

Why Housing..?



The Significance Of Housing Investment As a Means Of Eliminating Poverty

by Ruth McLeod and David Satterthwaite

Why Housing..?



The Bellview community in Kenya use their resourcefulness to construct housing from any waste materials they can find.

Front Cover Photo: Members of the South African Homeless Peoples Federation in front of one of the shacks in an informal settlement.

Introduction...

Why is investment in adequate housing a priority?

This paper explores the importance of considering housing as an integral part in any development strategy.

It examines the impact of adequate housing on health, education and community development, among other issues.

The information, case studies and research aim to show that whilst housing has long been neglected on the agenda of overseas development it is vital to invest in housing in order to implement successful development programmes.

Contents

PAGE

4.	Housing & Poverty
6.	Health & Safety
8.	Household Income
10.	Community Development
12.	Children's Development
14.	Producing multiple benefits
16.	Other Benefits
18.	Success Stories
20.	Contact Details

Why Housing..?



Councillor Miriam Mwikali outside paper house in Mavoko, Kenya.

Housing & Poverty

THE RELATIONSHIP BETWEEN HOUSING & POVERTY

Poor people are frequently described as 'living in poverty', but few aid agencies have given any priority to directly improving their living conditions. Perhaps this is because the importance to poor people of secure, good quality housing and its associated infrastructure (water, sanitation, drainage, electricity and waste disposal) has frequently been underestimated.

Benefits that community-driven housing programmes can bring in terms of cost savings, income generation and local economic development have also often been overlooked. As a result the potential role of housing within poverty elimination programmes has rarely been realised. Indeed, most development professionals still assume that poverty is caused by a lack of income or assets, but fail to recognise that poor quality overcrowded housing which lacks basic infrastructure, underpins or greatly exacerbates the deprivations associated with poverty. For poor people, particularly women, the struggle for shelter and housing comprises one of the most fundamental elements of their daily survival strategy.

Secure, safe housing plus supporting infrastructure provides a wide range of benefits for low income households. These include:

- improved health
- increased security and social well being
- increased safety from the effects of natural hazards such as floods, landslides and storms.

Improved housing has a particularly positive impact on the well being of children and women, and is often prioritised by women above other forms of investment. Many community-driven programmes to build or improve housing have helped low income groups to work together and to develop constructive relationships with local authorities or other service providers. These local initiatives have shown that the costs of significantly improving housing conditions and basic services can be kept low and, when appropriate financing is made available, there are often good possibilities for cost recovery.

Why Housing..?

IMPROVING HEALTH AND SAFETY

Poor quality housing imposes enormous health and safety costs on its inhabitants. Families suffer significant loss of income through days off work and the expense of medical treatments. For example, many infectious and parasitic diseases, and disease vectors, are now known to be associated with sub standard housing and inadequate provision of water, sanitation, drainage and garbage management. In addition, a combination of overcrowding, the use of open fires or kerosene stoves and flammable buildings leads to danger from burns, scalding and accidental fires. These conditions are also associated with poor respiratory health. The health burdens of those who have no option but to live on marginal land - flood plains or steep slopes - are particularly severe. They are the first to suffer the effects of natural hazards such as earthquakes, landslides, cyclones and floods.

Community-managed upgrading programmes can greatly reduce the health and safety risks faced by poor families. For example the Department for International Development (DFID) has funded an education and credit programme in Bolivia which helps poor families to upgrade their adobe housing in order to prevent infestation by vinchuca beetles. These beetles live in rough adobe walls and are vectors for a terminal illness called chagas disease. When housing is upgraded the beetles lose their habitat and community control of chagas disease becomes possible.

In Karachi, the Orangi Pilot Project supported a low cost sanitation programme. As a result household health improved and family members had to take fewer days off work because of sickness. Their medical bills were also reduced. It is estimated that the increase in annual household savings as a result of the programme exceeds the cost per household of installing good quality sewers.

Health & Safety



Pro-Habitat's Chagas disease project aims to protect communities from the fatal chagas disease through housing improvements which irradiate the habitat of the vector vinchucca beetle.

Why Housing..?

INCREASING HOUSEHOLD INCOME BY CREATING A SIGNIFICANT ASSET BASE

Most families living in illegal and insecure housing have to pay large amounts for water, which has to be carried or trucked into the area. Supplies of electricity can also be extremely expensive. For instance, in Mumbai, pavement dwellers pay three times more a month for illegal electricity connections than the official price charged for legal connections. Often the most expensive item of household expenditure is rent and for many tenant-households this takes up more than a third of their income. When people live in their own homes they may save on rent payments. However because they are usually only able to build in temporary materials the costs of repairing and maintaining their shelter can be considerable, in some cases exceeding the amount required to repay a housing loan, if only they were able to access such a facility.

