the risk from the government army. We could not live in such situation and move here for security reason."

5.4 Marginalization of squatters

In Toffin's (2010) word, squatters are 'outplaces' it is because neither belonging to the urban territory nor to outside space (outside space is the place where squatters came from). He further states that their uncertainty has a serious impact on education, economic conditions and the exercise of citizenship rights. They are easily manipulated by political leaders and organizations. Although, they come from different cultural, geographical, socio-economic backgrounds they formed a new social identity in new social fabric; the squatters or outplaces. Squatters are the object of fear, anxiety, suspicion and misconceptions among most of the population living outside the communities, the non squatters. The term Sukumbasi itself, carries negative connotations (Toffin 2010). My respondents reported that the non squatters behave them like non human. Their children are treated differently and tag them as squatters' children. One of my woman respondents stated:

"If we do good and built nice home in the settlement, the non squatters think that we are not a real squatter rather we are acting as a squatter for obtaining a free land. I think it is not necessarily squatters always should remain poor; even though we are less educated we can also use other professional skills for earning money. As child is not remain always child he grows up, squatters also not remained poor all the time. We can also improve our status”.

It is true that squatters should not remain always poor and marginalized. In city areas there are many opportunities where they can use their professional skills such beautician, tailoring, business and so on. The Nepalese belonging to the urban middle-class in particular view them as dangerous social outsiders, even invaders and river polluters. Their shanty encroachments
on rivers are seen as obstacles to restoring the original riparian landscape and beauty. It is also believed that squatters are the readymade demonstrators for the major political parties in Nepal (Toffin 2010). It is also believed that some non squatters (who do not fall under the squatter category) are also protected by the political party. It means the politicization of the fake squatters also existed in the settlement. The 'hukumbasi' (fake squatters), the term coined for people who pretends to be a Sukumbasi in order to obtain a land title, as well as other advantages will be granted to the underprivileged. This process creates complex situation to the genuine squatters as well to the government for indentifying and providing the support to the genuine squatter. Squatters also agree that there have existed some hukumbasi in the settlement who creates complexities to the real one. Old squatters have seen new settlements as Sukumbasi.

Squatters are not only excluded from the mainstream development processes but they are also facing unequal power relations inside their community. In the squatter settlement, there are different class and class people that create complexities. Powerful people live in the upper part and are less vulnerable to the flood risk; poor people live in the lower part close to the river. During my field work I observed that the condition of houses located in the upper part are relatively well than that located in the lower part. The squatters are excluded from the use of resources even in the city areas. Government has been neglecting the issues as they are living illegally. Squatters are also threatened by environmentalists for polluting the river rather ignoring the fact the squatters has a minor role in the river degradation process. One day, when I entered in to the community, one man was sitting on the ground putting his hand on his head; normally putting hand on the head is the sign of bad luck (elderly people use to say). I asked him why are you doing like this, he replied;

"We should leave this settlement within 15 days; some organizations, called Bagmati Samrakchan Kosh (Bagmati Protection Council) have warned us and leave the notice. If we don’t leave then they will destroy our houses, we are poor, we don't have place to live anywhere else if they really destroy our houses then it would be big trouble to us.

He further added:
We are poor so we should experience such thing, we can't do anything we will see what will happen”.

But not all the community members think like him that we are poor so we should see what will happen. They are not in a condition to wait and see. They are ready to protest against the eviction. They will die their but they will not leave the place.

About the condition of the squatters, one of the squatter leaders in Tanaka's study expressed:

’We have been here a long time, hoping others will understand why we need to stay here as squatters. We contribute to the development of the city by carrying bricks and other loads to construct houses for the rich, or by working nominal wages as domestic servants for wealthy families. But people still see us as illegal invaders. They see us as the cause of problems’ (Tanaka 2009, 143).

5.5 Access to Livelihood Assets

5.5.1 Natural capital

According to Ellis (2000) Natural capital comprises the land, water and biological resources that are utilized by people to generate means of survival. Natural capital is important capital for the people who are dependent on agriculture (i.e. farming, cattle raring, fishing, collecting firewood from the forest etc). Land is an important natural resource in Nepal because of its agricultural characteristics where about 76 percent of the households are dependent on agriculture. Out of the total households 74 percent are agricultural based households who have their own land or with land ownership whereas two percent of the households do not have their own land. The average size of land holding in the country is 0.7 hectares whereas rural areas have the same land holding size (0.7) as the country and urban area has 0.5 hectors. Many people in rural areas are dependent on agriculture. People generally engaged in the agricultural activities such as paddy farming, vegetable farming, cattle farming, and poultry farming and so on (CBS 2011).
As a result of increasing population growth rate the land holding size and the agricultural based population have been in decreasing order. According to the Nepal living standard survey 2010/11 the percentage of agricultural households decreased from 83 percent to 74 percent between in 1995/96 and 2010/11. The average size of land holding decreased from 1.1 to 0.7 in the same period. In case of water resources about 54 percent of the land is irrigated in the country (CBS 2011). Those people who have enough land available can sustain their livelihood from agriculture as well as they can create employment to others. At the same time, those who do not have enough land their livelihoods are dependent on the elites of the village and other non farm activities. Most of the squatters are the result of the land fragmentation and uneven distribution of land resources.

