

Research Article

Informal Settlements and Poverty Dynamics: Conceptual Insights for Sustainable Urban Planning

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Abstract

Poverty remains a defining feature of informal settlements, demanding continuous scholarly evaluation and policy attention. This paper interrogates the theoretical and conceptual underpinnings of informal settlement characterization and its intersection with poverty, situating the discussion within the broader context of urban informality. Through a systematic review and content analysis of existing literature, the study frames informality as a knowledge-based phenomenon that links the emergence of informal settlements to survival strategies adopted by urban dwellers. The findings reveal that informal settlements are characterized by precarious habitability, inadequate housing, unemployment, overcrowding, and unsustainable consumption of energy and natural resources. These conditions not only intensify poverty and poor health outcomes but also exert severe pressure on ecosystems, undermining environmental services and accelerating climate change impacts. The paper further identifies a fragmented discourse in prior scholarship, which often treats informal settlements as isolated urban processes rather than as integral to the dynamics of poverty, particularly in the Global South. By reconceptualizing informal settlements as both a product and driver of poverty, the study underscores the need for integrated approaches to urban management. It argues that sustainable responses must prioritize strategic urban planning, investment in health infrastructure, and inclusive policy frameworks that recognize the role of migrants and provide equitable access to education, household services, and urban opportunities. Ultimately, the paper proposes that continuous updating of urban development plans, coupled with inclusive governance, is essential for addressing the dual challenges of poverty and environmental vulnerability in informal settlements. Such measures are critical to advancing resilient, healthy, and sustainable urban futures, where informal settlements are not marginalized but incorporated into broader strategies of equitable urban development.

Keywords

Informality, Informal Settlements, Poverty, Theoretical Concepts, Conceptual Approaches

1. Introduction

The world's unprecedented urban growth in recent decades has led to a significant increase in urban informal settlements, especially in cities in Asia, Africa, and Latin America [5, 19]. Urban areas have consequently expanded so quickly and

erratically. Studies reveal that one billion people live in informal settlements, unplanned areas, and unstable housing that are a part of the urban landscape [3], characterised by poor planning and informality in urban development with a

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direct risk of criminal activity. Thus, [6], claim that informal settlement in any urban area is viewed as an urban crisis.

Poverty is one of the main causes of environmental degradation, informal settlement, neighbourhood informality, and disorder all of which are closely related to unchecked and rapid urbanisation and globalisation [29]. As a major driver of informal settlement, it is defined differently by different people based on perceptions. It is perceived as a significant deprivation of a household's or individual's well-being [8]. Conversely, a person's assets, income, health, education, and certain social rights such as the freedom of speech or expression all contribute to their overall well-being. According to World Bank report, poverty refers to the inability of an individual or household to meet their basic needs as they live on less than \$1 (US Dollar) a day [14]. Meanwhile, the United Nations estimates that approximately 1.3 billion people live below the poverty line, with the majority residing in African nations and 886 million in middle-income nations like Latin America [29], many of which reside in informal settlements.

Informal settlements are characterised by poverty, poor planning, precarious housing, and a lacklustre local regulatory environment. Some authors claim that this has a negative and strategic impact on several natural systems, greatly surpassing the carrying capacity, restricting local amenities and services, and hastening climate change [9]. Residents of informal settlements live in poor or hazardous housing that are located in high risk settlements with no mitigation, and are in areas where illegal groups have occupied public areas and sold lots in locations that are unsafe and unsuitable for developing a decent urban space [10, 11], states that because informal settlements lack public transportation, a land legalisation process, and basic urban infrastructure, their structures exacerbate the already existing relationship between poverty and health. Urban growth has been constrained and poverty, informality, and unhealthy conditions have increased due to the decreasing level of environmental pollution in informal settlements, especially in Africa. Some of the vices linked to informality include exclusion, violence, unhappiness, unsafe living conditions, excessive consumption of energy and natural resources, unemployment, informal housing, urban overpopulation, poor governance, and high migration [12, 13]. Finding a connection between informality, informal settlements, and poverty is therefore crucial. This forms the foundation of this inquiry in terms of conceptual and theoretical background. It looks at earlier studies on these subjects in order to understand changing perceptions of informal settlement and how poverty is described there. Additionally, it seeks to gain an empirical understanding of the elements that contribute to the growth of informal settlements in both established and developing urban settings across the globe. The paper is divided into three thematic categories. It examines the theoretical concepts of informality, looks at the perspectives on poverty and other issues, evaluates urban informal settlements and poverty, and discusses the future of sustainable informal settlement.

