Exploring new ways of understanding and tackling the housing question from a popular point of view

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Abstract

The privatization of public services; the rapid rise in the price of housing; repossession due to unpaid mortgages and rent; the anomalous growth of built-up areas, with a surplus of empty housing and a great demand for land; the critical situation of people in low-income sectors, minorities and those regarded as ‘illegal’; the forced movements of people due to armed conflicts; and the development of huge infrastructure projects are just some of the current aspects of the housing crisis that exists within a context of public policies that view the State as a facilitator for and subsidiary of private initiative. The lack of housing is increasing exponentially throughout the world and today affects over 1,000 million people. This figure will increase by 700 million by 2020, evidence that current housing policies have failed and of the need for radical change. This article investigates the current housing crisis and suggests a number of issues ripe for reflection and proposals for action as a means of coming to terms with the problem of satisfying the right to housing.

The price paid for the exaltation of housing as a market commodity and the accumulation of great wealth by just a few people has been an increase in suffering for the majority of the world’s population. The housing crisis has worsened and currently over 1000 million people are either homeless or live in substandard housing, a figure that will rise by 700 million by the year 2020 [1]. The role of housing as a commodity was also one of the causes of the bursting of the housing boom and the recent world financial crisis.

The specific nature of the housing problem varies from place to place. Nevertheless, the general philosophy behind public housing policy is almost always the same in all countries — and until it changes there is little likelihood that the situation will improve. Thus, those of us in the social networks and movements working to guarantee decent housing for most of the world’s population have the responsibility to promote alternatives based on our own experiences. They must be global rather than neoliberal in inspiration, be based on a different type of logic, on different ways of financing, on other ways of confronting the reality of the situation, and must ensure that housing policies take into account both human and environmental rights. Occupiers of housing must be seen as creators and managers of sustainable human settlements rather than as mere clients/users of a space.

In a number of continents an alternative systematic approach is being adopted in an attempt to resolve the housing question. For example, struggles are being waged against the abandoning by the public sector of housing policy and the commercialization of social housing, as promoted by the so-called Fiscal Compact in Europe and the Fiscal Cliff in the USA, two neoliberal solutions for overcoming this global crisis.

Two initiatives that are currently competing with the commercial housing market as responses to the housing crisis are the Chinese state-led model, which creates new cities according to the needs of established economic programmes, and micro-credits, a project born and developed in the Indian subcontinent. In the first case, this type of policy has led to resistance by local people to being forcibly removed from their homes and rehoused elsewhere. In the second, on the other hand, and above all in the grand Indian cities, micro-credits are insufficient as alternatives and cannot halt the consequences of the vast urban transformations that are being carried out.

In both cases, civil society is reclaiming a role in the formulation of public housing policies with social and participative objectives through participation by organizations such as residents’ associations and community land trusts that guarantee the social nature of housing. A change in perceptions is becoming urgently needed in Africa in all its regions, where massive building projects based on an unsustainable commercial housing sector are burgeoning. In many precarious residential areas, resistance is made to attempts to move residents out as people demand qualitatively and quantitatively better housing policies that can adapt to the challenges posed by current models of urban growth.

A significant trend towards greater urbanization has occurred in our region (Latin America and the Caribbean) in recent years as part of the globalization that is, on the one hand, promoting economic growth but which is, on the other, based on a highly unequal distribution of income that only serves to exacerbate existing social tensions. One consequence is the worsening of the housing problem in low-income sectors, since housing is regarded not as a service, a right or a means of personal development but, rather, as an asset that can be freely traded in the marketplace.

