Housing provision and improvement programmes for low income populations in the developing world. A review of approaches and their significance in the European context

Jakub Gałuszka

Philippine Institute for Development Studies, 106 Amorsolo St., Legaspi Village, Makati, Philippines; Technical Univeristy of Darmstadt, El-Lissitzky-Strasse 1, D-64287 Darmstadt, Germany; e-mail: kubagal@gmail.com


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Abstract. The paper deals with the issue of affordable housing provision for low income populations in the developing countries and its significance in the European context. My goal is to discuss this topic through the analysis of different approaches to household provision and improvement with special focus on the involvement of communities in various upgrading procedures. Separate sections of the paper refer to the most important approaches developed in the 20th and 21st centuries. These include: site and service, slum upgrading, incremental housing and community-led upgrading which are analysed through the prism of several examples coming from various parts of the world.

The discussion of the strategies formulated in the developing world is linked with the new approaches towards housing provision that are presently promoted or are spontaneously emerging in various cities of Central Europe. These include the issues of container-houses construction in Poland and the creation of informal settlements by Roma populations in Polish and Slovakian cities.

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1. Introduction

The discussion of the approaches to housing provision for low-income populations in the developing countries is not only relevant in the 'Southern' context but becomes nowadays important in European countries. First of all, in the last several years, authorities of Polish cities started to experiment with the so-called
container-houses (kontenery mieszkaniowe, kontenery socjalne) that are supposed to serve as homes for people who are not able to afford the rents in other locations or who are considered troublesome tenants (PAP, 2011). As a consequence 'houses' like that have been already constructed in the cities of Bytom, Wilamowice, Sosnowiec (Fig. 1), Poznań, Bydgoszcz (Boruch, 2008; Wybieralski, 2011) and were to be constructed in Łódź and Białystok (PAP, 2011; Boruch, 2008). The construction typically resembles the buildings that have been already set up in Bytom where 20 'houses' were inhabited in the middle of 2010. Their size usually ranges from 10 to 16 m² and they are equipped with basic amenities like: shower, toilet, kitchen annex with oven. The overall cost of 120 container-houses which were supposed to be constructed was estimated to reach 3.5 million PLN.

Two years after the removal of tenants to the mentioned 20 units, 5 were reported to have entirely deteriorated: one was set on fire, another one also burned in fire, while two other ones were robbed and devastated. Renovation of 5 modules will cost the local government 78,500 PLN (Nowacka-Goik, 2012; Wegiel, 2010; Nowak, 2012).

The quoted example partially illustrates why the strategy of container-houses construction, perceived by local authorities as a remedy for housing shortage and ‘problematic’ tenants, is in fact replicates the mistakes experienced in other locations and leads to social segregation of city’s inhabitants, their social isolation and stigmatisation (even though local authorities may claim something else).

Secondly, several Central European countries are encountering ‘the problem’ of illegal Roma settlements rising on the outskirts of their cities. With the dissolution of their traditional nomadic lifestyle Roma people started to construct small shanty-towns and try to develop new sources of livelihood. Such settlements are an almost ideal copy of the neighbourhoods that are being raised by poor people all over the ‘developing’ world (see Fig. 2 and 3). The similarities can be seen in the design, low social status and poverty of their inhabitants. Unfortunately, the most common reaction of European urban authorities and better-off populations to that problem copies the worst models from the southern countries. Instead of looking at the newest solutions the authorities of Slovakian cities like Ostrožany, Michalovce, Trebišov (Pietrzyk, 2010) prefer to separate themselves from the unwanted settlements by concrete walls, do nothing like the authorities of city of Wrocław in Poland (Harłukowicz, 2012) or like the French authorities, throw the Roma people out of the country (BBC, 2010).

Both of the mentioned processes – the delivery of container-houses for poor populations by local authorities and the creation of illegal settlements – have already happened and have been analysed for decades in the developing countries. That is why it is worth to take a look at their approaches towards the mentioned issues. The experiences and case studies presented in this paper could provide a number of suggestions as to whether the proposed solution of container-houses is feasible in the European context and if it follows any reasonable model. At the same time it can illustrate that there exist ways in which illegal Roma settlements can be upgraded and can become normal parts of cities.