In the urban areas, access to natural capital is limited and very weak as farming land has been replaced for housing purposes. None of the squatters are engaged in agricultural activities because they do not have farm land. The land they occupied is owned by the state and using only for shelter. The only natural resource they have is the river though it does not look like river. Instead of water plastics, sewerage, chemicals from industries and also ritual cremation of dead people flow in the river. People neither drink the water from the river nor can they use it for any other purposes though they are blamed for making the river polluted and deteriorating the natural environment of the river side. Most of the squatters use water from the underground source extracted by tube well, though the quality is not good. As they are living inside the Ring Road (the core city area) they do not have any access to the forest from where they can collect firewood or use as pastures. The livelihoods of squatters are dependent on manmade resources available in city areas rather than a natural resource base.

Respondents have also emphasized the importance of natural resources. Some reported that they had land on their own but it was not sufficient for the growing family members. If they would have enough land in the origin village they would not be in the squatter settlement. Gita maya Tamang one of my respondents reported:

"We had a house and some amount of land in the origin village but we had big family and available resources were not sufficient to feed all the family members. We came here for searching more opportunities for livelihood. We don’t have our own land here but still we cannot go back to the previous place. If we go back again we should face same problems of not having enough land,
enough food. Now we have children, we should think about their future, we
don’t want they work in elite's field instead of doing their studies. Here is more
opportunities than in the villages though we don’t own any land, forest, water
etc”.

5.5.2 Physical capital

According to Ellis (2000) physical assets comprise capital that is created by economic
production process. These include buildings, irrigation canals, goods, roads, machines etc.
Physical capital is important in the development of people as it comprises produced goods
and basic infrastructure which is need for them to function productively to support their
livelihoods. Buildings, electricity, roads, drinking water facility are important physical capital
concerning to the squatters. Squatters by definition are homeless people who do not have an
ownership certificate. The houses they are living in are built by the squatters themselves on
public land. More than half (54 percent) of the households in the study area have temporary
type houses whereas remaining (46 percent) are living in a semi-permanent type houses
(Lumanti 2008). These types of houses are made from poor quality bricks, mud. The houses
are normally one storey and have very limited space, some have only one room. According to
Lumanti (2008) there are no permanent houses though it was observed during field study that
there were some permanent concrete houses in the settlement. The condition and types of
houses differ in terms of their economic status. Concrete buildings are possible for those
whose family members are in a foreign country for employment, especially in the Middle
East. In the settlement, people who live near the river have poor condition houses (the figure
5.1 shows condition of houses to those who are living along the river). At the same time,
those who are living little far away from the river have relatively good condition houses. The
clever and well off squatters live a little upward from the river less prone to floods and other
problems such as pollution from the river.
In the study settlement people use tub well for drinking water. They do not have access to drinking water facilities provided by the municipality. According to Lumanti (2008) about 97 percent squatters in the Shanti Nagar squatter settlement use tube well for drinking water and only one percent use stand post. In this settlement six percent households lack the toilet facilities and use open space and the riverside, 18 percent use modern toilets. Most of the households (75 percent) use a latrine drained to river near their houses. Among my respondents, three had modern toilets, and other had latrine drained to river. In the settlement 34 percent have their own electrical line and 60 percent took from the neighbor and 5 percent live without electricity facilities (Lumanti 2008). All my respondents have been using the electricity. In term of access to road facility, the road which passes through the settlement is linked to the main road. However the condition of the road of the settlement is not good. Distance between the settlement and main road is about 10 minutes. A number of small gullies and pedestrian streets are linked to the settlement from the city though they are not made for the squatters. Transport facilities are available from the main road to many parts of the Kathmandu valley. Physically, many private and public schools and colleges are available in near distance though access to them is determined by financial resources of the households. There were not schools and colleges inside the community.
5.5.3 Human capital

Human capital refers to the labor available within a given household; it also includes level of education, skills and health of the household members (Ellis 2000). Human capital is important to make use of other form of capital though it alone is not sufficient to secure livelihood outcomes. Human capital can be generated through investing in education, health, and other professional skill which further help to generate economic and social capital. Educated, healthy people with professional skill can get better jobs in society. Better job provides high income which leads to higher status in the society and further generates social capital. Financially strong people can invest in their children’s education and good health services.

Labor force is important to carrying out the daily lives of the people. In the context of Nepal, 15 to 49 years aged people are economically active (CBS 2011). In the settlement both man and women of this age group are engaged in income generating activities. Children are also used as labor and can contribute to household income because of the poor household economy. Literacy rate in the Shantinagar settlement is close to the national level. Some women have acquired skills in tailoring, beauty parlor. For women, these kinds of skills help to generate job or open their own business in the city areas without having a higher level of academic education.

