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MAN'S STRUGGLE FOR SHELTER
IN AN URBANIZING WORLD

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The Author

CHARLES ABRAMS currently serves as a member of the Agency for International Development Housing and Urban Development Advisory Committee. He is also presently Chairman of the Division of Urban Planning of Columbia University in New York.

Mr. Abrams was the American representative at the first conference of International experts called by the United Nations to examine the U.N.'s role in urbanization. He has participated in United Nations housing missions to Ghana, Kenya, Turkey, Pakistan, India, the Philippines, Bolivia, Ireland, Japan, Nigeria and Singapore. He has drawn some of their laws for dealing with urbanization and helped establish their policies. At the personal invitation of the governments, he has advised Puerto Rico, Israel, Barbados and Venezuela. He has also served as housing consultant to the Province of Quebec, Canada and Jamaica, British West Indies. He is a founder of the Middle East Technical University in Ankara, Turkey.

Mr. Abrams has held important offices in public administration, and is the author of several books and studies on land and housing problems. He has been described by an important American publication as "perhaps the foremost housing consultant in the United States."

This book is a special adaptation of **MAN'S STRUGGLE FOR SHELTER IN AN URBANIZING WORLD** by Charles Abrams (The M.I.T. Press, Massachusetts Institute of Technology, Cambridge, Massachusetts, U.S.A.: 1964, pp. 307. It was also published in London in a British Edition by Faber & Faber under the name **HOUSING IN THE MODERN WORLD**). Prepared by Roma Connable, with the approval of the author and for the convenience of the non-specialist, this edition is a shorter and less-technical version than the original. The original U.S.A. or British Edition should be consulted by the public official and expert in the formulation of policy.

CHAPTER I

POPULATION GROWTH AND THE URBAN INVASION

Mankind has made unprecedented progress during the 20th century in industry, education and the sciences. But most members of the human race still do not have a simple refuge providing privacy and protection against the elements. The unevenness of man's advance from the lower species is best illustrated in his struggle for shelter. Here, more than in any other aspect of living, people of more primitive cultures have shown a greater capacity for overcoming the challenges of nature than has the urban, or city, dweller.

One reason for this lag is that world population has more than doubled in the last 100 years. Modern medicine, sanitation and food production have extended life. Those who in earlier times would have died young are today living longer and having children. World population remained virtually steady in the 1800 years following the birth of Christ. Today, it is rising by 50 to 60 million people a year. Less than 40 years from now, approximately six to seven billion people will somehow have to be housed, fed and clothed.

Farms no longer yield enough food for the growing number of mouths. Escape to frontier countries has been closed. Thus, the cities within each country have become the obvious place of growth. The first problem for the people swarming into the cities is to get a roof over their heads. Land and housing are therefore assuming new importance in the struggle for survival.

Land and Housing in the New Urban Scene

Ever since the dawn of civilization, man's effort to keep alive has been involved with the land. He has turned to the land for his food and clothing, and for the space to cook, wash, sleep and enjoy his leisure. Land has been important in the building of his house, too. He has extracted from the land the mud, stones, wood, grass or bamboo that he could use with his own hands. The dwelling he managed to erect met his simple needs for a

place for mating, a storehouse for his few possessions, and a protection against weather. He had access to the fields and to sunshine, closeness to work and family, and relatively ample space in which to move about. /

As masses of people move toward the city today, they find the land divided into small lots, to be bought or rented. Even if they can buy the land, they no longer can build homes with their own tools and talents. Nor have they the time to build. In many instances, their meagre diet provides too little energy after their daily exertions and their long, tiring journey from work. Building materials must now be purchased. In addition, laws prescribe how and where people can build. To buy or rent a home, there must be a constant flow of money from a steady job. The house has become a commodity, like bread. The individual no longer begins or controls its production and worse, is seldom able to buy or rent the shelter he needs.

The problem has also been complicated by the fact that people have been moving into the cities much faster than the emerging industries can absorb them. Between 1960 and 1970, 200 million people will move into the cities of Asia, Africa and Latin America. The ever-growing population descending upon the cities has intensified and will continue to intensify the demand for housing, and it has heightened the competition for wages to pay for homes. The migrant to the city generally arrives without income or skills and often continues to live on a level of poverty. As a result, street sleeping, slums, overcrowding and squatting have produced a new human situation in the rapidly-growing cities. The first three problems are described in this chapter. Squatting, or settling on public or unoccupied land, is discussed in more detail in Chapter 2.

Street Sleeping

A street sleeper is a mobile squatter without a home. If the climate and the authorities allow, the street will be his home and his bed until he can find something better, and the means to pay for it. Some accept the pavement as their established abode.

Although there was considerable street sleeping in Europe in the early days of industrialization, it has been eliminated there except for a few people without jobs or families and wanderers.

But in Calcutta, India, some 600,000 people sleep in the streets. Census figures for the city of Bombay, India, showed that one out of every 66 persons was homeless, and another 77,000 people lived under stairways, in cattle sheds, or in similar spaces. Although many workers in the cities have enough money to pay for minimum shelter, the housing they need does not exist. Therefore, some people have built bamboo and cloth tents or partial shelters on cement sidewalks, where the women cook over smoky fire pots, using cow manure as fuel. In India, ten or more people share one of these tiny dwellings.

In Lagos, Nigeria, a street sleeper will watch a shop at night and keep away other street sleepers in exchange for nightly use of an entrance way. A few thousand homeless people seek spots on the piers in the rat-inhabited water or search for unguarded spaces on which to lay a straw mat.

Types of Slums

It is more usual for workers to swarm into city slums. The word "slum" is a general word for poor housing of every kind, and also a label for the environment. The same word denotes a Chicago mansion now used as a rooming house in the United States, and a cardboard carton sheltering a human being in Lima, Peru.

Because of its broad meaning, the word too often obscures the vast differences between one type of slum and another. Slums may be either rented or owner-occupied, either legal or illegal. They include cabins, huts, dens, dugouts, sheds, stalls and other evidences of poverty. Some are single-family shelters converted into several smaller sections. Some are one-story and others are six-story apartment buildings.

Some slums are new and some are the abandoned houses of people who have moved higher in the economic scale. The new slum is built because it has a use at the price. The old slum survives because there is nothing cheaper or more useable to replace it. The new huts built of scrap materials collected by people who are migrating to the cities of Asia or South America are often worse than older slum housing.