The key argument of the paper is that the crucial element helping the poor to get out of poverty is linked not only to housing conditions but also to their social empowerment. Probably the first and most acknowledged scientific reflection about the central role of communities in housing upgrading processes was formulated by John Turner in the 1970s. In the famous book ‘Housing by People: Towards Autonomy in Building Environments’ he explains how conventional-housing policies are unable to accommodate the growing needs for housing in rapidly urbanising countries. Therefore, as he notices, the construction of shanty towns should not be perceived as a problem but as a solution to the housing shortage (Turner, 1976). Facing the inability of governments to provide shelter, people have no other choice than to construct it by themselves. Those temporary settlements, if not destroyed by governments due to land policies, property issues and the rhetoric of poor ‘quality of life’, usually become consolidated parts of the town. As he argues the bureaucratic systems represented by local authorities or large organisations ‘standardise procedures and products in order to operate economically. By necessity this conflicts with the local variety and housing priorities’ (Turner, 1976: 51). In other words conventional housing might be unsuitable for the poorest populations in developing countries due to its high costs and low use value as opposed to self-constructed houses.

The process of consolidation of informal settlements was first observed in Latin America where, after decades, authorities started to undertake efforts to upgrade them instead of destroying. Already at that stage we can speak about housing improvement programmes where people are the main actors of the process (as they are the ones who occupy vacant land and build their houses). Usually government-led improvement comes at the latest stage (the approach will be described in a further part of the paper).
Except the case of Roma population none of these problems is present in Polish or Slovakian cases. People do not need to build their own houses by themselves as a response to rapid urbanisation processes. Moreover, nowadays most of them have access to a decent shelter. That is why the strategy of container-houses construction, proposed by local Polish authorities, aims rather at gaining access to valuable housing in the city center by pushing away tenants who do not pay their rent (Urbański, 2009). This process may lead to the beautification of inner cities which are transformed from social housing districts into top-end areas. For obvious reasons the discussed policy leads as well to the gentrification of city centres. Simultaneously, the creation of ‘container housing’ provokes another process in the suburban zones of Polish cities. Its basic characteristics and potential social impact echo the problems that were encountered in the site and service projects realised all round the world in the middle of the last century. The creation of this type of housing can be also related to the growing ghettoisation of Polish cities which results in the separation of the populations perceived as a ‘good ones’ from the ‘pathological ones’ (Szczepański, Ślężak-Tazbir, 2007: 44). Assuming that only in the capital city of Warsaw there is around 50,000 people who owe the city money for the rents, one can imagine the amount of potential ‘recipients’ of the container type of housing who theoretically might be located in the city suburbs (Szpala, Zubik, 2012). On the other hand, along with the gentrification of large parts of Warsaw, gated communities are becoming more popular what can reflect the perceived need of separation of different social groups. In the case of Roma settlements the real, physical separation is already taking place (as mentioned in regard to Slovakian examples).

2. Site and service

Prior to the Turner’s revolutionary book and the popularisation of the slum upgrading approach there already existed programmes which, at least in theory, were supposed to provide housing to the people. Site and service is one of the schemes used to achieve that goal. The essential element of site and service programmes is the limitation of cost in contrast to conventional social-housing. Even though there does not exist one unified model of site and service projects (as they can vary a lot) one can distinguish some common characteristics. In most of cases the land is divided into equal plots of minimal size and provided with infrastructure access. The incoming population receives some form of secured tenure or the right to use the land. Often the project might be supported with loans or a mortgage system. Sometimes the plots are provided with the walls, roofs, etc. The strategy of site and service was largely supported by the World Bank but not many of the implemented
projects succeeded in financial terms (United Nations Economic Commission for Asia and the Pacific). There are several reasons why these projects failed to a great degree.