In terms of education, the average literacy rate is 71 percent with 76 percent for male and 66 percent for women. The total national literacy for male is 84 and 68 percent for women. Illiterate population comprises women and old age people. However, the squatters have only secondary level education and only 20 percent have higher level education (Lumanti 2008). Children have joined public and private schools depending on household’s economic status. Many children during my field visit to the area were playing outside. I asked my respondent, are they your children? "Yes two of them" he replied. Are not they going to school?

"They do, I enrolled them in public school nearby. But they like to play; they sometime go and sometimes not. Education in public school is also not so good though I cannot afford to send them in private schools. My economic condition is not so good, but I want to send them to school and I want they do better, they should not be like us".
Low income households are facing such problem in the squatter settlement, they want to send their children in a better school but poor economic condition does not allow them to do so. Even the basic nominal fee in public schools is a burden to some groups in the community. My respondents had only secondary and lower level of education.

Squatters are vulnerable to bad health effect because of living along the polluted river. Especially during the rainy season they face problem of diarrheal diseases. The use of untreated water has lead to water borne diseases. Squatters are excluded from the health care facilities in the settlement. They cannot afford the cost for doctors outside the community. Many households in the community still consult friends and family members or traditional healers for medical treatment.

5.5.4 Social capital

Social capital is a mutual relationship within and among households and communities. This relationship is based on trust and reciprocity. Social capital pays more attention to family networks, kinship and close friends that the households will depend on in time of crises. According to Ellis (2000), social capital comprises personal and family networks, as well as close family friends who offer spatially diverse means of potential support when past favors are reclaimed. The importance of social organizations, networks, norms, and trust determine failure or success of any community. It means the greater the number of community organizations, the more likely the social and political capital will be organized horizontally versus vertically. Vertical social capital reflects patron (dominant) and client (dominated) relationship while horizontal social capital refers to clubs, associations, and voluntary agencies (Ellis 2000). Social capital is multidimensional, and a common distinction is made between bridging and bonding social capital. Bridging social capital refers the more heterogeneous members and bonding social capital is a closed form of network within groups that are fairly homogeneous.

Social capital is important because it lower the cost of working together. Social capital has direct impact upon other types of capitals, for example DFID (1999, 2.3.2) presents the following points how social capital impact upon other capitals:
• By improving the efficiency of economic relations, social capital can help increase people’s incomes and rates of saving (financial capital). (Isolated studies have shown that communities with ‘higher levels’ of social capital are wealthier – but questions remain about measuring social capital.)

• Social capital can help to reduce the ‘free rider’ problems associated with public goods. This means that it can be effective in improving the management of common resources (natural capital) and the maintenance of shared infrastructure (physical capital).

• Social networks facilitate innovation, the development of knowledge and sharing of that knowledge. There is, therefore, a close relationship between social and human capital. Social capital, like other types of capital, can also be valued as a good in itself. It can make a particularly important contribution to people’s sense of well-being (through identity, honor and belonging).

In the study area, traditional as well as modern institutions provide for important social capital. The important traditional institution based capital is related to family kinship. They put emphasis on family members and have strong support from the family. Household heads, especially males are obliged to take care of the whole family. Other family members in low income households are also engaged in some kind of income generating activities. People live jointly in the family; son, daughter in law and grand children live together with their parents. In the settlement, based on access to economic capital and participation in social activities households have low and high social capital. The households who engage in daily wage labor and have low income have low social capital. The households who are involved in the public or business sector have high social capital. High caste people hold higher social capital in the community as well as outside the community. For high caste people, it is easier to find a job outside the community than lower caste people. Lower caste people have low social capital because of their low status in the community and low level of income. Both caste people have lower social capital as a whole from the outside community.

Illiterate people have low social capital as they feel inferior to talk to other people, attend/participate in community activities. They are aware of about the cost and benefits of specific programs. Illiterate and poor women are more vulnerable and have less linkages and networking in the community. They have low access to income resources and are dependent economically to other members of the family. Still women are facing gender based
discrimination. Some women are still beaten by their husbands, facing verbal abuse, and sexual harassment.

Access to organization is nominal in the settlement as there are none effectively involved to improve the condition of the settlement. When I talked to the government official, he clearly stated that we don't have any involvement to the community and further we don't have any plan to get involved there. Similarly, an NGO (Lumanti) official said, "we are not involved in the community, especially not in the settlements which emerged after 2001. In recent years, Lumanti is focusing more on urban issues outside of the Kathmandu valley. Some of the women are member of the MES though they are not able to work effectively due to lack of knowledge, access and social network and coordination. Due to coordination problems, people are deprived of affiliation to saving and credit programs to improve their livelihood condition.