The day to day expenses that poor people living in informal settlements face in meeting their shelter needs are considerable. It is therefore somewhat ironic that aid agencies so often assume that household costs will increase when poor families obtain their own homes, especially if they acquire or build the house with loan finance. The experience emerging from community led housing initiatives presents quite a different picture. With secure tenure of a land plot, families extend their homes over time, as and when resources are available. When the extensions accommodate small businesses or extra rooms are rented out, family income tends to increase. With secure tenure it also becomes easier for legal water, sewer and electricity connections to be made. A permanent, legal home can also be used as collateral to secure loans which can be invested in income generating activities, leading to further improvements in the livelihoods of poor families.

Household Income

"14 years ago I was an agricultural labourer and life was hard. A man came to our village and asked us, 'Why are you suffering like this? Why don't you talk to YCO? They do good work and can help you to improve your life-style.' So we discussed it together, just the women of the village without YCO present. We wanted to form a women's group, but some didn't believe what might be achieved and others didn't feel able to save even Rs10-12 (14-17p) per month. So there were only 25 of us to start with.

"Our monthly savings increased to 30 rupees (42p) per month, so that eventually we could take out house-building loans... Every family is now able to send a child to high school. Our health has improved. There is better nutrition. There are even private toilet facilities in the village for the women."

37-year old Mangarabnam tells her story...



A Department For International Development supported housing programme in Andhra Pradesh led to greatly improved provision of infrastructure by local authorities and had a particularly significant impact on the social status of women who managed the loans that financed the new homes. The women formed their own mutual cooperative and were able to negotiate additional lines of credit for income generating loans. As housing was completed local authorities cooperated in the provision of other infrastructure such as water and electricity. Over 300 of the women were successful in local authority elections and have become active participants in the management of their own communities. The scheme was assisted by sterling guarantees provided by UK housing associations. Without this assistance the women would have been unable to obtain housing finance.

Why Housing..?

PROVIDING A FOCUS FOR COMMUNITY DEVELOPMENT AND PARTICIPATION IN LOCAL GOVERNANCE

Poor communities who work together to address their housing problems often develop the capacity to successfully negotiate additional resources and services from government agencies. There are many examples of small community initiatives in squatter settlements that began in response to a specific need, for example improved water or garbage collection and that then led to the development of effective community organisations. Often the organisation comes about because of a crisis such as a forced eviction.

As people learn to work together they frequently take on more ambitious challenges involving increasingly complex negotiations with local authorities. Negotiating for legal land tenure is perhaps the most difficult of these. However partnerships between local authorities and low income communities can prove of mutual benefit. Even weak and under-resourced local authorities can support successful community-led housing improvement programmes - for instance through technical support, the loan of heavy equipment and legalizing land tenure. Many communities that organized in this way to improve housing and basic services also develop the capacity to work together with local authorities to address other development needs.

When community organisations function in a truly representative manner the potential for community involvement in local governance systems is greatly enhanced. This is particularly noticeable in countries that have passed popular participation legislation over the last few years.

Community Development



In this exchange of Indian and South African slum and shack dwellers, many ideas were shared about influencing policy makers, negotiating for land rights and increasing the profile of slum and shack dwellers.

Why Housing..?



Members of the Sadak Chaap Street children's federation in Mumbai (Bombay), India have successfully negotiated the use of some land in the centre of the city, and built their own night shelter there.

Childrens' Development

INVESTING IN CHILDREN'S DEVELOPMENT

Relocation and forced evictions are a common experience for many poor families who are forced to move from one inadequate location to another. The consequent lack of security has a particularly deleterious effect on children's health and development.

On the other hand, safe, secure housing brings tremendous benefits for children. When poor families acquire such housing, dramatic falls in infant and child mortality and morbidity result, and children's physical, mental and social development is greatly enhanced. This is particularly true for girl children who tend to shoulder significant household responsibilities. Reduced household responsibilities mean that there is more time for education and play.



The Churchgate night shelter has been followed by other night shelters being constructed, housing many more street children in the city.

Why Housing..?

PRODUCING MULTIPLE BENEFITS BY INVESTING IN HOUSING

The role of housing in poverty eradication programmes is potentially significant because of the range and number of benefits that such investment can support. Community led housing initiatives have led to improvements in health, safety, education, household income and the capacity of communities to work in partnership with local authorities. In most cases these initiatives, when managed at local level, have also proved highly cost effective. Historically, however it has been difficult to measure the complete range of potential or actual benefits quantitatively and comparative analysis between initiatives has proved problematic. This is unsurprising as poor communities are not homogenous and have varying needs and priorities. However it is clear that the benefits are real and that they are particularly prioritised by women. Perhaps it is the responsibility of development professionals to articulate more precisely why the judgements made by poor women might be correct.