Firstly, site and service projects were usually located outside of the city and automatically the people who were placed out there were also forced to give up their original jobs. In the most cases that meant the inability to continue their professional activities in the new surrounding. As pointed out by Turner, the basic instrument of the poor, essential for their survival, are the personal linkages and informal activities (Turner, 1976). Relocated populations, in most cases, lose all of that. In that context site and service projects could be perceived more as a burden for the people who happen to be allocated a plot. Similarly, resettlement projects which are supposed to provide possibilities for decent housing or emergency relief in most of cases have negative impacts (especially in regard to employment issues) (Initial Policy Recommendations on Relocation Framework, Institute for Popular Democracy, IDP). In that context one can recall the cases of various site and service projects implemented in South Africa. They turned out to be instruments of apartheid politics, which led to conscious segregation of the country’s population (Frescura, 1993). The famous townships are presently the zones of criminality and poverty, years after they were constructed.

The presented characteristic of site & service districts was worsened by the lack of sufficient social facilities which, in any case, increased the initial cost of the project and were often not included in the site development plan. Additionally, site and service projects did not support capacity building and enhancement of communities. At this point one can remember that issues of participation is an essential instrument for improving the capacities of community members. Moreover ‘the processes of participation and democratisation are central if the latest generation of poverty reduction initiatives are to have an impact which is both substantive in scale and lasting in time’ (Fiori et al., 2001: 48). This element, at the early stage of site and service programmes, was mostly neglected.

Nevertheless, even if quantitative measures show that site and service projects were financially unsuccessful, there exist examples of projects which turned out to work well both in economic and social terms. One of those is the Aranya project in Indore, India which is still perceived as a successful case study of a low-income housing development project. The mentioned case proves that careful attention given to community development, financial subsidiarity and culturally appropriate design can lead to positive outcomes also in the case of site and service schemes (Minimum Cost Housing Group, 2006).

3. Settlement and slum upgrading

The settlement upgrading approach I have mentioned above is an essential alternative for any displacement project. According to that approach the existing settlements are upgraded through investment in infrastructure. Usually settlers who have constructed a neighbourhood receive a chance to access secure tenure and new amenities. The intervention is usually covered by state funds – which initially makes it costly and does not support cost recovery but on the other hand does not include a large amount of demolition and displacement. Thanks to this people do not lose the existing networks, social structure, sources of income and their households, which they might have been constructing for years. The upgrading process has stable repeatable elements like: initial surveying, tenure regularisation procedures and physical upgrading. It can vary, however, in many elements (United Nations Economic Commission for Asia and the Pacific). Perhaps the maximum number of possible actions was undertaken in one of the most ambitious projects in Favela Bairro, Rio de Janeiro. It included: ‘the installation and upgrading of water and sanitation infrastructure, and public and domestic lighting networks; reforestation; the opening and paving of roads, squares and walkways; elimination of natural hazards; the construction of new housing for essential resettlement; the setting up of rubbish
collection systems; the commencement of land tenure regularisation processes; the construction and reform of buildings and their subsequent use as nursery schools, community centres, and income generation and training centres; the construction and operation of new sports and leisure facilities; the construction of commercial establishments (kiosks); and the construction and operation of social and urban advice centres‘ (Fiori et al., 2001: 48).

The approach firstly promoted in Latin American cities has spread around the world. It turned out to be a more successful and sustainable solution than site and service projects. The success of the approach can be illustrated by the Kampung Improvement Programme which, since its inception in 1969, has spread to 800 cities in Indonesia to benefit approximately 30 million people. (Massachusetts Institute of Technology). The programme concentrated mostly on infrastructure improvement as 88% of its funding was devoted to that element. Nonetheless, the remaining funds were devoted to social development and economic development through a small-scale credit scheme.

The approach has, however, its limitations. Firstly, it might not be feasible in socio-political and economic terms. The problems are usually linked to scarcity of land in modern metropolises of the third world, market and real-estate processes. They can make it extremely difficult to keep and upgrade the settlements without secured tenure as these are often located in the most desired spaces in the city. One can remember the famous case of Mumbay, Dharavi slums or settlements in Metro Manila where ‘government (…) allocated less than 1.0 percent of the total government expenditures for the housing sector in recent years, or less than one-tenth of a percent of GDP on the average. This makes Philippine public spending on housing one of the lowest in Asia’ (Philippine Development Plan for Shelter 2011–2016: Habito, 2009). The government of the Philippines, therefore, does not devote sufficient funds to the upgrading process in the numerous amount of slum settlements and, at the same time, has to face huge pressure to sell the valuable land in the centre of Makati or Manila. In that situation the settlement upgrading approach can become a less favorable strategy (from the government’s point of view) in the wide variety of possible approaches.