Slums flourish in many environments. They emerge from marshes, hillsides or war ruins in the Philippines. They are built

within old forts or on swamps in Puerto Rico or India. They line the hills in Latin America. Slums are found in cemeteries and along the side roads near new apartment houses in Karachi. They also appear as holes in ancient caves near Rawalpindi and in southern Spain. They are found in the Casbah of Tunis and in the vacation centers of the West Indies. They are the thousands of dark single rooms of Ahmedabad, Cawnpore and Nagpur, in India.

Slum life is not always the symbol of despair. It may sometimes be the first advance from homelessness into shelter, or a resting place on the road from poverty to hope. The slum exists because no nation is able to produce adequate housing at a cost that workers can afford. It is the shelter that the industrial age provides for its workers. Housing has remained the neglected orphan of the Industrial Revolution which developed in England about 1760 and has since spread to other countries. The slum is the humble shelter to which many workers have been indefinitely assigned.

Waste Disposal in Slums

One of the most troublesome aspects of slum life continues to be the simple disposal of human waste, or excrement. It may be discharged into a ditch shared by dozens of families, or left to rot between shacks. New, tall buildings may exist near colonies of slum dwellers whose only plumbing is a seldom-cleaned furrow shared sometimes by hundreds of families. In the age of the atom, the disposal of human waste remains one of the stubbornly persistent problems of urban man.

Absence of a system of removing excrement from living areas continually exposes the healthy to the germ-filled wastes of the ill and the disease carrier. Such filth is accepted as part of life in the crowded urban communities that have grown rapidly in recent years. For example, in Lagos, Nigeria, 85 per cent of 4,579 school-children were found to be infected with disease. In 1960, 54.5 per cent of all deaths in Nigeria's capital city occurred among children under five years of age.

Although pail collection of wastes is common in less-developed areas, this is far from the most sanitary form of waste collection. However, in many areas, even this primitive service is absent or

unreliable. Wastes are often allowed to accumulate for weeks or months before being removed. Sometimes this waste is left to rot.

Overcrowding in Slums

The afflictions of slum living are intensified by crowding and lack of privacy. If there were an adequate supply of urban slums for everyone who needed shelter, their harmful effects might be confined to filth, darkness and lack of maintenance. But the shortage of housing, even slum housing, means that the slums that exist are also packed with people. "Crowding" in these instances means that the houses are crowded onto almost all available land space. It also refers to crowding within the house itself.

Lack of privacy, exposure to disease and failure to form family social units are only a few of the by-products of a life with almost no room to breathe. Single room living quarters in Bombay are occupied by from six to nine persons. Crowding 10 persons into a space 10 by 15 feet was common. In such quarters, one occupant could not see another in the dark passages or rooms. Sickly complexions, undernourished bodies, and the tired faces of the children tell their tale.

In Panama, as many as 20 individuals live in a room 15 by 15 feet, and sleeping is done in turns. In Kingston, Jamaica, nine persons occupy tiny huts 6 by 10 feet. In Accra, Ghana, occupancy per single house in 1960 was 19.3 persons. In Lagos, Nigeria, which has three migrants for every natural birth, as many as 80 people share a small house which is scheduled to be destroyed. Even in the areas near good housing in Lagos, 16 to 20 persons per house is not unusual.

Migration into some cities of the Far East has created living conditions without any privacy or space for motion. In Hong Kong, five or six people share box-like areas measuring 40 square feet. Density is as high as 2,000 persons per acre in one-story huts in which there is no water, sanitation or organized system of waste disposal. Chickens and pigs share some of the huts or the tiny open spaces around them.

In one shophouse in Singapore, I saw families of six to eight people facing life in airless, windowless rooms 7 by 10 feet. There were as many as five children sleeping on the bug-infested floor beneath the bed. About one-third of the occupants in the average

Singapore shophouse have no window at all. The others have either one window (generally with broken glass) or access only to an opening through which some light might be seen. Frequently the occupant uses his rented space not only for sleeping but as a "farm" for growing small vegetables, or as a shop. The illness of a child or a parent means that the whole family must share the discomforts and often the disease. Yet this is the way of life for tens of thousands of people in Singapore and elsewhere.

Both Hong Kong and Singapore have undertaken extensive re-housing programs. But the demand for space is so intense, and the size of the average household so large, that it is not unusual to see five and sometimes as many as ten people sharing one of the new rooms. Of 10,125 applications for new housing in Singapore, the family size of nearly half was listed as seven persons or more. Many of these families would be assigned single rooms. I saw families of ten persons sharing a single room in Hong Kong's new housing projects. Often it was also the workshop where they were trying to earn a living.

It is virtually impossible, particularly in tropical areas, to keep water clean when it must be carried long distances and retained for hours or days in exposed tubs or cans. Often the water becomes impure at the source. In one slum area I inspected in Kingston, Jamaica, a single water tap served several hundred persons. In another area occupied by 8,000 people, there was no water at all.

The housing situation is no better in many villages. In 14 villages of Upper and Lower Egypt, for example, 27.5 per cent of the shelters have no roofs. These settlements are usually clusters of small, drafty, dark mud huts crowded together to avoid using any of the farmland. Conditions such as these, coupled with average peasant income of \$11.50 a year per person, speed the movement to the cities, where the housing conditions are often worse.

In Africa, Asia and Latin America, more than a billion people (about half the population) are homeless or live in housing that is described by the United Nations as a menace to health and an insult to human dignity. To make the situation even more serious, housing conditions are steadily worsening in almost all the developing areas. Many families pay so high a price for the

privilege of sleeping on a floor that little money remains for the bare essentials of life. And as the surge to the cities continues, the competition for space will become more fierce. Rents will rise further. Squatting and overcrowding will increase. The effort to maintain some form of family life will become less and less hopeful.

Some Social By-products

In more-developed countries, whose slums might seem luxurious to some Asians, a great variety of social and health problems are found in slum areas. These include high rates of crime among young people, family dependence on public assistance, inability to read or write, unemployment, poverty, divorce, alcoholism, mental disorders and low mentality, and frequent changing of residence. A low educational level, low marriage rates, more cases of fathers deserting their families, and a high proportion of employed women (compared to men) is also characteristic of these slums.