2. Methodology

In order to determine the timeliness, relevance, and consistency of diverse definitions and conceptions of informality, this paper conducted a desktop review of the literature. It examines the informality and poverty phenomena from a variety of angles and aims to comprehend many perspectives on informality as a knowledge-based phenomenon that informs sustainable planning principles. It conducted a content study of urban informality theories and examined how economic, legal, social, behavioural, and sustainable informality affects planning, as well as its perspectives and important consequences for poverty.

3. Literature Review

The idea of informality originated in the writings of the Chicago school of sociologists in the 1950s and 1960s. These sociologists believed that urban immigrants' "culture of poverty" was the reason for their marginalisation [2]. They therefore establish themselves wherever they can in order to survive. The distribution of wealth in urban areas is associated with urban informality, which impacts affordability [15]. Planning restrictions that have led to unplanned and unplanned settlements must be addressed in order to directly address the informality pattern, which is shaped by the state [12, 16]. Urban informality is a land use issue, and it has been found that urban planning standards and regulations are inadequate to address the problems of rapid urbanisation and affordable housing [17]. Moreover, the informality perspective of urban poverty is associated with low-income settlement. Low-income households have been encroaching in many areas to cope with their inability to purchase housing, eclipsing norms and laws by creating informal structures and making do [13, 15]. The current land use laws and regulations in African countries are extremely onerous and stringent, which has caused informality to grow in urban areas [13].

3.1. Theoretical Concepts Linking Informal Settlement

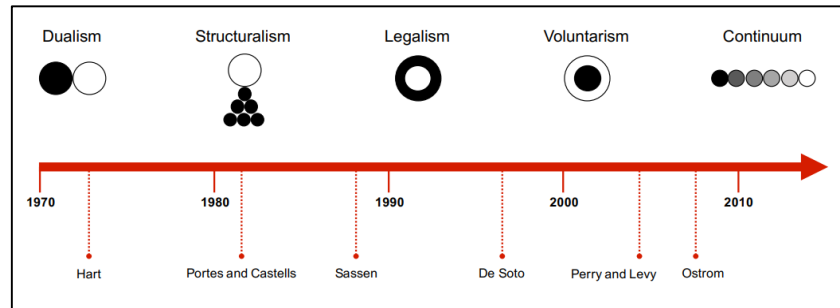
To increase understanding of how and why informality flourishes, a variety of conceptual and theoretical perspectives on informality and informal settlements are crucial. Perceptions of informality and informal settlements are traced from legal, social, economic, health, and environmental perspectives. The notions of dualism, legalism, structuralism, voluntarism, and continuum serve as summaries of these as reflected in Figure 1.

Dualism concept

Reynolds et al introduced the theory of dualism, which is built upon two core concepts: the state sector and the trade service sector [27]. The state sector is characterized as an organized or formal sector, whereas the trade sector is identified as an unofficial domain that includes families operating in

visible areas of metropolitan centers, such as sidewalks and alleyways; this comprises street vendors, artisans, and petty traders, particularly in underdeveloped nations [17]. Economic scholars subsequently proposed a dual concept of ur-

ban organizational activities, where one sector operates within the confines of state regulations while the other disregards legal statutes, resulting in an informal system that lacks a regulatory framework [18].



Source: Carrizosa, (2021).

Figure 1. Chronology of Informality Theories.[7].

However, the dualistic model of urban city organization has faced criticism, particularly from urban researchers in the 1980s. [7], argues for the necessity of transcending this binary framework, advocating for a deeper understanding of the social institutions and sociocultural practices that influence urban activity patterns. This critique highlights that the nomenclature surrounding urban organization, which often invokes concepts such as "third world poverty," is intrinsically tied to the dichotomy between the official and informal sectors. Thus, the dualist perspective poses a considerable challenge by perpetuating a binary perception of how urban environments function through the lens of informal and formal interactions.