In general these problems do not occur in the depopulating cities of Poland. Additionally ‘upgrading’ or ‘urban renewal’ processes are usually market-driven. Nonetheless, an important conclusion drawn from the variety of presented projects is the focus on social development and accessibility of relevant services. Their presence is perceived as a crucial element helping the poor population to get out of poverty. In the case of Poland, relocation tends to place people who have problems in social ghettos located far from the most important urban services. This kind of approach resembles the early site and service projects from decades ago rather than the contemporary development programmes.

4. Incremental housing

Another important strategy for the provision of housing for low-income population in the developing countries are incremental housing schemes. The main difference between incremental housing and the site and service approach is related to the order of actions undertaken on the project site. In incremental housing projects people firstly receive access to land (or title if the family has the financial resources). There is no infrastructure provided – only access to water. As Margerita Greene and Eduardo Rojas notice, incremental building has a ‘process-based nature. This is a process that lasts for many years and, in many cases, never ends. Many families work on the improvement and extension of their homes throughout an entire family cycle, first to obtain the minimum standards in size and quality, and later to accommodate changes in family structure or to get income from their investment in the house’ (Greene, Rojas, 2008: 93) For that reasons incremental housing is cheaper than site and service projects but not necessarily faster – the fully equipped house is developed by the families after approximately 8–10 years (Greene, Rojas, 2008: 93).

Nevertheless, many argue that incremental housing responds to people’s needs in a better way than site and service schemes. This solution provides settlers with protection from water, insects and other dangers, which is considered more urgent than sanitation, electricity, etc. After the construction of the basic house nucleus people start to work on infrastructure development. In the case of site and service projects they can get access to the infrastructure right away but the cost of plots is higher – the ones who purchase them might not have afterward the financing capacity necessary for the fast construction of their homes (if they are not provided from the beginning). Apart from that, in the case of site and service projects, quite often the proposed housing units are not extendable
due to their initial design. Therefore, the families reallocated into tiny boxes are unable to conduct basic improvement works unless they destroy the initial building they had received. As a consequence, the living conditions of the people concerned cannot improve if the family enlarges. Additionally, the density of the settlement is often not increased vertically so the suburbs are continuously sprawling.

Another advantage of incremental housing is the fact that, by necessity, it involves people’s participation. Although this element is generally positive, it also generates the risk of forcing community action in a situation in which that community might not necessarily exist (e.g. in the case of newcomers to the projected settlement) (United Nations Economic Commission for Asia and the Pacific). Generally speaking, community action enhances strong networks and relations between the settlement inhabitants, increases their resilience and in general diminishes social pathologies. Nevertheless, as it has been mentioned before, people might lack the necessary skills or resources to conduct neighbourhood improvements effectively and efficiently. That is why it is important to remember the incremental housing process can be enhanced by adequate technical and financial support. Such support is ‘a public policy concern, as it can provide significant benefits for low income families and the community as a whole, such as improvements in the safety and health of the beneficiary households’ (Greene, Rojas, 2008: 94). That is why the incremental process can be facilitated through economic, social, and technical intermediation provided by the authorities.

A good example of a successful initiative is the case of Khuda Ki Basti in Hyderabad Pakistan, commenced by Hyderabad Development Authority in the 1986 (Van der Linden, 1997: 86). The project was facilitated on various levels including: social, financial and technical. For instance, in regard to the last mentioned element, assistance in building and design was provided for the newcomers – families received help when constructing their houses. Similarly, design assistance was provided for the construction of internal sewers, as well as the entire schema of floor plan was developed by the authorities. What is equally important is the fact that the new inhabitants of the area received assistance in the provision of suitable building materials from the informal construction sector. All of the mentioned elements, as well as the provision of a site plan, which included the designation of 15% of the area for public amenities and public spaces, contributed to the relatively fast consolidation of the area.