However, the effect of the slums is not the same everywhere, and poor housing is not the only cause of bad social adjustment. Bad housing contributes to the bad actions of young people and crime. But this influence in some cases may be lessened by strong parental influences, constructive discipline in the schools or community, or sound moral values. Environment is more than physical environment. It is a combination of physical, social and personal factors. Yet the change in a normal boy from rural Puerto Rico when he moves into a slum in New York City is often appalling—despite New York's well-organized educational and social services.

The Street, the Neighborhood and the City

A large group of houses can make a "neighborhood" if the people who live there bring to it the elements of intimate association and a unity of interest. The neighborhood is a place where children meet and influence each other, and where the residents have a feeling of belonging.

But often the big city is merely a collection of badly-maintained houses, shops, factories, streets and public services. These assorted temporary resources in the busy cities are no substitute

for the village institutions. What the city provides is likely to be overcrowded, impersonal, experimental, and without the mellowed traditions or folkways found in rural villages. Restraints and sanctions are absent. The lack of living space undermines family discipline by driving the child into the streets.

The inhuman overcrowding inside the house might be relieved by adequate space outside. But too often, the only outside space is a narrow, rutted path which must provide room for the movement of people, the carrying off of waste and rain water, cooking, peddling wares, and sometimes space for animals.

Yet the growing city, with all its faults, is where the destiny of man will be determined. The slum may always be with us and for many people, it may be the only escape from famine and lack of progress, the temporary stopping place of struggling mankind slowly moving toward something better. But the prospect of something better should be there, however remote.

From earliest history, the city has been linked with freedom. It was a refuge in the Biblical days of Cain and Joshua. It was the center of a vigorous political life in ancient Greece, and the stimulation to law in Rome. When Man's mind roamed free in idealistic dreams, the city was often closest to his concept of heaven—the "Celestial City," the "Heavenly City," the "City of God."

In the Middle Ages between ancient and modern times, the city of trade, commerce and property helped to weaken slavery and bring freedom. Although industrialization posed a threat in the cities of Europe, more freedoms somehow emerged in the cities and more freedoms survived in them. Despite its changes and challenges, the city still contains the raw ingredients of freedom. It is still the marketplace for goods and ideas, the meeting place for new things, the center of culture. Parliamentary government and protection of individual freedom developed in European cities during the shocks of industrialization. Perhaps in the troubled cities of the developing world, the same values also may emerge and grow.

The swelling cities of the East may be re-living some of the history of the Western cities. They have become the safe harbor of the refugee, the hungry, the politically oppressed. The Filipinos fleeing the Huks pour into Manila. The Hindus escaping the

Moslems move into Old Delhi. The victims of Chinese communism escape to Hong Kong. When the Indian peasant's miserable two acres no longer yield enough grain, or the Pakistani's meagre crop is drowned by floods, he moves toward the bustling city. As the desert wind blows over the drought-covered land, the Arab whips his camel toward the busy, new human settlements.

But in too many of the developing cities, the older customs and institutions of value are weakening before the newer ones have become rooted. The creation of stability is obstructed by housing famine and the frustrations of crowded living. Unfortunately, people with the talent and vision to reform the social pattern are rare, and trained civil servants are few.

In 1950, one in every five of the world's people lived in cities of more than 20,000. With 50 to 60 million new mouths to feed each year, the push to the city gains speed. In 1975, urban populations in Asia, Africa and Latin America will be double what they were in 1961. The urban housing supply must be four times larger by 1975—even if all the unrepaired or decayed housing is replaced.

In 90 per cent of the world's countries, the average income per person is only 50 cents a day. This has not kept the birth rate from rising. In fact, it is rising more sharply in the areas that can least afford to accommodate more children. Yet for many people, and ultimately for most people, the city is becoming the only alternative to hunger and despair.

Rates of urban growth are 400 per cent higher in Asia than in the West and the movement to the cities is only beginning. It is futile to speculate on what might have been the better life. The irresistible forces of urbanization are pushing ahead. There appears to be no other option. The question is only whether human endurance will persist in these settlements until better patterns emerge.

SQUATTING

Human history has been an endless struggle for control of the earth's surface. Conquest—the acquiring of property by force—has been one of the most cruel methods. As the population has moved from rural land to the cities of the developing world, a new type of conquest has developed: “squatting.” It occurs when landless and homeless people who are seeking shelter forcibly claim land. Other forms of conquest have been caused by the pursuit of glory, trade routes, or revenues. But squatting is part of a desperate contest for shelter. It is the most pardonable of all forms of illegal seizure.

There was squatting in the old frontier areas of the more developed nations. After a period of time, squatters established legal ownership, and the land was often given or sold to them. The force of law replaced the law of force. In the cities of America and Europe, squatting seldom occurred because law and property rights were firmly rooted in the cities.

But in the cities of the less-developed world today, squatting is usually open and defiant. The success of squatting tempts more squatting. It has affected not only government-owned land but private land, including land developed with costly facilities. When squatting exists widely, orderly development and expansion are hindered. Investment in urgently needed urban enterprises may be discouraged. The political stabilization of the government may be delayed.

The squatting problem exists in many parts of Asia, Latin America, and Africa. In fact, it exists wherever there has been a mass movement of people to cities and where there is insufficient shelter. There are now about 240,000 squatter units (“gecekondu” in Turkey. Squatters are 45 per cent of the population of Ankara, where some land has been given to them. Squatters are 21 per cent of the population in Istanbul and 18 per cent in Izmir. In 1951, squatters numbered 60,000 in Baghdad and about one-third of the population in Karachi. Squatters are at least 20 per cent of the population in Manila, Philippine Islands. In Davao,

also in the Philippines, squatters have taken possession of land along a main road reaching from the city hall to the shopping center.

Urban centers in South America are also experiencing a flood of migrant squatters. In Venezuela the proportion of squatters, both rural and urban, is more than 65 per cent of the total population, Cali, Colombia, has a squatter population of about 30 per cent; Santiago, Chile, about 25 per cent.