Structuralism Concept

According to structuralists, informal activities not only support but are integrally linked to contemporary capitalist society [17]. The broad consensus is that complementarity is intended by the society's structure. In most cities, the formal and informal sectors cannot coexist structurally. A large number of the official organization's employees live in informal settlements.

Legalism concept

Legalism is characterized by a reliance on established norms and regulations aimed at ensuring efficiency in settlements. These regulations encompass land tenure and land use guidelines that adhere to zoning and development rules, particularly in areas requiring physical planning permits [20, 22]. While legalism typically promotes order in settlements, it simultaneously fosters a parallel informal economy. Critics argue that informality emerges as a proactive response to overbearing and irrelevant regulatory frameworks, with many individuals opting for informal operations due to the prohibitive costs and hostility of formal procedures [21]. The intricate and strict nature of legal systems under legalism arguably perpetuates the existence of informality. Advocates for reform suggest that the path to addressing the informal economy lies

in comprehensive deregulation, easing the burdens of cumbersome processes required for obtaining title documents and planning permits [21, 23]. Policy recommendations include the legalization of informal activities through three interconnected approaches: property titling, the reduction of regulatory barriers (particularly for firm and building permits), and access to micro-finance solutions [7]. Legalists perceive that micro-entrepreneurs and slum dwellers have little choice but to engage in informal practices as a means of survival.

Voluntarism's Theory

Voluntarists assert that individuals often prefer rational decision-making processes when considering their employment and economic situations. Instead of being merely excluded or marginalized from the formal economic sector, residents of informal settlements make a conscious choice to engage in informal work. This decision, they argue, stems from rational instincts that dictate that operating within the informal sector frequently aligns better with their personal preferences and priorities. Residents perceive this choice as optimal, largely due to the convenience and flexibility that informal employment offers in comparison to the structured and often restrictive nature of formal work environment.

Continuum Theory

Informality theory aligns with the continuum school of thought, which posits that informality is not inherently negative; rather, it is an essential counterpart to formal systems, suggesting that both should coexist. This perspective, views informality as practical and functional, highlighting the lessons that can be derived from informal practices. The theory argues that perceiving informality solely in a negative light threatens its validity and undermines the complementary nature of various settlement characteristics.

A key theoretical concept underpinning informality is dualism, which reflects the complex relationship between formal and informal systems. Informalization is conceptualized as a planning practice and a 'mode of spatial organization' that

introduces social differences. This is manifested in the constructs of social stratification or segregation within planning contexts, evident through the classification of areas into low, medium, and high density, as well as distinguishing between planned and unplanned developments. Such classifications illustrate the significance of understanding informal practices in urban planning and their impact on social dynamics.

3.2. Conceptual Understanding of Informality and Perspectives of Urban Informal Settlements

Informality is a framework addressing the organization and regulation of activities, particularly manifesting in urban informal settlements, which face largely negative perceptions in urban planning literature. Typically labeled as "squatter settlements" or "unplanned towns," these areas are seen as outside state planning regulations, a view criticized by scholars such as [24] for oversimplifying the complexities of urban informality. Despite [29], characterization of informal settlements including factors like inadequate access to water, sanitation, and overcrowding critics argue that this definition neglects the socio-cultural dimensions and assumes uniformity across diverse locales. [25], stress the necessity to distinguish between informal settlements, slums, and squatter settlements, noting that while all slums are informal, not all informal settlements qualify as slums. The traditional notion of such settlements as illegal and undesirable is contested, particularly in African contexts, where land ownership complexities complicate the legality of informality [30].

This confusion underscores the urgency for a nuanced understanding of informal settlements. Emerging research suggests these settlements should be viewed as fluid entities, constantly in change, reflecting the dynamic pressures influencing urban landscapes [31]. Highlighting only their physical attributes may politicize the issue rather than address it scientifically [4, 28]. A broader perception acknowledges the evolution of urban informality, necessitating fresh conceptual frameworks that align with contemporary realities [32].