Multiple Benefits



A Mahila Milan ('Women Together') member negotiates her housing improvement loan with Jockin of the National Slum Dwellers Federation. She explains to some other people present how being a part of a savings and loan group has brought greater respect from her husband.

Why Housing..?

CATALYSING OTHER BENEFITS

Community-led housing programmes -whether upgrading or new developments - can bring many local multiplier linkages.

When communities control the management of new housing construction there are inevitably significant benefits within the local economy. Investment in housing leads to an increased demand for local labour and services and also for building materials, fixtures, fittings or components many of which can be produced locally.

Improved housing and basic services often result in major time-saving, especially for women and girls. For instance time is saved when it is no longer necessary to collect water by hand, when the house can be cleaned and maintained more easily and when it is no longer necessary to bury garbage or to carry it to distant dumps. In Kenya the Maasai were helped to improve their traditional housing structures. The development of a ferrocement skin over the mud roof reduced the need for repairs and maintenance and also permitted the collection of water run-off from the roof. This brought particular benefits to women and girls because it was their responsibility to maintain the house and to collect water. Better quality walls also allowed higher walls with a chimney which reduced smoke levels and improved natural lighting and ventilation.

Other Benefits

Many loan programmes to support housing construction by low- income groups also include the provision of loans for income generation. For instance, the women's bank in Sri Lanka originally provided loans for micro-enterprises but extended their lending to housing because of the importance of home-based industries. The loans were used to build extensions so that families could prepare food for sale more efficiently. Ventilation was improved and storage and preparation space expanded. Garment producers benefited from an area for private fittings, and space for fabric storage and layout. Traders and shop owners were able to enlarge their display and sales areas. In this way loans for housing improvement contributed directly to the development of local business and livelihoods.



A new water supply at the Boeung Krappour community, Cambodia

Why Housing..?



Aporn, a slum leader from Thailand, showing the plans for her new settlement to other members of Shack/Slum Dwellers International

A TRACK RECORD OF SUCCESSFUL INNOVATION ON WHICH TO BUILD

Over the last fifteen years, a growing number of community-managed savings and loan schemes have helped low income households obtain land, build or improve housing and install or obtain infrastructure and services. Many have also helped to support income generation or local economic development. Perhaps as importantly, these schemes have also strengthened the capacity of local communities to work collectively and to successfully negotiate with government agencies and foreign donors.

Examples include:

- ❖ The housing programmes developed by the Indian NGO SPARC, working with a federation of women-pavement dweller cooperatives and the National Slum Dwellers Federation;
- ❖ The rural savings and loan programme of YCO and the Swayamkrushi Women's Cooperative in Andhra Pradesh India which has provided the basis for income generation and housing investment in 90 villages.
- ❖ The hundreds of community-based savings and credit schemes of the National Homeless People's Federation in South Africa and the support these have provided for community built housing
- ❖ The community-loan programme of the Thai government's Urban Community Development Office which combines loans for housing, community development and employment creation
- ❖ The sanitation programme and other initiatives supported by the Orangi Pilot Project in Karachi and other cities in Pakistan
- ❖ The integrated community development programme in Barrio San Jorge in Buenos Aires and its expansion to other low-income neighbourhoods
- ❖ The anti chagas disease education and housing credit programme implemented by Pro-Habitat in Bolivia.

Why Housing..?

Contacts...

People's Dialogue

Contact: Joel Bolnick
PO Box 34639
Groote Schuur 7937
Cape Town
South Africa

Tel: 00 27 21 447 4740
Fax: 00 27 21 47 4741

Email: joelb@dialogue.org.za
Website: www.dialogue.org.za

SPARC

Contact: Sheela Patel
PO Box 9389
Mumbai, 400 026
India

Tel: 00 91 22 285 1500
Fax: 00 91 22 285 1500

Email: admin@sparc.ilbom.ernet.in
Web: www.dialogue.org.za/sparc

Asian Coalition for Housing Rights

Contact: Somsook Boonyabancha
73, Soi Sonithiwattana
4 Ladprao Road, Soi 110
Bangkok 10310
Thailand

Tel: 00 662 538 0919
Fax: 00 662 539 9950

Homeless International

Queens House
16 Queens Road
Coventry
CV1 3DF

Tel: +44 (0)24 76632802
Fax: +44 (0) 24 76632911

Email:
info@homeless-international.org
Web: www.homeless-international.org

Shack Dwellers International

Web: www.dialogue.org.za/sdi/index.htm

'Why Housing?' is produced by Homeless International