Squatter colonies are usually primitive. However, their appearance varies according to the availability of building materials, the financial status of the squatters, and the prospects for continued possession. Little one-room shacks built of mud and scrap materials are appearing throughout Latin America. These colonies have no waste disposal system, no water supply, no paved roads. Havana, Cuba, has a great number of primitive huts without sanitary facilities. In Algiers, tin-can towns ("bidonvilles") are just five minutes away from the center of the city in almost all directions. The tightly packed shacks, with only narrow alleys for passage, are built of old oil drums, scrap metal, tin cans, and used wooden boards. Each hut, measuring about 10 by 10 feet, shelters an average of four or more persons, and often a goat. In Tunis, the squatters live in caves dug out of hillsides. Near Johannesburg, South Africa, squatter colonies are a chaos of shacks and huts pieced together by the homeless and poor.

In India's larger cities, squatters are found in old forts and wherever they can find space to erect a hut. Squatters include the unemployed and also about 250,000 construction workers. These workers move from place to place as they finish one job and start another. Their tin and rag shacks remain long after they have moved elsewhere.

Squatting is caused by many factors. Hunger and poverty in the rural areas encourage the quest for subsistence in the growing urban areas. Refugees from war and other disturbances flee to the cities. Sometimes people use squatting to make a profit. Usually, squatting is the by-product of urban landlessness and housing famine. Too many laborers in rural areas, and the need for labor in the cities and towns, combine to speed migrations. When there is no housing for the migrants, they do the only thing they can—they move onto vacant land wherever they can

find it. If possible, the squatter chooses publicly owned land, rather than private land, because there is less fear of being dislodged. Sympathy with the squatters, or lack of a consistent official policy, encourages further squatting. Existing settlements spread and new settlements appear. Many of Delhi's squatters built shacks during the 1962 political campaign when they thought that politicians had assured them they would not be bothered. Their shacks were demolished after the election.

Types of Squatters

Squatters erect different types of buildings according to the materials available. Most of them are shacks made of mud, scrap, wood or tin. But some are very substantial houses. Others are designed so that the squatters can move them to other sites, if officials or private owners object to their presence.

There are many types of squatters. Most squatters are "owner squatters," who own their home but not the land. The owner squatter builds his shack on any vacant land that he can find. He prefers public land or land owned by absentee owners.

The "squatter tenant" does not own or build a shack, but pays rent to another squatter. Squatter tenants are often the poorest people. Many newcomers to an area begin as squatter tenants, hoping to advance to squatter ownership.

The "squatter holdover" is a former tenant who has stopped paying rent but has not been evicted, or forced to leave, by the landlord.

The "squatter landlord" is usually someone who has been a squatter for a long period of time. He rents rooms or huts, often at a very large profit.

The "speculator squatter" makes squatting a business. He squats because he expects that the government or the private owner will pay him to leave. He is often the most eloquent in his protests and the most stubborn in resisting eviction.

The "store squatter" (or "occupational squatter") establishes a small store on land that he does not own. He may do a thriving business without paying rent or taxes. Sometimes his family sleeps in the shop. A citizen of Davao, in the Philippines, can have his teeth fixed by a squatter dentist, an operation performed by a squatter surgeon, or his soul sent on to a more

enduring resting place by a squatter clergyman.

The semi-squatter, or partial-squatter, has secretly built his hut on private land, but he arranges with the owner to stay on the land. Actually, the semi-squatter has become a tenant. In constructing his house, he usually ignores building codes and laws.

The floating squatter lives in an old boat which is floated or sailed into the city's harbor. The boat is the family's home and often its workshop. It may be owned or rented. The family may live there temporarily or permanently. In Hong Kong, there are so many thousands of boats in one area of the harbor that it is difficult to see the water.

The squatter "cooperator" is part of a group that shares land which it does not own, and protects the land against public and private intruders. The members of the "cooperative" may be from the same village, family or tribe. Sometimes they share a common trade, as groups of weavers who live and work as squatters in Pakistan.

There have been admirable attempts by squatters to build clean homes and to raise their children well. However, squatter colonies are generally safety and health hazards. The foundations of the buildings are often unsafe and most of the shacks are overcrowded. Criminals, public women and hopeless people live in squatter colonies. Fires occur frequently. The fires are usually accidents, but sometimes it is suspected that an owner started the fire to force the squatters to leave his land.

It is believed that more than 70 per cent of the fires in Manila started in squatters' sheds. In Hong Kong, one fire in a squatter area left 20,000 persons without homes. Other fires left 50,000 homeless in 1953 and 24,000 without homes in 1954. The displaced squatters began living in the public streets, where they cooked their meals and dropped their daily excrement. After the government found homes for the victims of the disaster, another fire occurred. In 1963, despite an extensive resettlement and rehousing program, squatters still crowded the hillsides and valleys. Fire or storms constantly threaten to carry away their pathetic huts and belongings.

In Singapore, 130,000 people live in sordid and unsanitary huts throughout the municipal area. It has been reported that it is impossible to eject these squatters because they have nowhere

else to go. Although the government has tried to keep squatter areas clean and free from disease, these colonies are a menace to the health of the whole city.

The Threat to Law and Order

Attempts to end squatting have usually been futile. The City Improving Committee of Rangoon, Burma, reported that squatters assumed that they had certain rights to the land, and that the Committee had "no power to order anyone out of buildings or sites."

In Pakistan, the United Nations mission was told by officials that the political strength of the squatters made it impossible for the government to evict them. In one area, a "King of Squatters" was able to fix the price of land and collect money from squatters for the "protection" he offered them.

The response of government to squatting has generally been weak or indifferent. This is causing a loss of respect for obedience to law, honesty in government, and the importance of property rights.

Even courts are powerless to enforce their orders. Frequently, as in Turkey and the Philippines, squatters have been given legal title to government land. Disrespect for law and government has become widespread in a growing number of countries. The dangers are increased by the fact that squatters usually live in the nation's capitals or other politically important centers.

The political effect of squatting has been felt not only in Asia, but also in sensitive areas of Central and South America. In Cali, Colombia, squatter violence caused industry to leave an area. As a result, unemployment increased. The situation became so bad that a major program to rehouse the squatters was undertaken as an emergency measure.

It is not correct to view all squatters, or even the majority of them, as lawbreakers. This is a misunderstanding of the problem. If land were available to the squatter, he would not be forced to take land. A sound land policy might have granted him a site, however small and humble. Such a policy might have prevented a critical challenge to social and political balance in the less-developed areas. But this obligation has never been accepted by the more-developed nations of the world as a challenge to their consciences.