Furthermore, informal settlements often exacerbate environmental challenges and stress strategic ecosystems, as they frequently exist in unsuitable locations, presenting issues of pollution, exclusion, and violence [26]. Residents are typically trapped in deteriorating conditions that lack essential public services and face significant risks due to their geographic settings. This dire state correlates directly with poverty and public health crises, especially evident in contexts like Latin America and Africa, where environmental degradation and governance failures compound the issues of overcrowding and unemployment [24]. In light of these challenges, this discourse calls for a reassessment of urban informal settlements as essential socio-spatial phenomena that reflect broader social and environmental dynamics in urbanization.

3.3. Perspectives on Urban Informality

The document discusses various perspectives on urban informality, noting how different viewpoints economic, legal, social forces, behavioral, and sustainability impact its understanding and implications.

From an economic view, informality is linked to unregulated economic activities within the underground economy, involving income-generating practices not overseen by formal institutions. This perspective emphasizes the significance of unregistered economic activities, [5] suggesting that informality arises from production needs and economic organization in urban settings [3].

The legal perspective delineates informality as a spectrum of activities categorized as either legal or illegal [8], reinforcing traditional dualism in urban theory. It posits that informal practices emerge in response to legal, bureaucratic, and market challenges [6, 9]. This perspective highlights unofficial strategies that operate outside predefined regulations, often resulting from barriers imposed by formal systems.

A critique of the economic viewpoint leads to the social force's perspective, which recognizes the importance of social and cultural contexts in understanding informality. This approach focuses on the empowerment and collective survival mechanisms of the urban poor [10], arguing that informal practices stem from social actions and community-driven strategies necessary for navigating harsh urban environments [11, 12].

The behavioral perspective presents informality as a dynamic interplay between formal and informal practices, rejecting the notion of a rigid dichotomy. It promotes the idea that informal behaviors evolve over time, influenced by changing conditions, thus maintaining a fluid relationship between legal and illegal activities [13, 15].

Lastly, the sustainability perspective regards urban informality as intertwined with urban sustainability challenges, particularly concerning vulnerable populations affected by climate change [18]. Researchers in this domain argue that sustainable development must account for the complexities surrounding urban informality and its implications on land use, growth, and ecological vulnerability [1, 16, 17].

Together, these viewpoints provide a comprehensive framework for understanding urban informality, illustrating its multifaceted nature and the various factors that shape it.

3.4. Urban Informal Settlements and Its Poverty Perspective

Poverty and urban informality are rising, particularly in developing countries amid increasing urbanization. More than half of the global population now resides in urban areas, with over a third of this urban population living in informal settlements areas that do not comply with formal governance, planning, or regulations, often characterized by dynamic and

complex living conditions. According to [29], these informal settlements often reflect various dimensions of exclusion and deprivation, essentially manifesting urban poverty. Concurrently, the growth of these settlements is indicative of the urbanization of poverty currently observed in many developing cities [19].

Informal settlements can also be viewed positively, acting as conduits for lifting rural families out of poverty by providing access to urban employment opportunities. These settlements serve as affordable entry points into the city economy for migrants, offering valuable job information and skill development [21]. Many migrants gain necessary skills over time, allowing them to eventually transition to superior housing in better neighborhoods, marking informal settlements as potential ladders out of poverty. Urban slums are often depicted as springboards facilitating progression toward middle-class status [22, 23], as they enable migrants to integrate into the urban economy despite being symptomatic of poverty.

Moreover, the substandard conditions of informal settlements help keep living costs low for low-wage workers. Frequently located close to job opportunities, such as in middle-class suburbs where individuals can find work as domestic staff or security personnel [24, 25], these settlements, while cramped and makeshift, provide flexible living arrangements that correspond to the irregular earnings of residents. Additionally, informal settlements foster entrepreneurship by connecting individuals through local social networks and providing affordable workspace [26].

However, informal settlements also function as poverty traps, particularly characterized by low social mobility and systemic barriers hindering progress. Many inhabitants migrate to these areas out of desperation, driven by rural hardships and insecurity. Often, they arrive without the skills demanded by employers, leading to high unemployment and poor working conditions that keep wages low and job prospects bleak. As a result, many remain stuck in precarious employment situations, such as scavenging, waste recycling, or small-scale livestock keeping to barely survive, thus remain in poverty.