Poor families are unable to enter into the formal housing market and so have to find unconventional solutions. Given that access to urban soil by low-income groups is limited by the emphasis of the housing market on middle-to-upper incomes, most of the best land for building is appropriated by construction companies, which obliges lower-income groups to locate to the least adequate sites. Social housing projects tend to be developed on land of little commercial worth, which creates areas of exclusion and/or encourages construction in precarious conditions. This helps explain why the families that live in these housing projects have increased significantly in number, which, in turn, leads to an increase in insecurity of tenure and forced removals. According to figures from the CEPAL, 10–15 years ago social groups C, D and E represented 55–60% of the total population of the region, a situation that has not varied significantly in recent years. Those lacking a decent home represent a significant part of the population. It is worth mentioning here that unconventional initiatives can be – and often are – hijacked by real-estate developers offering apparently attractive, low-cost options that turn out to be more costly for users and much more inconvenient for the city as a whole. Currently, part of the land market is dominated by cartels of land developers working with the blessing and even the complicity of local authorities, police, judges and political parties.

A recent publication by the Inter-American Development Bank (IDB) [2] reveals that, despite improvements in housing conditions such as better water and electricity supplies that have been implemented in recent years, of the over 130 millions of families that live in cities, five million still share with other families, three million live in structures that cannot be repaired, and 34 million lack property deeds, clean water, sanitary systems or sufficient living space. Many of these substandard homes are to be found in city areas that lack urban amenities. According to the data in this study, this deficit in housing has risen rather than diminished in the past decade and its main component, the qualitative deficit in homes, has increased from a 60%

of the total (1990s) to 83% of the total deficit in 2009.

The poor suffer most from bad housing. According to CEPAL, in 2008 there were around 30.5 million poor households and 15 million extremely poor households in the region, as well as 93 million non-poor households that would have some possibility of solving their housing problems if the housing market worked efficiently. These 45 million poor and very poor households form no part of the formal housing market; they share houses with other people or live in precarious improvised structures, often crowded together, and with neither infrastructures nor any form of secure tenure.

The IDB explains the inefficiency of market policies in the following way:

a. Mistakes occur in the housing market that must be corrected, above all in the high cost of housing and the inherent difficulties in obtaining a mortgage due to factors such as high interest rates and the informal life-styles of potential house owners.

b. The private sector is reluctant to construct low-cost homes given the doubts about their profitability, the credit possibilities of low-income families, the high cost of land and building, excessive regulations and the high cost of property registers. In the region, the cheapest home on offer in the private sector without any building subsidies cost around $24,000 in 2010.

c. Savings and voucher and credit schemes do not reach the poorest people who are unable to save and

who, for a number of reasons, are unlikely to be offered a mortgage.

To solve these housing-related problems, the IDB aims to adopt flexible policies that will facilitate access to housing by middle classes and lower-income groups, thereby correcting the problems in its previous focus:

a. Encourage the construction of cheaper homes by granting facilities to the private sector and by reducing restrictions on built-up areas,

construction regulations and financing in order to increase the number of homes built;

b. Aim to decrease interest rates on mortgages and look for solutions to the problems caused by the informal life-styles of many potential occupiers;

c. Improve the efficiency of

implementing cost-saving programmes that will benefit occupiers;

d. Promote rental agreements;
e. Consider both qualitative and the quantitative aspects of the housing deficit;
f. Carry out reforms in regulations that will improve the way in which land is bought and sold.

This new ‘facilitating’ aim – that is, the ideas of the IDB – should be understood as ways of promoting more urban areas with amenities, providing better infrastructures and easier access to credit for builders and buyers, establishing realistic regulations regarding the use of the land that will respond to people’s desire to buy a house, and guaranteeing access to construction materials and services.

More specifically, the IDB proposes the following for lower income groups:

1. Evaluate the importance of incremental housing and the positive role played by micro-financial institutions (small, short-term loans for buying materials and for progressive construction).

2. Promote projects aimed at improving conditions in poorer urban districts. This study highlights the fact that even though most governments in the region have no policies aimed at tackling the causes of the upsurge in informal settlements and marginalized districts, they do

have programmes for helping established families, issuing land deeds and improving urban districts. According to the IDB, these policies have a great potential for accelerating investment by families in their homes, with a consequent positive impact on living standards.