CHAPTER III

THE URBAN LAND PROBLEM

Land Shortage amid Land Plenty

Squatting is only one aspect of the world struggle for shelter. It is also part of the whole land problem that has troubled economists and political philosophers for more than 200 years.

During the 19th century, economic theories were based primarily on the economics of agriculture. It was believed that the earth could not provide enough food for an ever-growing number of people. Private ownership of land, previously affirmed as a natural right, began to be considered as a new type of robbery.

The laborer toiled for his wage. The capitalist, even though he was an exploiter, invested his money and his ideas. But the landlord did nothing and became richer. As the population increased, so did the landlord's unearned gains. Something forceful had to be done before rent swallowed all the profits of agriculture and industry, and the landlords owned the world. Although Karl Marx—a 19th century German revolutionary leader and writer on political philosophy—was primarily interested in fighting the industrialists, he believed that the landlords were worse offenders. Marx's criticism of the landlord was that he just sat on his land and made no contribution to wealth.

Today many facts have modified the fear of land shortage, and the unhealthy outlook that it forecast for humanity. Agricultural production on the same limited earth is today increasing far beyond the expectations of the 19th century. Throughout the world (excluding mainland China) agricultural production is rising about one per cent faster than population. Half of the world is still underfed and there is a sharp contrast between the diets of the more- and less-developed areas. But only 10 per cent of the world's surface is being farmed. Another 40 per cent may be added with the extension of irrigation, or artificially supplying the fields with water, and other modern techniques.

Antagonism toward landlords began in rural areas. Henry George, an American social scientist and critic of the 19th century, extended the feeling against landlords to urban areas. He said

that open fields were succeeded by the farm and the farm was eventually succeeded by city lots. Why, he asked, must cities be overcrowded? "Simply because of private ownership of land. . . Before anybody can build a house [an outrageous] price must be paid."

George's agitations in Europe and America seemed proper and morally correct at the time. But as improved transportation opened new lands for urban use, his theories about land in cities no longer applied. Today, population increases in the developing areas have renewed the contest for urban land. The injustice of the urban land ownership pattern is again being exposed.

Ownership of land in most developing areas is still the major source of wealth. Urban land has some of the emotional characteristics that it once possessed in the rural economy. The title to land often gives prestige, as it once did in Europe. In countries with few alternatives for the investment of money, urban land offers as much profit as any other investment. In Israel, for example, land prices in the Tel Aviv area rose 200 per cent in the two years from 1961 to 1963.

Sometimes rising urban land costs are simply part of a rise in the general price level. But more often the value of land rises out of proportion to other prices because of new roads and other public improvements combined with population increase. Even in areas where land is plentiful, high interest rates and the lack of an effective mortgage system prevent most citizens from being land owners. As population growth raises land value, those who do not own land become envious and bitter. They oppose a system where the few lucky land owners are protected by law and enriched by the rising demand for land. Therefore, it is not surprising that the squatter thinks of squatting as a form of constructive justice.

Despite the pressures on urban land, few developing countries have taken any action to ease the difference between wealth and poverty. But in some nations, the cries for land reform are being heard as the competition for urban land increases.

In the more-developed areas, there has been a change in the nature of land ownership during the past century. Here, the rich have put most of their capital into manufacturing, trade and banking, or have invested in such personal property as stocks,

bonds, and savings rather than land. The middle class and even some in the poorer class have become owners of dwellings that they inhabit themselves or rent to others. These groups are no longer considered prosperous simply because they own their homes or operate small rooming houses. But even in these more-developed countries, the rise in land prices due to population increase has brought a demand for higher taxes to limit the amount of profit which could be made on land.

In the developing areas of the world, ownership of land by the less prosperous is still a primary ambition but a distant hope. The movement of people to urban land has created the appearance of land shortage. Yet there is actually enough land to accommodate industrial man with space for living and working, for mobility and recreation. City dwellers use little space, either standing up or lying down. The developing areas have avoided the steam age, with its requirements for locating industry and homes near each other. The machines that men operate today, although not yet numerous in these areas, are becoming increasingly compact and require little land. They can draw electricity for their power from sources miles away.

With greater efficiency in transportation and with new sources of power, man is no longer enslaved by the tyranny of distance. Thousands can be accommodated within a relatively small space, as in the cities of Europe and America. For example, the entire population of the world could be housed at about 50 persons per acre within today's West Germany. Yet Hitler killed millions of people in his quest for German "living space." In 1940, Germany was far less densely populated than England, Wales, or the American state of New Jersey. Another example of inconsistency in land use is the island of Barbados. It has been described as the most crowded space in the world, except for some provinces of China. Its 166 square miles are inhabited by 240,000 people. Yet its largest city has no high-rise buildings.

Surprisingly, densities in some parts of the United States are higher than in Europe. The American states of Massachusetts and Rhode Island were more crowded in 1941 than Japan, one of the most crowded nations in the world. Tokyo has more people than any other city in the world. Yet land is still used for rice fields within a 20-minute ride from the center of the city.

Man has penetrated the frontiers of space to the moon, but he has hardly settled more than 40 feet above the earth's surface.

But such calculations do not tell the whole story. They fail to explain the shortage of land for working and living within specific areas. They do not recognize the transportation needs of man and industry, nor the need for roads, water, airports and recreation. Above all, they do not reveal the competition among all these uses within populous big-city areas.

Although the theories of land shortage are no longer valid, there is still a land squeeze of a different kind. It is the shortage caused by the demand for central land in and near the cities. The actual land used for cities may be only 1 per cent of an industrial nation's land supply. But competition for this land is intense. Unless it is resolved, it may produce conflicts as serious as an actual shortage of land.

The cause of the current land problem is man's need to live near his work. Despite the abundance of land, the space for all the uses demanded by man is still limited by time, accessibility, distance, and the cost and speed of travel.

Generally, the small amount of land on which man concentrates his demands is privately owned. As more and more people pour into the urban centers, land prices soar. Suburban lots also become more expensive. In more-developed areas, the price of land is a small fraction of the combined cost of land and completed buildings. In a section where roads have already been built and good transport facilities exist, land cost is a very small part of total development. Someone contemplating building a new home or factory might find that the cost of the necessary land would be 10 per cent of the total development cost in suburban areas, perhaps 20 to 30 per cent in the more accessible sections. In some of the poorer countries, however, land prices may reach 50 per cent or more of the combined cost. In other countries, land will not be released at any price. It is in such areas that the land problem is serious and needs corrective measures.