3.5. Prospects of Urban Informal Settlement Management and Development

3.5.1. Strategic Urban Planning Perspective

The concept of quality of life from an urban planning perspective serves as a crucial determinant for designing inclusive and user-friendly urban environments. It is defined by the satisfaction levels of inhabitants in their cities, which directly influences spatial and territorial planning undertaken by regulatory bodies. Core to this notion is the interrelation of social, environmental, economic, cultural, and legislative elements, highlighting the necessity of understanding these systemic relationships to enhance overall human outcomes [31, 32]. Quality of life transcends mere leisure activities, higher incomes, and material possessions; it is fundamentally linked to the opportunities individuals have to pursue what they deem valuable, thus fostering feelings of well-being and security within their surroundings. Furthermore, strategic urban planning emerges as a key factor in the sustainable management of informal settlements, as it promotes organization, accessibility, convenience, and health safety for residents.

3.5.2. Health Infrastructure Perspective

To assess the quality of life in a population from a health standpoint, several dimensions must be meticulously examined, including basic infrastructure, housing, household services, environmental conditions, and employment opportunities. Addressing these dimensions can significantly decrease the biological vulnerability of residents, which is closely linked to crucial public health issues, notably prominent in informal urban areas. An increase in biological vulnerability can exacerbate poverty by elevating the prevalence of diseases and malnutrition. This situation forces residents to allocate a larger portion of their income towards remedial health care, thereby hindering their ability to enhance their overall quality of life [5, 20].

Thus, above explanations are summarised in Table 1 below, showing a synthesis of informality theories in relation to socio-economic and poverty aspects with the suggested planning and policy implications to salvage residents from poverty.

Table 1. The Urban Informality Theories, Perspectives, and Key Implications on Poverty.

Theory or Perspective	Core Argument	Key Drivers of Informality	Illustrative Examples	Key Planning & Policy Implications
Chicago School / Early Informality perspective	Informality results from the migrant survival strategy ("culture of poverty")	Rural–urban migration, marginalization being culturally driven	Early migrant enclaves (Chicago); inner-city Johannesburg	Shift from cultural blame to structural planning responses
Wealth Distribution Perspective	Informality results from urban inequality and af-	Housing unaffordability, income disparity and exclu-	Makoko & Ajegunle (Lagos); Kibera (Nairo-	Introduce inclusive land and housing policy to

Theory or Perspective	Core Argument	Key Drivers of Informality	Illustrative Examples	Key Planning & Policy Implications
	fordability constraints	sion from housing market.	bi); Dharavi (Mumbai)	promote affordability in the market
State & Planning Perspective	Informality was produced by exclusionary planning through various tools and regulations	Rigid zoning, weak governance promotes informality	Mpape & Durumi (Abuja); peri-urban Lagos and Accra	Reforms of planning standards, zoning, and land administration
Dualism Theory	Formal and informal sectors operate separately, yet within the same urban system	Legal-illegal divide exists in the urban area	Street trading vs. formal markets (Lagos Central Business District-CBD)	There is need to integrate planning systems rather than allowing sectoral operations
Structuralism Theory	Informality is structurally rooted in the capitalist systems	Labor exploitations, housing deficits.	Informal housing for formal workers (e.g. Lagos, Nairobi)	Recognize formal-informal interdependence
Legalism Theory	Informality caused by over-regulation	Residents choose informality to avoid hostile legal systems of costly permits and land tenure complexities	Cumbersome Land Titling in Lagos & Nairobi	Simplified regulations and tenure regularization
Voluntarism Theory	Informality is seen as rational individual choice.	Flexibility, convenience	Informal traders in Accra in Ghana, and Aba, Nigeria	Support informal livelihoods without forced formalization
Continuum Theory	Informality-formality exist on a spectrum. It can rarely be extinct	Hybrid practices always functional and complementary	Incremental upgrading (Thailand; Lagos)	Incremental and hybrid planning approaches
Economic Perspective	Informality as underground urban economy	Need for income generation by an average person	Informal transport (Danfo, Okada in Lagos)	Integrate informal economy into city systems
Legal Perspective	Informality shaped by legality/illegality	Bureaucratic exclusion	Evictions in Lagos waterfronts; Nairobi	Rights-based and adaptive legal frameworks
Social Forces Perspective	Informality rooted in social networks	Collective survival strategies	Community savings (Kibera); self-help housing (Ibadan, Lagos, Akure)	Participatory and community-led planning
Behavioral Perspective	This views informality as dynamic and evolving	The changing socio-economic conditions of the residents	Mixed-use informal housing (Accra, Lagos)	Flexible and adaptive planning instruments
Sustainability Perspective	Informality linked to environmental risk	Climate vulnerability, poor location of the settlements	Flood-prone Makoko (Lagos); Dar es Salaam	Climate-sensitive upgrading and resilience planning is required
Poverty Perspective (Positive)	Informality is seen as entry point to city life by most migrants	Migrant integration	Dharavi (Mumbai); Lagos informal areas	Support skills, mobility, and gradual upgrading
Poverty Perspective (Negative)	Informality is seen as poverty trap. In this case, many settlers become helpless and only strive to survive	Unemployment, low mobility, low income.	Long-term deprivation in Kibera; Port Harcourt.	Integrated poverty reduction and spatial inclusion policies
Strategic Urban Planning Perspective	Quality of life as planning objective.	Multi-sectoral urban deficits,	Medellin upgrading; Lagos urban regeneration (a case of Oworonsoki)	Inclusive, people-centered strategic planning
Health Infrastruc-	Informality worsens public	Poor services, overcrowding, inadequate health infra-	Cholera outbreaks in	Aggressive health-sensitive