Furthermore, the local authorities, thanks to social intermediation, managed to eliminate land speculations in the project area. In order to receive access to the plot, applicants had to present themselves with the whole household and all household’s goods. They were accommodated in a provisional camp, the ‘reception area’, where they had to live for about a fortnight. Secondly, the beneficiaries did not receive allotment orders for their plots. Instead, after a first, modest down payment, a small monthly amount had to be deposited for infrastructure provision. ‘Only when the full costs of the plot and infrastructure have been paid will allotment papers be issued. In this way, any long absence from the plot can be punished by cancelling the application and, with it, the allocated plot’ (Van der Linden, 1997: 86–87).

All in all, as Asad Azfar and Aun Rahman conclude, issues like public safety, provision of education, infrastructure, assistance in building procedures, microfinance schemes, etc. are handled better in Khuda Ki Basti than in a similar project developed on an informal basis (Azfar, Rahman, 2004: 5–11).

These observations do not prove, however, the absolute superiority of the incremental housing process over the site and service one. They rather show that government support and transfer of informal solutions (as the incremental process basically replicates the informal process) into formal procedures can be successful. In most of the cases site and service processes turned out to be expensive and not sustainable in social terms, but the latter can be rather linked with the lack of sufficient support from the government. What seems to be an objective advantage of the incremental process is that it is replicable, it involves participation and generates more economic activities than the classical site and service projects (United Nations Economic Commission for Asia and the Pacific). The issue of participation though, as it has been mentioned before, can be more tricky and linked to cultural circumstances, which at least in the case of Khuda Ki Basti turned out to complicate the proposed participation procedures (Van der Linden, 1997: 87).

Similarly, one should expect that participation in the case of Polish container-houses or in Roma settlements could be problematic due to small social skills of the ‘beneficiary’ populations. What seems to be a larger problem, though, is the complete lack of that kind of procedures, not even in terms of the design of container-houses or the design of the settlement, but in the wider city scale. Additionally, it is not even possible to discuss the incremental development of container-houses as they are not extendable. Any interference in their design could be perceived by
the authorities as an attempt to break the law which strictly defines building standards and procedures. In this way, people located in container-houses lose the simplest possibility to improve their living conditions by enhancing their households with simple, manual work.

5. Community – based upgrading

All of the presented approaches, with their advantages and limitations, are being applied in various parts of the world. Each of them, as it has been described before, varies in the context of community involvement into the process of housing provision. As it has been described, they vary with respect to community participation. In recent years, probably the most interesting innovation in terms of housing provision for low-income groups are the projects planned, facilitated and implemented by the communities themselves. In their case the logic of the state as a provider is exchanged for the role as a partner of the empowered community.

One of these alternative approaches was recently developed by the Asian Coalition of Housing Rights which unites poor people associations from Asian countries. One of such associations working in the field of settlement upgrading is Homeless People’s Federation Philippines, which has achieved a considerable success in the field of provision of housing for poor communities. Their approach resembles the traditional approach of slum upgrading. Nevertheless, the difference lies in the central role of the community in the process. Community members are responsible for gathering their own savings through the communal savings schemes. Communities supported by NGOs use the legislative mechanism in the Philippines to negotiate the right to secure tenure. Except direct negotiations with the government they try to access land through different means both in regard to government and private land (for instance, vacant government land can be acquired through presidential proclamations or private land can be bought through the Community Mortgage Program) (Housing and Urban Development Coordination Council). At the same time, those communities are responsible for surveying the settlements and can take part in designing their new layouts. The capacities of community members are enhanced by design workshops or exhibits of model housing that aim to improve people’s building skills (Asian Coalition for Housing Rights).

What is perhaps even more important than the ambition of self-governance in community based projects are the networking activities undertaken by the communities and assisting NGOs. Presently, in various Asian cities, those networks are working on implementing the Asian Coalition for Community Action programme which aims to develop city-wide upgrading by communities themselves. In other words, communities are developing regional, national and city information systems, which provide measures for integrated action on a wide scale. These instruments allow communities to take a leading role in the upgrading process and negotiate with governments on equal terms (Asian Coalition for Housing Rights).