Land cost has increased greatly not because there is a shortage of land. The increase is not due only to the increased demand for urban land nor to owners hoarding their land. The reasons for soaring land prices also include the following: (a) failure to provide easier access to nearby sites; (b) freedom from land

taxation; (c) installation of public utilities and roads that have heightened the value of the land without an increase in taxes; (d) too few owners in some places and such excessive dividing of ownership in others that it is impossible to assemble land; and (e) defective policies concerning land titles or lack of adequate purchase procedures that could bring more land into use.

High land cost may not be the only obstacle. There are other problems. In many areas, income is so low that land at any price is beyond the family's means. Shortsighted transportation planning limits the land available for industry and public works. Families who own land are frequently unable to borrow money to improve it. Often a squatter on one small lot prevents assemblage of a larger unbroken plot.

In many instances, proper government policy might remove such obstacles. Governments have the power to guide the use of land, curb its misuse, prevent its abuse, regulate its non-use or disuse and guide its re-use. Land is the key to environment, housing, public works and growth. But governments have failed to use the key to open the door to more rational land uses.

The Widening Aspects of the Land Problem

Wherever a traveler goes, he sees the land problem in one form or another. In India, the urban area is spreading to valuable agricultural lands. In Pakistan, suburban developments are absorbing soil capable of producing four crops a year. In the Philippines, the areas surrounding Manila suffer from too few owners and excessive speculation in land. In Turkey, the land cost is often 50 per cent of the total home cost.

No country is without a land problem of some sort. In Ghana, land development is being frustrated by defective titles. In Japan's Hanshin region, where marsh land was developed with industries, the factories are sinking into the earth, with nothing but occasional chimneys standing like headstones to mark the graves.

The more-developed countries have their problems also. England is troubled about the pressure of housing and industry upon its green areas. In California, every week another dairy farm is lost to a suburban development.

The devices for acquiring land or properly using land have been changing throughout the world. The forms of land

possession are also being modified. The following are some of the tendencies:

1. *A Growing Insecurity of Ownership or Possession*

Security of possession has been a burning desire from the time that man first asserted his claim to exclusive ownership of a patch of land. Some governments have made efforts to divide large land holdings and provide more sites for the ordinary citizen. But despite this, insecurity still plagues many tenants and sharecroppers in the rural world.

Urbanization has reduced the quantity of land needed for living or working. The size of the average lot of land has decreased from two acres or more to only 1,600 square feet or less. But the competition to acquire and hold it is intense. The squatter acquires a foothold on the land of another. The renter, harassed by the housing shortage, fearfully awaits the owner's decision to drive him out or demand a ransom for continued occupancy.

Tenancy is not always a sign of poverty, particularly in the cities of the more-developed areas. (In the less-developed countries, however, renting generally means low income.) Nor does ownership always mean wealth and security. High interest rates and short terms on mortgages often make ownership risky and insecure.

In some countries, custom and honor were once a restraining influence upon landlord tyranny. But the relationship today is more impersonal. The tenant and the landlord are now usually strangers, the tenant merely part of the mass seeking shelter, the landlord seeking the maximum profit or an opportunity to oust, or dislodge, his tenant. The relationship is no more personal between the banker and the borrower. Possession in both cases is dependent upon the occupant's continued ability to pay the rent or the debt. Landlords and bankers are generally unmoved by unemployment, economic depression, age, illness or death. They are not concerned about added family obligations, financial losses, shift of job location, domestic problems or the lure of the installment salesman who has imposed an added burden on the borrower. The homeowner's failure to make a single payment threatens loss of his entire investment. No system has yet been devised, even in countries like the United States, to insure

individuals against such hazards. A system of equity insurance to protect a person's investment against the risks of unemployment, illness or death, seems long overdue.

Another threat to tenure, or possession, has arisen in countries with minority-group problems. The expansion of government powers, while aiding the under-privileged in some countries, is being used elsewhere to force minorities from their footholds. Slum clearance in South Africa and in some states in the United States has become the legal device to evict the unwanted, particularly non-whites.

2. *The More Intensive Use of Land*

The competition for land has intensified the use of land both within the city and in its surroundings. The city has become crowded with people and factories. Such crowding has necessitated huge budgets for social services and made streets impassable. It has made the journey to work laborious and life difficult as well as dangerous, particularly for children. In some areas, the traditional one or two-story building with easy escape to the street or yard is being replaced by vertical living quarters full of tiny apartments. Even where land has been developed under the sponsorship of the government, some people prefer the one-story hut with easy access to the street.

As the scramble for land increases outside the central city area, land that should have been reserved for recreation and other purposes is being spoiled by rows of monotonous living quarters. The sizeable investment made for utilities, streets, schools, and other improvements makes the sordid pattern more difficult to change.

3. *A Wider Spreading of Holdings*

Although land concentration has persisted in some places (as in parts of South America), the general trend has been toward an increase in the number of owners and parcels of land. This does not signify equalization of wealth. Instead, it suggests that the soaring prices of land in the growing urban areas have induced more owners to sell or divide their land to make large profits. An estate of 1,000 acres that is 100 miles from the city may be valued at less than a single lot in the center of the city.

The spreading of land ownership has been speeded by a number of other factors. There may be an increasing number of heirs and descendants dividing the property. Some owners sell property to invest in industry. In some countries, laws have been enacted to lessen the concentration of land ownership. In still other cases, land parcels have been bought by the government for resale as housing or industrial sites.

Where mortgage systems developed, these too have encouraged division of land into units suitable for building home. Although there are still large parcels of land which was once agricultural in single ownership, the general tendency has continued toward the division of holdings. These smaller parcels will, however, often continue to be held for speculative profit rather than development.

4. *New Forms of Tenure*

Partly as a consequence of rising land costs and the competition for sites, new forms of tenure, or possession, have appeared. Some are good and some bad, but all of them are part of the contest to gain ownership or possession of a lot.

These include:

(a) *Equity Ownership.* This is the ownership of property which has a mortgage. A mortgage system is essential to make easier the purchase of land and homes at ever-rising costs. However, in effect, it causes a division of the title to the land between the banker and the owner. The owner's claim on his property is called his equity in it. It is in the owner's interest to protect his equity. The equity continues as long as the owner can pay his mortgage installments and interest charges. An owner who cannot meet even one mortgage payment can lose his property.