5.5.5 Financial Capital

Financial capital refers to stocks of money to which the household has access; it is the availability of cash or equivalent that enables people to adopt different livelihood strategies. Financial assets include flows as well as stocks and it can contribute to consumption as well as production. People use financial resources to achieve their livelihood objectives. Available stocks are one of the main sources of financial capital; these are savings include cash, bank deposits or liquid assets such as livestock and jewelry. Regular inflows of money are other important sources of financial capital. These include income, pensions, remittances and other transfers from the state. Financial capital can be converted into other types of capital and used for direct achievement of livelihood outcomes, and thus have an important impact on reducing the risk. Financial capital can be used to acquire human capital, investing in education, one can pay membership fees so that they can achieve in social capital (DFID 1999).

Formal saving and credit institutions are available in the urban areas; even squatters have limited access to formal saving and credit facilities. Neither is there commercial, developmental nor formal financial institutions located inside the community. In short distance but outside the community, many financial organizations are available. Few active,
educated and economically strong squatters have access to the formal financial institution outside the community. I met some respondents who had taken benefit from such organizations. They have become a client of such organization and take credit for conducting businesses. They pay back the credit with interest on monthly basis. One of my respondents was conducting a small grocery store inside the study area by taking credit from financial institutions.

On the local level, along with the formal financial institutions, informal institutions are important for financial need. The informal financial institutions are vital in difficult situations and where formal financial institutions are not available. Traditionally, in earlier time in the village people borrow cash during crisis (when they produce less amount of food, if the any family members are sick, during festivals when they are in financial need) from relatives, friends and village leaders in the village. In later time these traditional institutions are developing into a small informal saving and credit institutions. People started to save money and use it as a loan when they need. This system is widespread presently, and especially women are involved more actively than men. In the settlement too, women have formed informal mother/women group where they collect money monthly. However, because of heterogenic characteristics of people they are not fully organized. Only a few are active in these activities.

Livestock rising is another form of saving in the community. Some squatters in the settlement have livestock, for example pigs and poultry. These are important sources of the household economy and ensure livelihood security for some of the households in the community. Pig and poultry have a good market in the urban areas though their farming is in small scale as they do not have enough space and financial capital to expand their business. Jewelry is also important source of financial capital which can be sold during difficult situations. Gold is an important source for making jewelry, people save it for many generations and it has a high value for women, especially married women. In the squatter settlement people do not have enough money to buy gold as it is too expensive. It is also difficult to get information about such sensitive issues.

Income is another source of financial capital. Income determines the family's living standard. But, it is difficult to gather information about income because people do not want or feel comfortable to disclose their income. Most (72 percent) of the households' income in
Shantinagar Squatter settlement is based on daily wage labor (Lumanti 2008). The payment for daily wage is very low and not static. As a whole, most of the squatters have less than 5000 (58 USD) monthly income.

5.5.6 Political capital

Political capital is an important determinant of people's livelihoods, though it is underrate in the DFID’s livelihood framework. But in recent times, scholars have given emphasis on political capital in the framework. According to Sørensen and Torfing 2003, political capital refers to the individual powers to act politically that are generated through participation in interactive political processes linking civil society to the political system. Political capital focuses on three factors related to local political actors’ ability to engage in political decision making; the first is the level of access that they have to decision-making processes (endowment); the second is their capability to make a difference in these processes (empowerment); and third is their perception of themselves as political actors (political identity). Further they differentiated the political capital from the social capital advanced by Robert Putnam. Social capital refers to trust-building through social interaction in civil society (Sørensen and Torfing 2003).

In the study area people are holding low political capital. They do not have any access to decision making power. As a result of low economic status, and powerlessness their voices are disregarded. Many squatters do not even hold citizenship cards.

5.6 Livelihood activities of the Squatters

Squatters lack the farm land in the settlement and are therefore not able to operate agricultural activities. However, before migrating to Kathmandu their main occupation was farming. Livelihood activities of the squatters are highly dependent on daily wage activities. Because of the low level of education and high competition for employment opportunities and their low status creates difficulties in finding professional jobs in the local labor market. My respondents were working as daily wage laborers and also small scale businesses. Daily wage labor includes; brick carrier at the house construction site, laborer in the carpet factory, cleaning in the city areas, household cleaning and washing for non squatter households.
Especially, women go for cleaning and washing for the rich people. Some young male are also working as conductor in buses and tempos. Some are working as goods carrier in the city during the day. These activities are seasonal and sometimes they do not have work for long time.

Along with daily wage labor, some households have small scale business inside and outside of the squatter community. Those who work as daily wage labor they have also conducted small scale businesses as their work is not permanent. When they go to work their other family members handle the businesses. Small scale businesses includes; poultry, pig farming, grocery shops, selling green vegetable in the street and to every door steps or in small market. Selling such foods and vegetables is also strategy of earning for many households. Especially women are engaged in such types of businesses. Women are raising poultry and pigs at home and at the same time they take care of their children and do household chores. Without doing any income generating activities the life of squatters is difficult. They don’t have any other income sources such as savings, income from farm etc. Therefore they have to get involved in some kind of income earning activities other than agriculture. If the household head or economically active person in the house become ill or unable to go to work then the lives of their family is in crisis.