3. Evaluate the Chilean experience in which the awarding of grants is centred on the poorest families.

In this way, the Inter-American Development Bank once again leaves the solution to the housing problem to private capital and commercial banks, to whom it will offer better and more secure conditions that will theoretically reduce house prices and make mortgages more accessible. It also lessens the expectations of lower-income groups by emphasizing urban regeneration, encouraging DIY house building and microcredits, and increasing subsidies for the poorest families. If we look more closely we see that most countries already have programmes based on the granting of subsidies. However, these programmes only address a very small part of the housing deficit and are not aimed at the very poorest; they are only designed for workers with stable jobs and steady incomes, and their main product is finished houses, often poorly situated and badly built.

As a result, most poor families in the region attempt to resolve their housing needs by themselves with no help from the State. They make use of what financial resources they have, without any clear planning objectives but with great cooperative spirit and ability to take advantage of resources and willpower in enterprises that would be unthinkable in the commercial sector. But not only this. Enrique Ortiz was right when he said [3] that the home as a process of ‘self-help’ is born out of a different notion of resources that places a premium, for example, on personal skills and mutual help, the type of material, and the use of time. These are potentially abundant resources and are not as scarce or as expensive as the traditional home; they suit low-income families, can give rise to large-scale production, help orientate the use of grants, reduce the amount of money needed, and shorten the length of time needed to return loans.

The failure of housing policies demands a radical change in direction that must take advantage of past experiences and make good use of this cultural legacy in the countries of the region. Nevertheless, proper housing represents an investment for the future and, like adequate access to water and health, is an inalienable human right. The State cannot deny its responsibility or allow the solutions to the problem to depend exclusively on fluctuations in the market and private capital, which – as is their nature – only look to increase profits and lessen investment risks. Aims, the necessary products, management models, intervention strategies and ways of funding are thus some of the key questions that public policy on land and housing must resolve in the years to come.

Towards new land and housing policies

General principles

Multiple or polysemic meanings of ‘home’: housing is a complex question

A home encompasses a multitude of elements that are modified permanently within the context of their inter-relationships (emergence). These changes can affect all the other elements and generate situations that are not completely predictable (uncertainty).

Moreover, there are not one but many ways of understanding the concept of ‘home’. It is not only nor primarily a product that can be exchanged: it is as much an investment in personal development that is both essential for the country and an inalienable human right. All humans need a place to live and thrive with their families, a place that offers shelter and security, somewhere salubrious that provides a sense of belonging and encourages the development of social skills.

In *Democracy in Crumbs* [4], Pierre Calame remarks that not all commodities are necessarily subject to the free will of market mechanisms — this is the case of the public commodities on which human lives depend, scarce or non-renewable natural resources, and commodities and services such as the homes that enable us to survive. Security, shelter and privacy are three inherent dimensions of human life that materialize in the form of a suitable house and home. The home is thus not just an economic commodity that can be exchanged in the marketplace: rather, it is a source of identity, a place of origins and of social cohesion, where people can develop their full human potential.

A home, a human right

All humans require a place to live, somewhere to grow with their families, that offers shelter, security, well-being and a sense of belonging. Like food and clothing, a home is a fundamental human need; the lack of home deprives a person of his/her right to live in a dignified fashion.

This right is enshrined in numerous international legal agreements. The Universal Declaration of Human Rights (1948) includes one of the first recognitions of the right to an adequate standard of living (article 25, item 1). A number of other international declarations and treaties also recognize the right to a home: the International Covenant on Economic, Social and Cultural Rights (1966), Article 11; International Convention on the Elimination of All Forms of Racial Discrimination (1965), Article 5(e)(iii); UNESCO Declaration on Race and Racial Prejudice (1978), Article 9; Convention on the Elimination of All Forms of Discrimination against Women (1979), Article 14(2)(h); Convention on the Rights of the Child (1989), Article 27; International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990), Article 43; the International Labour Organization Convention 169 on Indigenous and Tribal Peoples in Independent Countries (1989), Articles 13 to 19.