(b) *Contract Land Ownership.* The family agrees to buy the land by installment payments, hoping ultimately to pay for it out of earnings. The rising costs of land have extended the contract payments for long periods. Even when payment is completed, the owner still does not have a house. Usually, he must borrow more money to pay for building a house.

Buying a tract of land, dividing it and selling small plots that are paid for in installments has become a frequent practice of land operators in many less-developed areas. Often the purchaser lacks the money to build, so he puts up a shack from temporary

materials. Sometimes after starting his building, he uses all his money and cannot pay for the roof. Ultimately the banker, the weather, or the taxing authority takes the property.

(c) Statutory, or Legal Ownership or Tenancy. In this case the government has passed laws to protect the owner or the tenant. Control of rents is the most common example. In one form or another it exists in most less-developed countries. Another example is a 1958 law in Ireland that extended expiring long-term leaseholds for another 99 years at a forced rent of an eighth of existing rental value.

What has happened in these cases is that a law modifies or redefines what has been a contractual relationship. While rent control and other legal interference with the contract may be good for the tenant, it may discourage investment by private capital.

(d) Key Money. With the costs of land, homes, and rent rising, key money tenure has become common in many less-developed countries—South America, Israel, and Greece, among others. A premium, or an additional amount, is paid for the right to acquire possession of the property—for the right to have the key. Where mortgage money is difficult to obtain, key money is also paid to builders to help them finance new operations.

(e) Building Ownership. Because land prices have risen faster than purchasing power, a person desiring to erect a building often leases the land instead of buying it. When the lease expires, the building is generally then the property of the land owner. This arrangement has been common in England, where land until recently was owned by relatively few people. Building ownership is common in the Soviet Union, since the government has seized all land titles.

(f) Squatter Tenures. The growth of squatting has produced many new and unorthodox forms of tenure. As described earlier, they include squatting in which the government or the private owner tolerates possession by the squatters. When such land is needed for other purposes, the squatter may be speedily evicted. He may resist eviction or bring pressure on the government for protection against ouster.

(g) Cooperating or Sharing Devices. The inability of a single family to secure a house has resulted in mutual agreements under which several families join together to build or buy one. Coopera-

tion for mutual aid of various kinds is not new. Its features have appeared in village economic life in China, India, and Russia and in primitive societies. It has incorporated some of the aspects of cooperation that developed in Britain and France in the 1820's, and some of the devices of the private enterprise system of stock ownership.

Other forms include ownership of the individual apartment under an agreement to contribute to the upkeep of the building, and cooperative ownership only of the common grounds. This is called a "condominium" arrangement. Each occupant actually owns his apartment individually. This system has been used extensively in Puerto Rico, Cuba, and elsewhere in Latin America and has been recently introduced into the United States.

(h) *Mobile Ownership.* Under this form of tenure, the building is not fixed to the land. It remains the personal property of its owner and may be moved from place to place. The number of mobile tents and houses, as well as units which can be taken apart, has increased because of migrations, hostility to minorities, and social conflict. Mobile living had its earliest roots in wandering desert tribes. In the more-developed countries, mobile living is becoming a chosen way of life for many.

Mobile houses may be either large self-contained units equipped with kitchen, living room, and bath, or smaller units attached to an automobile or truck. In the United States, the mobile home industry is growing rapidly. Some are luxurious models placed on specially planned sites. But often the American mobile house is an old model bought for \$1,000 and put in an empty plot.

In less-developed countries, the mobile house is usually a wagon or a small cabin erected by the owner or a carpenter and placed on rented land. Sugar workers in the British West Indies were allowed to put up such shacks on the plantations.

These mobile shacks have now been transposed to the urban scene. A building owner may also be a squatter on the land. Moving the structure hastens its need for repair. Slums of battered mobile units have become a familiar sight in poorer countries.

(i) *Hire purchase (Tenancy with the opportunity to buy).* This device is used by government to enable poorer families to rent until they have saved enough money to buy, or have made

a specified number of payments. This system gives the tenant hope of ownership and encourages him to improve his house and make repairs.

The Effects of Land Competition

The increasing number of conflicting claims upon land in or near the city centers has become one of the most difficult aspects of the growth of industry and of urban centers. Such land is needed for housing, industry, recreation, government, business and trade. It is also needed for roads, bridges, parking space, railroads, water systems, schools, cemeteries and other numerous requirements of urbanization.

As all these competing needs emerge, it becomes increasingly difficult to assemble large plots of adjoining land essential for growth and development.

Efforts to Solve the Land Problem

Government power of some kind is needed to solve the land problems. Too often, government action has been faltering, unmethodical or ineffective.

The motives and reasons for government action vary. Pressure for government to become involved in controlling the use of land may be social, political or economic, or a combination of all of these. In some nations, the division of large estates in response to the pressures of tenants, squatters, or the land-hungry, has become government policy. Beautifying the scenery and preserving the countryside have been the motives in countries with sensitivity for beauty. Solving the housing shortage is a third motivation. The encouragement of industrialization and defense activities is still another.

A large number of devices for regulating land use are now in operation. These include price or rent controls; zoning; restrictions on the sale price of land; controls on the division of land and building regulations; purchase or regulation of development rights; public acquisition; taxes used to bring land into use or to discourage its use; land, building, or rent assistance in various forms; excess condemnation (public purchase of more land than needed for an improvement and its resale after completion); building of new towns; joint public-private ventures of various sorts.

Government policy may aim at dividing large land concentrations into smaller ones. It may also aim at combining small holdings into more practical unified ownerships.

While one form of land control may be more efficient than another, practical considerations often are important in shaping public policy. For instance, in Belgium and in the United States there is a dislike for any measures which would hinder private building.

The desire of each individual to be secure on his own little strip of the earth's surface is often at the center of public policy. This desire is today being demonstrated in the cities, as it was in earlier times on the farms and plains. The great emerging issues are:

(a) whether expansion of government power can occur without sacrificing individual rights and initiative;

(b) whether an owner's duties will ultimately be greater than his rights;

(c) whether the new government powers will be used to benefit the many instead of the few;

(d) whether the use of government powers to control land will produce new functioning communities or result only in new disappointments;

(e) whether governmental power will be used to expand the opportunity of minority people or will be used to contain "undesirable groups" within separate sections;

(f) whether new laws will be respected or openly disregarded;

(g) whether any reform adopted will ultimately be diverted from its original objectives to defend the interests of a more privileged class.