This kind of approach in obvious ways reaches further than any other presented strategy for the provision of housing. As the main advantage one could point to the leading role of communities in the process. This element maximises the advantages of participation that occur more sporadically in other approaches. Community action empowers previously marginalised people. As many argue (Shelter Associates, Slum dwellers/Shackdwellers International, Asian Coalition for Housing Rights, Habitat International Coalition) slum inhabitants are able to provide the best solutions for upgrading their settlements and housing, and similarly to the incremental process, they gain the skills necessary for managing their projects (especially taking into account exchanges and learning sessions with other members of the networks of the poor). Moreover, the savings generated for upgrading diminish the necessary input of government funds (which, as mentioned before, is in the Philippines case minimal).

On the other hand, this kind of approach can work very well in societies with a long established spirit of collective action and the ability to quickly increase their capacities. The results might be less promising in other cultural surroundings where specialist knowledge could not be transferred in a fast and efficient manner. In these cases there is a risk that settlements could remain, for instance, in the hazardous areas endangered by natural disasters. Nonetheless, the examples of voluntary resettlement in Thailand (facilitated by the Community Organizations Development Institute) show the capacity of communities to reason-ably evaluate the risks or wide public interest.

All in all, the approach of community-based upgrading programmes spreads around the whole world thanks to the work of such networks as Slum Dwellers International, Asian Coalition of Housing Rights, Urban Poor Federation, Habitat International
Coalition, etc. In the case of the discussed Asian Coalition for Community Action programme we can already see the results of the implementation of 500 small community upgrading projects and 50 comprehensive housing projects by poor communities who gather finance, plan and realize the mentioned projects. The number of projects is expected to grow on a yearly basis (Asian Coalition for Housing Rights).

6. Conclusions

All of the discussed approaches are still being implemented with various results around the world. The tendency to move away from the basic site and service project to settlement-upgrading and incremental housing has brought positive effects to the communities. The border between different approaches becomes more and more obscure – even if the sequence of undertaken actions is different in each case, all approaches devote more and more attention to social, economic and cultural issues as crucial elements of community upgrading. The mentioned cases of Arayna, Khuda Ki Basti, Favela Bairro, Kampung Improvement Program and the activities linked with the Asian Coalition of Community Action program, show the significance of an interdisciplinary approach towards housing provision and upgrading. Despite the mentioned achievements, the challenge continues to increase along with the growing poor populations in the world. Probably the most significant conclusion of the analysed approaches is the turn from top-down centralised governance into the decentralised approach. Specific governments in the developing world begin to understand that they are not able to solve the problem of inadequate housing by themselves. Consequently, they become open to the approaches developed by the poor communities. That openness and the ability of communities to act for themselves will decide, in the coming years, about the shape of policies towards the housing provision and upgrading for the world low-income populations.

In the Polish or European context the presentation of approaches for housing provision should not serve as a toolkit for their realisation. It should, however, be treated as a suggestion that the latest proposals of Polish cities are not new at all but they have been discussed, analysed and implemented for decades in different parts of the world. The approach proposed in Poland resembles the site and service model which has been the most problematic and ineffective on a world scale. Apart from that it omits the most important element of the whole housing process – the people.

In the light of the presented analysis the Polish solution of container-housing may lead to the creation of social ghettos, which reproduce social pathologies to a bigger extent than it happens nowadays in deteriorated central districts. The proposed solutions should be reconsidered in terms of community participation, financial and social sustainability. In this context one should remember that perhaps in the future Poland will become a country attractive for immigrants who, in general, tend to occupy the cheapest possible accommodations in their new countries. Instead of living in the areas where they could benefit from the rising Polish economy they might end up in the constantly growing zones of site and service suburban districts. Then perhaps, if Polish authorities do not learn from the world experiences, they as well as whole society will have to go through the whole process of housing provision, as presented in the paper. It seems the authorities of several Slovakian cities have already started to reproduce the old mistakes in regard to Roma settlements, the mistakes that had already been made decades ago, in much poorer and less democratic countries of the world.

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