Theory or Perspective	Core Argument	Key Drivers of Informality	Illustrative Examples	Key Planning & Policy Implications
Structure Perspective	health	structure	Accra & Lagos.	urban upgrading.

4. Discussion

In order to provide a comprehensive knowledge of the causes, manifestations, and planning consequences of informal settlements, especially in rapidly urbanising situations in the Global South, this work synthesizes important theoretical and empirical perspectives on urban informality. The discussion depicts informality as a dynamic socio-spatial process impacted by economic inequalities, governance frameworks, legal regimes, and household decision-making, as opposed to seeing it as a uniform or extreme reality.

4.1. Informality as a Structural and Historical Urban Process

Early theories of urban informality, which had their roots in the Chicago School, described informal settlements as the result of cultural marginalisation and migrant survival tactics. Although the introduction of informality into urban theory was made possible by this viewpoint, it has been widely critiqued for attributing poverty to behavioral or cultural deficits rather than structural conditions. Contemporary evidence from cities such as Lagos, Nairobi, and Johannesburg demonstrates that informality is less a cultural anomaly and more a predictable outcome of uneven urban development and exclusionary planning systems. These findings align with wealth-distribution and state-centric perspectives, which emphasize housing affordability, land market failures, and restrictive planning regulations as primary drivers of informal urbanization.

4.2. Reassessing the Formal–informal Divide

The dualist conception of cities, which separates formal and informal sectors, remains influential in urban policy and legal frameworks. However, empirical realities challenge this binary framing. Structuralist and continuum theories demonstrate that formal and informal systems are deeply interconnected, with informal settlements housing workers essential to formal economies and informal enterprises supporting urban livelihoods. Case evidence from Lagos, Nairobi, and Accra illustrates how formal economic growth often depends on informally housed and employed labor, thereby undermining the notion that informality exists outside the formal urban system. This interdependence calls for integrated planning approaches that recognize informality as a functional component of urban systems rather than an aberration.

4.3. Legal and Regulatory Drivers of Informality

Legalist perspectives highlight the role of cumbersome regulatory frameworks, complex land tenure systems, and high processing costs which produces informality. In many African cities, land use laws and development control standards are misaligned with the socio-economic realities of low-income households, effectively excluding them from formal housing and land markets. For instance, in Lagos, Abuja and Nairobi informality tend to emerge as a rational response to unfavourable regulatory environments. However, deregulation alone is insufficient, but incremental legal reforms, such as simplified permitting processes, tenure regularization, and recognition of customary land systems appear positive in reducing informality without undermining planning objectives.