Other legal instruments that also aim to protect the right to a home: the Vancouver Declaration on Human Settlements (1976), Section III(8) and Chapter II(A.3); Agenda 21 declaration on Environment and Development (1992), Chapter 7(6); the European Social Charter, 1996 revision, Article 31; the Habitat Agenda 1996, and General Observations 4 and 7 of the UN's Committee on Economic, Social and Cultural Rights (CESCR). Currently, a declaration of an International Convention on the Right to a Home is being proposed.

The home as a special problem

A review of a number of different types of housing reveals some of the ways in which the problem of the 'home' is manifested:

- Homes in areas of risk.
- Settlements threatened by mining.
- Whole residential quarters in danger of being knocked down to build large infrastructure projects such as roads or public amenities.
- Homes in marginal areas.
- Deficient rural homes.
- Homes built or rebuilt in city outskirts.

Deficits from users' points of view

A number of years ago architects such as John Turner and social investigators such as Carlos Delgado began to reflect on slums and shantytowns and questioned what was then commonly referred to as the 'qualitative deficit'. According to Turner, when searching for an adequate dwelling, the actual location of a home is sometimes more important for inhabitants than the physical comfort it offers. While this does not justify the existence of substandard housing, it does suggest that is important to listen to users' (i.e. inhabitants') opinions when designing housing policies and programmes, and that imposed 'technical' solutions from outside are destined to fail. In another work [5], Turner maintains that in homes – understood to be the product of a series of decisions – where the subject has no control over the design, construction or administration will only generate architecture that is "aesthetically hideous, socially alienating and technically incompetent".

The social production of the habitat

The increase in the, above all, qualitative deficit of housing is due to the fact that people have no access to either the formal housing market or to the mechanisms that have been proposed to solve the housing problem, which are based on a predominantly mercantile logic that leaves solutions almost exclusively in private hands. Thus, the true construction dynamics in Latin American cities are to be found essentially in self-construction. The magnitude that precarious human settlements have attained is evidence of the physical, social and economic efforts of the population to satisfy their need for a place to live given the impossibility of ever acquiring a costly home. These self-constructed homes are built piece-by-piece using diverse techniques and methods, and incorporate productive processes moving important economic resources that involve settlers, their families, their savings and their environments.

The process normally begins with the occupation of wasteland, either public or private, informally divided up into lots that will subsequently be regulated. Basic services will arrive and the long struggle – which will usually last for up to 20–30 years – to consolidate the housing will begin. For many reasons, the majority of which are related to building speculation or the need to provide room for large infrastructures or public facilities, many of these settlements are in permanent danger of being torn down.

A study carried out for the BID by ACT Consultants-GRET in 2001 [6] estimates that, in terms of costs and access to finance, progressive building only constitutes a partial solution given the irregular conditions of land occupation. The cases analyzed by this study demonstrate that the costs of obtaining soil and then building upon it, as well as the cost of getting such an operation underway, are around US$ 3–4,000 for land with good access and not subject to speculation. The minimum cost of a dwelling of 50–60 m^2 , with kitchen and bathroom, is approximately US$ 4,000, a figure that includes the use of local labour. It is calculated that a further US$ 2,000 are needed to cover the labour and material costs required for enlarging the dwelling (one or two additional bedrooms). Thus, under favourable circumstances the cost of a house built progressively is around US$ 10,000. In recent years there have been many encouraging examples of progressive building financed by micro-credits and solidarity credits, which have created high-quality built-up areas. Nonetheless, there have also been instances that have only served to perpetuate the poverty cycle that was the original stimulus for these programmes.

The experience gained from the concession of micro-credits promoted by multilateral agencies and subsequently taken on by local and national administrations is important as it is enables us to improve models and develop them conceptually. Alone, they are insufficient and not sustainable over time; they are efficient but not effective. Sustained state policies that are coherent over time are needed to rethink these experiences in a framework of a single, integrated proposal.