Very few households are doing service work. Since a couple of years, foreign migration has been seen as livelihood activities in the settlement. But it is determined by the finance available in the households because it needs money for processing for example fees for passport making, visa fees and so on. However who succeeded in foreign migration seems to do better than other squatters. They have improved their livelihood. They have better housing condition. Their children go to private school. Because of better economic status such households easily access facilities available in the city areas. They open for example a beauty salon outside the community. Such households also have access to the credit facilities from financial institution in the city.

Irregular and unstable income sources put their livelihoods into difficult situation, and create uncertainty. The monthly income is not sufficient for most of the households. The majority of them have 20 working days in a month. They have to maintain everything for a month from this income. This includes; daily expenses for foods, school fees for their children, cloths, medicine and so on. They lack better social networks and access to job opportunities. They
maintain a low life standard. Small difficulties and problems can create additional vulnerability and put their livelihoods into a critical situation. For example, a household head of one family became sick for a week. He was only one who works outside and earns money. He was unable to go to work so that he is not getting any payment as he was working on a daily wage basis. After his illness he could not buy food for family. They were not eating for two days. This reflects a situation of livelihood uncertainty of people. This is the problem faced by almost all poor households in the community.
Chapter 6

Institutional Initiatives and livelihoods of the squatters

6.1 Introduction

This chapter presents the institutional initiatives; the policies, conventions, law of the national and international GOs and NGOs. Here, in this chapter some important national and international law, conventions, policies are discussed. Legal provisions provide support for improving socio-economic, physical living condition of the urban poor. Whether the issues of the urban poor, the landless, and squatters have been addressed on a policy level or in practice is as well as analyzed in this chapter.

6.2 International declarations and conventions

Many international declarations and conventions have ensured human rights, the right to own property, housing, and wellbeing and emphasize the role of the state to ensure the right to their citizens. According to the Universal Declaration of Human Rights (1948) article 1, all human beings are born free and equal in dignity and rights. Article 17(1) states the right to own property, in article 25(1), there is the provision of a standard of living in relation to adequate health, wellbeing, food, clothing, housing, and so on. Similarly, the Declaration on the Elimination of all form of Racial Discrimination (1963) sates in the article 3(1), that particular efforts shall be made to prevent discrimination based on race, color or ethnic origin, especially in the fields of civil rights, access to citizenship, education, religion, employment and housing. The Vancouver Declaration on Human Settlements (1976) adopted by the United Nations (UN) conference on human settlement in 1976 states that adequate shelter and services are a basic human right that places an obligation on governments to ensure their attainment by all people, beginning with direct assistance to the least advantaged through guided programmes of self-help and community action. Governments should endeavor to remove all impediments hindering attainment of these goals. Of special importance is the elimination of social and racial segregation, through the creation of better
balanced communities, which blend different social groups, occupation, housing and amenities (Lumanti 2001).

Another important declaration in relation to housing and injustices is the Declaration on the Right to Development (1986), which states that the state should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of the opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income (article 8, I). This declaration also put emphasis on eradicating all forms of social injustices by appropriate economic and social reforms (Lumanti 2001). Nepal government has sanctioned, rectified and adopted several international declarations and conventions to promote and protect rights of people such as right to housing, land and other resources. However, the government failed to provide awareness to the targeted citizens about their rights or improve the situation.

6.3 Government's initiatives

In this section government initiatives are discussed in three categories. The first section presents how the issues of housing and squatters, landless, urban poor have been addressed in laws. The second section discusses the national plans and policies in relation to the squatters' issue. The third section provides information about how the government practically addresses the issues.

6.3.1 Legal Provision

The Constitution of Nepal is the fundamental law of Nepal. But many times the Constitutions of Nepal has been formulated and reformulated because of unequal social structure and political instability of the country. The constitution of the Kingdom of Nepal (1990) has its own importance because it was prepared after the democratic government was formed in 1990. There are some articles in the constitution which have implications on squatters. For example, article 26(1) states, the state shall pursue a policy of raising the standard of living of the general public through the development of infrastructure such as education, health, housing and employment of the people of all regions by equitable distribution of resources.
The constitution also provides the legal arrangement in article 12(2, d) that all citizens shall have freedom to move throughout the kingdom and reside in any part of the country. However, the constitution does not clearly address the issues of the squatters. Many criticized the constitution as a young constitution and democracy and even the poor are not aware about their right (Lumanti 2001).

After long dissatisfaction/conflict with the socio-political structure of the country the Interim Constitution was implemented in 2007. The Interim Constitution (2007) states the notion of housing right for all citizens in Article 33(h). As the interim constitution stated in the section of state responsibilities, there is a provision in the constitution to "adopt a policy of providing economic and social security including land to economically and socially backward classes including the landless, bonded laborers, tillers and shepherd (Interim Constitution of Nepal 2007, 14). It also stated that "the state shall purse a policy of making special provision based on positive discrimination to the minorities, landless, squatters, bonded laborers, the disabled, backward communities and sections, and the victims of conflict…" as state policies (Interim Constitution of Nepal 2007, 14; Tanaka 2009, 156). The Interim Constitution of Nepal (2007) provided the right to economically, socially or educationally backward, people to participate in the state mechanism on the basis of proportional inclusive principles. But still squatters are not represented in state building processes or any noticeable political leadership position. They are fighting the battle for legal arrangement for their houses and land.