4.4. Agency, Choice, and Social Networks in Informal Settlements

Voluntarist and social forces perspectives introduce an important corrective to structural explanations by foregrounding human agency and collective action. Informal settlement residents are not merely passive victims of exclusion; they actively make rational choices based on flexibility, proximity to employment, and social support systems. Community-based practices observed in Kibera, Ibadan, and Accra underscore the significance of social networks, informal savings schemes, and self-help housing in sustaining urban livelihoods. However, emphasizing choice must be balanced against structural constraints, as many residents operate within severely limited alternatives. Recognizing both agency and constraint is therefore essential for equitable urban policy formulation.

4.5. Urban Mobility, Poverty, and Informality

The relationship between informality and poverty is complex and contradictory. On one hand, informal settlements function as entry points into urban economies, enabling migrants to access employment, acquire skills, and gradually improve their living conditions. In many cities like Dharavi and Lagos, informal settlements act as ladders out of poverty. On the other hand, persistent infrastructural deficits, insecure tenure, and limited access to education and formal employment can transform these same settlements into poverty traps.

Long-term deprivation observed in settlements such as Kibera and Port Harcourt waterfronts highlights the need for targeted interventions that address both spatial and socio-economic dimensions of poverty.

4.6. Environmental, Health, and Sustainability Dimensions

Sustainability-oriented perspectives emphasize the disproportionate exposure of informal settlements to environmental risks, including flooding, pollution, and climate-related hazards. Settlements located in ecologically fragile areas such as coastal and flood-prone zones in Lagos and Dar es Salaam, illustrate how informality intersects with climate vulnerability and public health crises. Poor access to water, sanitation, and health infrastructure exacerbates biological vulnerability, reinforcing cycles of poverty and exclusion. These findings underscore the urgency of climate-sensitive upgrading strategies that integrate environmental risk reduction with basic service provision.

4.7. Implications for Strategic Urban Planning

The synthesis of perspectives presented in this discussion suggests that effective management of informal settlements requires a shift from reactive control to strategic and inclusive planning. Quality of life emerges as a unifying framework, encompassing health, security, accessibility, environmental safety, and economic opportunity. International experiences, such as citywide upgrading in Medellín, alongside emerging initiatives in Lagos, demonstrate that inclusive, people-centered planning can transform informal settlements without displacement. Strategic urban planning must therefore embrace informality as a legitimate mode of urbanization and integrate it into broader development frameworks through incremental upgrading, participatory governance, and institutional reform.

4.8. Toward an Integrated Understanding of Urban Informality

Overall, this discussion reinforces the argument that urban informality cannot be explained by a single theory or addressed through isolated policy interventions. Instead, informality should be understood as a multidimensional and evolving phenomenon shaped by economic structures, legal systems, social practices, and environmental constraints. An integrated theoretical approach combining structural, legal, behavioral, and sustainability perspectives offers the most robust foundation for addressing the challenges and opportunities associated with informal urbanization. Such an approach is particularly critical for cities in Africa and the Global South, where informality will continue to define urban growth trajectories in the foreseeable future.

5. Contribution to Knowledge

The following significant additions to our understanding of urban informality and informal settlements are made by this study, especially in light of the rapidly urbanising cities in the Global South.

1) Theoretical Integration of Disjointed Discourses on Informality

This work's methodical synthesis of historically disparate ideas of urban informality such as dualism, structuralism, legalism, voluntarism, continuum, and sustainability perspectives into a unified analytical framework is one of its main contributions. This study shows that informality is best understood as a multifaceted and dynamic urban process, in contrast to previous research that frequently favours one theoretical perspective. The paper develops a more comprehensive theoretical understanding that goes beyond binary formal informal categories by synthesizing these view-points.

2) Reinterpreting Informality as an Urbanisation Process

From a conceptual standpoint, the work attempts to reinterpret urban informality as a legitimate and useful type of urbanisation rather than only as a socioeconomic oddity or planning failure. The research contradicts prevailing deficit-based narratives by emphasising informality as a form of spatial organisation and socio-economic adaptability. This corresponds with increasing literature that acknowledges informality as essential to modern urban growth, especially in African cities.