A need to modify the direction of public policy

Whilst in poor countries micro-credits are played up as the solution to the housing problem, in rich countries public spending is being cut and social housing is being encouraged, that is, private investment to create popular housing. The two ideas are similar in essence. In light of the world crisis, which highlighted the failure of the neo-liberal model, rather than propose a viable alternative, capital has attempted to guarantee the profitability of its investment in the sector. The ideological base has not changed: housing as a commodity, the sanctity of profits, and the alienating decisions taken in the spheres of land-use, construction and urban management. The predictable consequence is alienation, that is, the division between production and consumption, between manufacturers and users, all of which reaffirms the primacy of exchange value over use value. In other words, policies that thwart the sustainability of financing the access to secure and adequate dwellings will continue.

The pragmatic acceptance of this solution will only accentuate the violation of the right of people to construct the cities of the future, and is the acceptance that they will become merely individual users/clients of the urban sector. Thus, it is essential that instruments be designed that will do away with poor-quality housing and foment options whose aims are to consolidate housing associations created on the basis of commitments that share a common ideal regarding housing and urban design. The instruments to be established must stem from the beliefs that people have a right to a house and that it is people who construct cities. These two principles run in sharp contrast to market policies and to purely central-state-driven projects that rule out any direct involvement of users in the taking of decisions. If the city is a social creation that facilitates the development of human and productive relationships, and if its inhabitants are truly to be seen as its constructors, housing must be designed and then built as amenities that the inhabitants themselves will help complete within a largely non-commercial framework. From this point of view, both housing and habitat can be thought of as social returns in the form of services awarded to inhabitants who help construct the urban space. Only in this way can housing, freed from the obligation to nourish land speculation and the competition between cities, satisfy the principles of social and environmental sustainability. This concept is rooted in the origins and history of the cooperative movement and has been put into practice in noteworthy experiences such as the collective property cooperatives in Uruguay and Italy, and in the Community Land Trusts in the USA.

The problems to be resolved

To identify the remedies that need to be included in land and housing policies in Latin America, it is first necessary to establish – in light of what we have observed – what the main and most urgent problems are that will have to be faced up to and resolved.

The main problems that we have detected are as follows: the increase in the housing deficit in the lowest-income sectors, above all in terms of quality, given the current poverty and the largely inaccessible commercial housing market; the existence of sub-standard new housing, well below the needs of the demand; the lack of enthusiasm in the private sector for developing housing improvement programmes; the high prices of land that mean that housing programmes are only built on inadequate sites; the persistence of informal occupation and the need to assign resources for corrective policies aimed at legalizing and improving existing housing; the chaotic growth of cities that segregates and expels the poorest; and the latent threats to human life from natural disasters.

A particularly serious consequence of these problems is the upsurge and development of precarious shantytowns built on unsafe land, where inhabitants are exposed to a series of physical and sanitary risks. Contrary to expectation, popular housing is in fact more costly in the long term than more conventional housing given that its distance from city centres leads to extra transport costs. In addition, water must be bought from tankers at higher prices than via standard piped connections, construction materials tend to increase in price over time, and the insecure land on which this type of housing is built obliges residents to carry out additional building work to make their homes secure. And, if this was not enough, the processes that people have to go through to legalize their occupation of the land or to defend themselves from being removed, or simply to install basic services, open roads and build infrastructures and their own homes, are both long and arduous. Year after year, these irregular settlements populated by precarious dwellings spring up throughout all the countries in the region, thereby ensuring that the accumulated housing deficit grows exponentially and that the differences between quantitative and the qualitative deficits are barely perceptible.

Yet, these informal settlements also have a level of quality and offer their inhabitants many opportunities (e.g. they can be built quickly without regard for the generally very strict regulations; free spaces can be used for informal activities such as waste recycling whose practice is restricted in other parts of the city). Any popular housing proposal must take into account the positive features of these irregular housing districts.