6.3.2 National Plans and Policies

According to the UN Habitat (2010), housing was traditionally regarded as a ‘social service’ and was not even assigned a separate chapter in the Five Year Plans (FYP) until the seventh FYP (1985–90) though the periodic plans started from 1956-61(UN Habitat 2010). The Government recognized first time in 1987, shelter as a basic needs while introducing Basic Needs Strategy 1987. The National Planning Commission (NPC) defined housing as basic needs for people along with provisions of physical and social services in its Eight five year Plan. Such policies and definition of housing right could be relevant and more effective to assist the poor in Kathmandu if responsible bodies implement it. The Government announced

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3 Interim Constitution of Nepal 2007 part 4 article 33(i)
4 Interim Constitution of Nepal 2007 part 4 article 35(14)
to ensure the housing for the people living below the poverty line by 2000 on the occasion of International Shelter Day. Nepal is implementing different policies in different plan periods for housing for example; Basic Need Strategy 1987 in Seventh and eight five years plan, First Housing Policy 1996 in ninth and tenth five years plan and Nepal Vision paper 2006 and Urban Policy 2007 in three years interim plan (UN Habitat 2010).

Nepal introduced the National shelter policy in 1996 with the technical assistance of UN Habitat. It clearly defined the role of the government as facilitator. The main goal of this policy was to enable the resource-less, landless and helpless to build houses themselves, where the government would provide the necessary technical, administrative and financial support. However the policy did not refer to the squatters (Bhattarai 2005). Because of weak institutional arrangements of roles the shelter policy did not have success. Now shelter policy is under revision and the priority has been giving to housing the urban poor and upgrading of slums and squatters settlements (UN Habitat 2010). In the Tenth Five Year Plan (2002-2007), USD 20,400 (17, 40,642 Nepalese Rupees) was allocated for improving housing condition of slums and squatters settlements. The plan's objective was to provide safe and cost effective housing by promoting systematic shelter.

The state can play an important role in providing housing and to uplift the livelihoods of squatters. Squatters may be benefit from the planned resettlement programs and legal entitlement programs. Examples can be taken from India, Bangladesh, Philippines and Thailand (Sengupta and Sharma 2009). However, many scholars (Moffat and Finnis 2005) assert that the government is often ignoring the issues of squatters, and they are not officially recognized by the state. According to Moffat and Finnis (2005), government has few incentives to provide municipal services to the squatters and it is in the state's interest to keep public land free from squatters. Interestingly, there is evidence that squatter issues are no longer ignored in the policy after the City Development Strategy of Kathmandu municipality was completed in 2001. The strategy was known as the first initiative of the local government to recognize the squatters as part of the urban agenda and it showed a clear sign of local government's realization that squatters' issues could no longer be ignored. For the first time, squatters are involved in the developing of a specific strategy for their communities. Similarly, the Nepal Vision Paper 2006 also addressed the squatters' issues through ‘effective programs to address the issue of squatter settlements’. Following the Vision Paper 2006,
National Urban policy 2007 also emphasized that the issues of the urban poor and slums are key areas to address and be developed by the local government (UN Habitat 2010).

6.3.3 Practical Provisions

If we go through government's programmes and policies to the squatter communities, they have provisions only on paper. They have initiated a number of plans, strategies, policies and laws, but it has not been implemented. It showed rather exposed an ignorant attitude of the government. During my field work, I visited the official of the Kathmandu Municipality and asked whether the municipality have any programmes for the squatters. Officials said; "no we don’t have and we should not have any, rather we should have the programmes against them". he meant that the municipality should have programmes to remove the squatter settlement from the city. I objected and argue that they are poor; they don’t have a place to live somewhere else. He again replied;

"If we help them initiating some squatter improvement programmes the flow of new squatters will increase. People started to think that if we live in such area, the Municipality will obviously help us so that even well off family starts to engage in such activities. Therefore, it will be impossible for the government to help all the time all the squatters"

The illegal status of housing in urban places creates additional vulnerability on squatters. As a result, this creates variability of government attitudes towards squatter settlement from one place to another or over time in the same place. Smart (cited in Moffat and Finnis 2005: 455) stated the government's approach to illegal settlement in Hong Kong since 1945 as Repression, Resettlement and Exclusion. As Nepal has not experienced long illegal urban settlement, there has been minimal repression or resettlement. The above mentioned statement of the government official also reflects the ignorance of the government. We can characterize the attitude of the municipal government in Kathmandu to squatter settlement as; toleration and managed persistence (Moffat and Finnis 005). It means that the municipality did not attempt to recognize them or aid them in the improvement of squatter settlement. Because of government's exclusion and discouragement of squatters there is little acknowledgement of urban illegal settlement by foreign aid agencies too. Most of them are
engaged in rural areas in Nepal and the aid agencies have little engagement with urban squatter's needs (Moffat and Finnis 2005).