3) Connecting Global South Theory and Empirical Contexts

Grounding theoretical discussions in specific empirical contexts with a focus on African and Global South cities like Lagos, Abuja, Nairobi, Accra, and Dar es Salaam is another important addition. This fills a long-standing void in the literature on urban studies, which has traditionally been dominated by viewpoints from the Global North. Thus, the study enhances the geographical balance and empirical relevance of research on informality.

4) Explaining the Nexus between Informality and Poverty

By providing a deeper understanding of the connection between urban poverty and informality, the paper enhances knowledge. The study illustrates informal settlements' dual role as both places of structural deprivation and facilitating spaces for economic integration, rather than portraying them only as poverty traps or idealised ladders of opportunity. More accurate theoretical and policy-focused conversations about urban poverty and social mobility are facilitated by this balanced framework.

5) Promoting Policy and Planning Conversation

The research advances urban planning scholarship by articulating strategic, inclusive, and incremental planning approaches through the integration of planning, legal, health, and sustainability perspectives. It draws attention to the shortcomings of strict regulatory frameworks and underscores the significance of climate-sensitive upgrading, participatory

planning, and adaptive governance.

A solid knowledge framework for reconsidering informal settlement management in practice is provided by this interdisciplinary synthesis.

6) Contribution to Methodology via Analytical Synthesis

The study makes a methodological contribution by highlighting the usefulness of comparative analytical synthesis as a tool for literature-based research. For academics performing intricate literature evaluations in urban studies and allied fields, the conversion of various ideas and viewpoints into comparison matrices and an integrated debate offers a repeatable method.

7) Support for Upcoming Research Agendas

Lastly, the study concludes that informality is a dynamic and changing phenomena that calls for integrated, cross-sectoral research methods. The study creates new opportunities for future empirical and policy focused research by placing informality at the nexus of planning, governance, health, climate change, and socioeconomic systems, especially in the context of climate vulnerability and sustainable urban development.

6. Conclusion

This paper has advanced an integrated understanding of urban informality by synthesizing diverse theoretical traditions and empirical evidence from rapidly urbanizing cities, particularly in the Global South. The discussion demonstrates that informality is not a residual, temporary, or deviant condition of urbanization but a structurally produced and historically embedded socio-spatial process. It emerges from the interaction of economic inequality, exclusionary planning systems, regulatory constraints, governance failures, and the adaptive strategies of households and communities.

By reassessing early culturalist explanations and engaging structuralist, legalist, voluntarist, and sustainability-oriented perspectives, the study shows that informal settlements are deeply intertwined with formal urban systems. The persistence of a rigid formal–informal dichotomy obscures these interdependencies and limits the effectiveness of urban policy. Evidence from African and other Global South cities illustrates that informality often functions as both a mechanism of survival and a contributor to urban economic vitality, even as it simultaneously reproduces vulnerability, poverty, and environmental risk.

The analysis further highlights that residents of informal settlements exercise agency through rational location choices, social networks, and collective practices, yet this agency is constrained by structural barriers in land markets, housing affordability, and legal frameworks. Similarly, the relationship between informality and poverty is shown to be ambivalent: informal settlements can act as pathways to socio-economic mobility for some groups, while for others they become entrenched poverty traps, particularly where infrastructural deficits, insecure tenure, and environmental

hazards persist.

From a planning perspective, the findings underscore the limitations of reactive, control-oriented approaches and support a transition toward strategic, inclusive, and quality-of-life centered urban planning. Incremental upgrading, participatory governance, legal and institutional reform, and climate-sensitive interventions emerge as critical pathways for addressing informality without displacement or social exclusion. Recognizing informality as a legitimate and enduring mode of urbanization is essential for aligning planning practice with the realities of contemporary cities.

In conclusion, this study argues that no single theory or policy instrument can adequately explain or manage urban informality. An integrated and context-sensitive framework one that combines structural, legal, behavioral, and environmental dimensions, offers a more robust foundation for research and practice. Such an approach is particularly vital for African cities and the wider Global South, where informality will continue to shape urban growth trajectories. Future research and policy must therefore move beyond binaries and embrace informality as central to the pursuit of inclusive, resilient, and sustainable urban development.

Abbreviations

CBD	Central Business District
UN	United Nations

Conflicts of Interest

The authors hereby affirm that the research and publication of this manuscript were undertaken without funding arrangements, competing interests or external influence.

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