The existence of substandard housing and informal shantytowns has a very serious negative economic, social and cultural impact on the people who live there and for the city as a whole. Up to relatively recently, this impact was not obvious to anyone who did not live in these areas, which are partially hidden and even mythicized as in the case of Hernando de Soto. Today, Mother Nature – as a reaction to the daily mistreatment she suffers from humans – has taken it upon herself in some cases to put an end to this anomaly: the 200,000 deaths in Haiti, the collapse of Concepción in Chile and Pisco in Peru, and the catastrophe in Rio de Janeiro have all brought us back to earth and made us more aware of the fact that any one of our cities may collapse at any time. Those who suffer most are those families that live in precariously constructed houses located in areas of risk. Any public, private or popular programme that proposes the continuation of this situation or that permits the deterioration of housing in old, run-down city areas, will be complicit in any disaster that occurs in our region. Our cities are currently in a state of emergency, just like the rural and semi-rural settlements that bear the brunt of atypical periods of prolonged cold weather, floods and landslides in the absence of any preventative action undertaken by the State.

In light of the above considerations and given the connotation of a house as a basic human right and a necessary part of each and everybody’s personal development, the principal aim of any housing policy designed to meet people’s needs must be to guarantee the existence of adequate housing conditions for the whole population. There are thus five lines of action – which must be adapted to the reality of each country or region – that should be given priority when establishing housing policies.

Confront the accumulated housing deficit : This consideration implies a need to undertake work on a large number of existing houses that will either have to be rebuilt or consolidated from their foundations upwards, which will involve the regularization of properties, urban renewal and a move towards more progressive construction techniques. It will also mean the construction of new houses in areas lacking land for building in order to assuage the real quantitative housing deficit.

Plan future needs for housing: The ability to confront the annual projected growth in demand for housing in each region implies reserving building land and establishing a locally appropriate construction system. The size and cost of building projects must be calculated in advance and must be able to provide a viable alternative to the informal occupation of inappropriate land.

Undertake effective programmes for urban renewal and remodelling : The homes in many of the old centres of the cities of the region are overcrowded, marginalized, vulnerable and in a state of evident decay due to their age and lack of maintenance and, as such, represent threats to the health and lives of those that live there. Specific actions are need to help resolve this question. Work is also needed in urban areas that, albeit not requiring wholesale re-location, are built on land that is at risk from natural phenomena.

Re-locate housing currently in areas of risk: In order to save human lives and to avoid heavy economic costs caused by events provoked by natural or anthropic accidents, some housing schemes should be relocated on safer land, if possible in the same city or town as before.

Pay special attention to rural housing : Very few countries in the region pay any attention to or foment adequate rural housing. Exposed to natural events such as climate change that worsen as the years pass, this type of housing remains in a precarious position.

To ensure that the actions undertaken are viable, public housing policy must take a number of fundamental factors into account: a) popular experience and management of alternative building projects; b) traditions, uses and customs; c) financial possibilities; d) existing social and economic networks that exist in built-up areas.

On the basis of a explicit diagnosis of the current situation, the initiatives to be carried out must be transformed into local housing plans promoted concertedly by local government structures, and must contain or lead to a) urban planning and development; b) the creation of land banks; c) the implementation of ownership regularization programmes; d) the development of progressive construction techniques; d) the implementation of urban renewal programmes; e) credit and financial support; f) technical support; and g) social support. This implies a need to decentralize and democratize management structures that will allow neighbourhood associations to participate in the design, implementation and management of local housing projects.

The magnitude of the task that lies ahead is enormous. Political decisions will need to be taken requiring organized discussion on a national scale, planning, human, material and financial resources, soil, water and energy management that takes into account the needs of housing programmes, and a prioritization of actions based on specific priorities that can be undertaken by annual campaigns monitored by central or federal government.