When I asked Lumanti official about the government involvement, she replied

"The government is neither strongly against the squatters nor working with them. The government is just ignoring the issue. In Nepal, she further stated, "there is no Housing Bill in Nepal like in India so that the Nepal government could not formulate any policy of housing for squatters".

6.4 NGOs Initiatives

Along with the government, non-governmental interventions have played an important role in improving the socio-economic status of poor and low income groups. NGOs can provide positive contributions in issues of urban poor. It is argued that NGOs can play an important role in mobilizing people in the development process. The mobilization of people is essential because people are the actors in development processes, and development should be initiated by people and for people. Their role could also be important to improve people's livelihood, developing their social capital that could mobilize them to the process of awareness, economic improvement, and political change. Mostly NGOs engage in activities such as group formation, saving schemes, literacy programs etc. (Bhattarai 2005). In Nepal, many NGOs are working in different field and among them very few are focus on the issues of urban poor, though their role is vital to advocate the issues of poor especially squatters issues in urban areas. With lack of involvement by the government, NGOs can contribute to mobilize the community, implementing various small scale programmes. However, there has been given less emphasis on squatters issues by the NGOs because squatters are not officially recognized.

In Nepal, the only NGO Lumanti (according to Lumanti official) is working with the squatters since 1993. Lumanti is nonprofit non-governmental organization (NGO) playing crucial role in housing issues of squatter settlements. Lumanti was founded in 1993 following Dr. Ramesh Manandhar's belief; "like farmers have a right to farmland and fishermen have
right to fish in the sea, people have a right to decent shelter; be these in rural or urban areas."(www.lumanti.com)

Lumanti is dedicated to ensure secure shelter to the urban poor. Lumanti Support Group for Shelter is the first non-government organization working with the squatters in Nepal. It was established in 1993 with the aim of alleviating urban poverty through the improvement of shelter condition in slums and squatter settlement in Nepal. According to Lumanti, shelter is more than a house. It means a whole living environment including the quality of housing, education, financial resources, health, and environment, access to employment, children's development, social status and their ability to advocate for human rights. The origin of Lumanti is date back to 1990 following a workshop on the issues of squatter settlement led by Dr. Ramesh Manandhar. The participants in the seminar formed Lumanti in 1993; and literally Lumanti means memory in Newari\(^5\) language (Lumanti 2001). It has been involved directly in the issue of housing right of urban poor to protect and promote the rights to land and shelter.

Lumanti has been working with the squatters with the following vision; mission and goals (www.lumanti.com.np):

Vision:

- The urban poor are living in improved shelter and socio-economic condition with increased self-dignity.

Mission:

- Enhancement of socio-economic condition of the poor in urban areas
- Improvement of shelter condition of the poor in the urban areas

Goals:

- Improvement in the quality of life of the urban poor and marginalized people
- Great solidarity among urban poor through network of CBOs and NGOs

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\(^5\) Newari is the adjective form of Newar, Newar is one of the ethnic communities in Nepal who have their own culture, language and specially found in Kathmandu valley.
- Secured shelter of the urban poor and marginalized people

Lumanti, taking these vision, mission and goals, is engaged with the squatter and initiates various programmes. For instance, it helps to build capacities of the communities through trainings, workshops, exchange visits to enhance the local knowledge and find the solution of the problem. It also helps to organize community groups to develop a common concern to create harmony and sustain their work, facilitates the formation of women's groups, children's groups and other community groups. Lumanti supports the microfinance scheme. For this, it provides financial and technical resources to women's saving and credit groups, to improve the economic conditions of low income families. Lumanti works with communities to upgrade settlements conduct the surveys on informal settlement and helps to improve physical facilities such as community building and water and sanitation. Lumanti documents, processes and disseminates information and provides facilities and support for researching issues related to urban poverty.

Lumanti helps to provide education to children provides scholarships, training and school construction support and operates learning centers. Another important initiative of Lumanti is to advocate for housing right. Since 2003 Lumanti, NBBSS, NMES started to draft a Housing Bill with assistant of lawyers and other stakeholders including government representatives from the ministry of land reform and management. The draft aimed to prevent forced eviction and to provide secure tenure. Referring to the Interim constitution part 4 article 33(i) and 35(14), they submitted the Housing Bill for squatter and Unplanned settlements 2007 on the occasion of World Habitat Day 2007 (Figure 6.1). The Bill proposes the establishment of committees on housing issues at both central government and district levels. It also defines two types of squatters; first is persons and their families, who have no land anywhere in Nepal; second is person and their families who have land in rural area but who have migrated and have lived on public land for more than two years with no other options (Lumanti 2007).
Where Lumanti is working, the squatter have better livelihood condition (2007). Squatters are aware about their rights, have better sanitation condition. Women and men are benefited from micro finance program (Figure 6.2). People take loan and invest in small businesses such as groceries, buy livestock (pig, buffalos, chicken,), invest in professional skills such as tailoring, salon, etc. However, Lumanti is not engaging with all squatter settlement directly especially settlement established after 2001. Only people in some settlement have been facilitated with such improvements. But where Lumanti have not direct involvement NBBSS and NMES is working or implementing Lumanti’s agendas.
Figure 6.2: Women benefited from micro credit program