If we look at the aims from a more general point of view, we will see how the results of such a programme will be very beneficial not only for housing but for cities as a whole, which will gradually be reorganized on the basis of the needs of its inhabitants.

Intervention strategies

In order to design a means of financing land acquisition and housing construction in Latin America and the Caribbean, the following must be taken into account: a) the specific nature of the problem will vary – often significantly – from one country to another according to the particular nature of its housing crisis; and b) a large number of important projects exist that have been successfully completed using a wide range of different sources of knowledge.

Taking these two points into account, it is important to highlight the need for proposals to support the development of popular projects that are already underway and to include – if appropriate – the initiatives being carried out by the respective governments. Thus, the proposals that are put into practice must be wide-ranging, flexible and appropriate for each particular situation.

The quantification of the housing deficits and the amount of finance needed to appease the unsatisfied demand for housing (discussed above) contrast with the resources that each country has at its disposal to solve successfully its housing crisis, above all in terms of resolving accumulated quantitative and qualitative deficits. This once again underlines the need for wide-ranging and flexible proposals and the importance of (i) providing support for projects that are already underway, (ii) taking advantage of popular building techniques and (iii) respecting communal management traditions.

Support for projects already underway and emphasis on the essentially qualitative nature of the housing crisis A first task is to support all projects that are already underway and to create an environment that will be propitious for their success. Most of these cases are progressive construction projects that require support to be able to carry out to the best of their ability planning and urban rehabilitation, environmental improvements, the provision of basic services and amenities, and the provision of material and technical assistance for the construction or enlargement of dwellings. In terms of tackling the problems of the quantitative deficit and the prevision of the annual demand, we should add the need to provide land for orderly and organized settlements for new families.

Control of land prices Land is a scarce asset and so it is important to regulate its use, to guarantee that there is enough public land, and to develop effective controls on urban land use. Likewise, the provision of affordable building land must be guaranteed, along with the use of resources derived from the land in urban and habitat development.

Opt for solutions at a territorial scale and ensure that they are both integrated and progressive Given its many facets, the housing crisis must be tackled with the specific realities of each locality in mind. Thus, a second important factor to be taken into account is the need to decentralize solutions and apply them on a territorial basis. In this way, the theoretical concepts we have discussed above will be put into practice and will become part of a real, living dynamic process. Each local administrative unit must develop a local housing plan that will tackle, amongst other things, the need to improve sub-standard housing, the quantitative deficit *vis-à-vis* the projected annual demand, the need to rehouse families at risk, the importance of urban improvement, and the question of ownership wherever it arises. To conduct this type of work, each town council must have certain essential instruments at its disposal: a land bank to avoid urban speculation and to be able to house adequately the most needy families; legislation that will allow it to intervene effectively in urban planning and development processes; technical, construction and legal teams that can advise people *in situ*; and economic resources that will enable it to carry out all these tasks.

‘Integrated’ and ‘progressive’ refer to the undertaking of actions throughout the territory that have flexible views of all different building projects, and that offer priority to the poorest sectors of the population and, in general, to people living in poor conditions in shantytowns and rural areas.

Priority for areas of urban poverty In cities the main housing problems occur in areas of urban poverty. Joan MacDonald [7] has described in detail some of these problems: water and health, both in terms the cost of the service and the lack of any organized distribution network; waste collection; vulnerability to natural disasters (informal settlements in areas of risk, location of public housing on land of little commercial value), and territorial urban management (urban renewal, access to land, security of tenure).