Source: Lumanti 2007
Chapter 7

Conclusion

7.1 Conclusion

Development is a positive change for individual and communities. If a certain section or group in the society is excluded from the development process or face problems of getting access to resources, the goal of development cannot be achieved. Therefore, positive change can only be achieved through providing access to such individuals and communities. Urbanization itself is one of the indicators of development; urbanization means to have better facilities such as higher education, health, transportation, electricity, communication and many more. However, urbanization in developing countries is complex because of the unprecedented growth of the population. The growth of the urban population in Kathmandu is example. Squatters are facing numerous social, economic, and political problems in the urban sphere. They migrated to Kathmandu not only because urban facilities attracted them but due to the unequal social structure in the village compelled them.

Rapid increase in population growth puts pressure on the household level in rural areas. Social discrimination and disparities between people, communities, increasing rate of unemployment, and disparities in ownership over land, conflict and difficult living conditions in rural areas are major stimulating factors for increasing rural urban migration in Nepal. When they, especially the poor move to the urban areas they face numerous problems relating to shelter, employment, food and other facilities. Their low level of education and skill do not meet the requirement for the locally available jobs. Poor migrants cannot afford the housing rent in the city. Therefore, the only option is to live in open places available nearby rivers.

Squatters are by definition landless people, living illegally on land owned by the government. Hence, their main problem is related to their entitlement; the ownership of land. Sustainable livelihood outcomes are determined by access to livelihood resources whether natural, physical, human, social financial and political. However, squatters have limited access to all kinds of livelihood resources. Squatters are still facing limited access to livelihood assets. Access to livelihood assets varies according to the individuals’ socio economic background. For example squatters with better economic capital have better access to other kinds of assets.
They invest financial capital in human capital such as education, skills and health and social capital. Limited access to livelihood assets indicates that uncertain livelihood outcomes.

Intervention of government and non government sectors for improving livelihoods of squatters is important. However, the issues of squatters have been neglected by the government as well as the private sector. The only one NGO, Lumanti has been working with the squatters. Nepal government has some provision in law, plans and policies related to squatters but only written documents are not enough for betterment. In practice, the government does not feel any responsibility. Lumanti is advocating the issues of squatters, implementing microfinance programs, generating awareness programs, education programs. Men, women and children are benefited from programs but it is difficult for Lumanti alone to engage in all squatters settlements. In the study area, there are no any organizations neither GOs nor NGOs working although it can be concluded that institutional initiatives are related for improving the livelihood of squatters.
References


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⁶ This reference is in Nepali language, therefore I have written in English form of Nepali.


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Appendixes

Appendix 1

Interview guide for the Kathmandu Municipality

1. Do you have any involvement in squatter settlement?
2. How long you have been involved there?
3. What is the main goal of involvement?
4. Do you have any specific programmes focusing on squatters? What kind of programmes do you have?
5. How do you reach to them?
6. Have you allocated budget to the squatters, how much and for what purpose?
7. Do you have any economic support from international organizations for the improvement of lives of the squatters?
8. How they respond to your work?
9. Have the livelihoods of squatters improved after your involvement?
10. If you don’t have any involvement to them, why don't you have?
11. Do you have any further planning to involve in squatter?
Appendix 2

Interview guides for NGO

1. Name of NGO…
2. Establish year…
3. Aim of establishment…..
4. Main working Sector…..
5. Do you have any involvement in the squatter settlement?
6. How long have you been working in the squatter settlement?
7. Why do you choose to work to squatters?
8. What kind of programmes and policies do you have regarding squatters?
9. In which sector in the squatter settlement are you involved?
10. Have you any specific programmes for the different groups (like women, children, low caste …)
11. Are you working only with the squatters or do you have other sector or groups?
12. Are you facing any problems working with them?
13. How they are responding your works?
14. Do you think livelihoods of the squatters have improved after your intervention? How?
15. If you don’t find any changes why not?
16. Any further planning?
Appendix 3

Interview Guide for Squatters

1. Sex…
2. Age…
3. Caste…
4. Education…
5. Occupation…
6. Place of origin…
7. Do you have your own house?
8. Why are you living in squatter settlement?
9. How long you have been living here?
10. What do you do for your daily livelihoods?
11. What do you do by yourselves for the betterment of your communities?
12. Are you involved in any kind of political or social institutions?
13. What kind of problems are you facing living in the squatter settlement?
14. Is here any organization working to solve your problems?
15. What kind of organization are they (government, non government)?