In Peru the National Institute for Urban Development (INADUR), a decentralized but now defunct body belonging to the Ministry of Housing, published at the beginning of the twenty-first century a proposal titled *Map of urban poverty for identifying opportunities for social investment in mid-sized cities in Peru*. This study proposed a way of demarcating ‘areas of urban poverty’ (APU) based on indicators and a methodology for formulating programmes and social investment projects in these areas that would promote greater integration, coordination and dialogue between actions. The main indicators that were considered were as follows:

- Poverty line
- Housing with inadequate living conditions and/or overcrowding
- Housing with an incipient degree of consolidation
- Housing without sanitary facilities and/or energy
- Houses without electrical appliances
- Houses with a high economic degree of dependence
- Tariff value of the land
- Legal sanitary system

Using these indicators, APUs were identified in the cities of Junín and Chimbote, and in each case a programme of investment aimed at reducing poverty and improving the physical surroundings was proposed. In the context discussed in this article, this type of study would enable us to identify the most vulnerable urban nuclei in each district and thus prioritize tasks aimed at improving housing and habitat, and stimulate dialogue between local-scale plans and general plans for social development.

Making programmes sustainable As is evident, all programmes of this type must necessarily be accompanied by efficient prevention tasks that imply at least three fundamental elements: a) Implementation of the annual housing programmes that prevent the deficit from increasing and thus making all attempts to cover previous deficits useless, as occurs, for example, in the case of the ownership regularizations in Peru, which never catch up with a housing deficit that never slows down; b) make more progress in the war against poverty and the inequality in the distribution of income, and modify the commercial vision of housing, which, after all, is the root cause of the housing crisis; and c) provide housing programmes with permanent institutional support that goes beyond the simple organization of the work needed to carry out a specific project.

Guarantee necessary resources: Redefine in state financial provisions the distribution of funds assigned to sectors devoted to servicing the external debt and buying arms, and define with greater precision the destination of the funds assigned to social projects whose aim, in collaboration with local authorities, housing associations and other organizations (e.g. cooperatives), is to mitigate housing shortages. Promote grants, land leases, fiscal waivers and temporary fiscal exemptions, enable DIY construction projects to count towards pensions, etc., in order to benefit, amongst others, collective property cooperatives that offer housing as the cornerstone for constructing a new community. Consider the proper use of other resources such as monies sent from abroad.

Define forms of adequate management that match the reality of every region and country . Many valuable models of management exist that constitute excellent examples of how to carry out viable projects that do not comply to the predominant logic of the market.

Local Action Plans

Local land and housing action plans designed for areas of both urban and rural poverty establish the necessary actions for guaranteeing a healthy habitat and adequate homes, and aim to be able to predict potential situations and plan priority actions.

By nature they are concerted and participative plans that involve in their design and execution all the active sectors of the local community, i.e., public (at local, regional and national scales), private and community sectors, and are closely tied to other social programmes that involve local authorities at other levels. As well, local land and housing action plans should form part of an integrated plan for local development that will ensure that the social programmes promoted by the public sector are not carried out in an over-disperse fashion in response to purely sectorial criteria.

In this case (as in others), the principle of active subsidiarity, which establishes that all levels of government should interact and cooperate in a particular territory, should be applied. This does not mean that one branch of the administration should refrain from intervening in a particular field if another is already active there, or that the public sector should not get involved in areas where private capital is operating; rather, as liberal doctrine suggests, all the active members should work in coordination and allocate their efforts where they can best contribute to local development.

If the question is described in this way, a local action plan can establish precise objectives and quantify costs in the short and mid-terms in areas such as the improvement of housing (on the basis of a general type of dwelling); the construction of new houses in new and appropriate sites (how many ?, where?, what size?, what design?, using what material?); land banks; water and sanitary provisions; public spaces; roads; urban renewal, and so forth.

How should these plans be managed and financed? Their management involves a series of agents, monitored by the local government working through a round-table structure. National government will provide funds for the implementation of the plan to complement income from local government, the private sector, the local population and international cooperation.

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Notes

[1] UN-Habitat estimates that in the coming years the world's housing requirements will be for over 1,000 million people, most of whom live in poverty or extreme poverty, in conditions of inequality, or in situations in which housing is first and foremost a business and not a fundamental human right and necessary means for personal development.

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