The question is, finally, whether the cities of the new industrial world will emerge as the shelters for man's freedom or as the instruments for new tyrannies and the sources of new human frustrations.

CHAPTER IV

THE GROWTH OF GOVERNMENT POWER AND POLICY

There is a trend in almost all countries toward using public processes to correct some of the social and economic inequalities of the unregulated economic process.

The Contrast between the More- and Less-Developed Countries

The more- and the less-developed nations are very different in technology and wealth. Yet both are experiencing the impacts of population growth that have created city slums, overcrowding, and urban land problems. Both suffer from the problems of rapid urbanization, population swell, and slum living. Other problems common to both are the competition for urban land, chaotic urban development, and large parts of the population paying too much of their income for housing.

Although the symptoms are similar, the nature of the disease and its cure are quite different. The more-developed nations have acquired greater political stability and they can better afford to make mistakes. Their people have skills and higher incomes. They have a larger middle class with more opportunities for those in the lower classes to rise to the middle class. The supply of used dwellings allows for their sale and resale. Although the cost of housing is usually too high for the average worker to buy a house, there is a construction industry which functions for those who can pay the price. The government can better afford to pay part of the cost of housing for lower-income families.

There is generally also an established legal structure in Europe and the United States within which the problems of urbanization can be undertaken. The ownership of land is respected. Restrictions on land ownership are generally carefully defined by law. They include the fact that the government may compel an owner to sell his land for certain public improvements.

In the more-developed countries, there are also more likely

to be well-established private mortgage procedures for investors and for buyers who can pay the costs. Contracts are enforceable by courts of law, and rights and duties are fairly clear.

On occasion, government has intervened with stern methods when the private sector of the economy has faltered. Generally, however, the line between governmental and private action is more or less known. Property rights are not sacrificed as the public sector is gradually enlarged.

These refinements of power have developed over a long period of time which was marked by crisis and debate, trial and error, experimentation and improvement.

Revolutions in the More Developed Nations

Governments in Europe and the United States have evolved through four revolutions: political, land, industrial and welfare.

Out of these four revolutions have emerged general rules defining the limitations and privileges of states in relation to property. There has also been a recognition of public rights and duties regarding the welfare of the poor and of those deprived of the essentials of life.

These four revolutions were:

1. *A Political Revolution*, in which the rights of the individual were defined and protected. The rise of merchant cities in past centuries, and the demands of traders for greater freedom of action, aided the development of the idea of individual freedom. These freedoms have essentially survived. They include the safeguarding of property rights against unreasonable regulation, and security of the home against search and seizure.

In securing the rights of property generally, the state hesitated to put any kind of restriction on property. For a long period of time, real estate (including slum property) benefited from the protection given to all property. "Police power" is the right to make laws for health, welfare and safety. It is the foundation of the legal authority for most property regulation. However, it was an unknown term for many years. It was not legally defined until 1827.

Building regulation as a function of police power is actually a very old idea. Such regulations existed in Babylonia earlier than 2000 B.C., and had appeared among the Chinese before 1000 B.C.

However, it was not until 1838 in England that general concern was shown about the housing of the poor. The first constructive regulations against slums were not adopted until 1851. Even then, and for more than a half-century thereafter, many people thought that the slum was the fault of the slum dweller. It was not until the 20th century that broad action against slums was undertaken.

Often, laws and regulations which were intended to improve the slums did little more than provide the owner with an excuse to increase the rents. This certainly did not help the slum dweller. More practical measures were needed. Soon the tax power of the state was enlisted in the fight against slums.

The use of tax power has a history similar to the use of the police power. For centuries, people thought it was wrong to tax the rich so that help could be given to the poor. Helping the poor was regarded as a job for the church, or for private charity, not as a responsibility of government.

The power of government to compel an owner to sell his property, if the property was needed for a public use, was recognized early in the histories of the United States and England. This governmental power is called "eminent domain" or "compulsory purchase." It means that the government can take over the ownership of private property provided that the owner is paid a fair price for his land. The basis for acceptance of the idea of eminent domain was that the land appropriated by the government must be used for a public purpose.

In the United States until the 1940's, the definition of public purpose was very limited. Land taken by the government under eminent domain had to be used by the public. Taking land that would only *benefit* the public was regarded as a misuse of governmental power. Therefore, the power of eminent domain was not used to acquire land to build housing for the poor. Only in recent years has the idea of elimination of slums and provision of good housing been accepted as a public purpose.

2. *The Land Revolution* has been in progress at intervals for several hundred years. The revolution had been caused by the desire of individuals to own land. This generally involved the division or sale of large estates regardless of whether they were owned privately or publicly.

Industrialization and the pressure of housing demand have compelled many governments to speed the process of dividing large land concentrations into smaller holdings.

Whether by economic pressure, the lure of profits, taxation, contract, law, or the taking of land by squatters, the general effect of the land revolution has been to split larger holdings and increase the number of owners. It has also caused government to take action toward making land more available to the people.

3. *The Industrial Revolution (or Revolutions)* altered the uses of land. Many rural plots became the sites of factories, shops, public utilities, and urban houses.

The whole character of house building was changed. The house was no longer a product made by the owner from materials he obtained from the fields and forests and put together himself. Businessmen now undertook the function of erecting buildings. Home building became a powerful industry and a stimulation to economic activity.

Industrialization brought hardship to many. But it expanded the challenges to the individual and also his opportunities. As industrialization contributed to increasing the world's population, more people were drawn to the cities. It is here that man's destiny and his hopes have become centered.

✓4. *The Welfare Revolution* is the most recent of the revolutions. It marked the assumption by governments of new functions in an effort to remedy some of the worst shortcomings in the industrial and urbanizing processes.

Greater government intervention was justified by a series of social and economic problems. There were repeated periods of economic depression. Private enterprise was unable to ease the hardships of poverty, insecurity, illness, and old age. Private enterprise failed to lessen housing shortages or eliminate slums. To solve some of these problems, progress and growth had to become the aim of government.

Government assumed many of the responsibilities which had formerly been left to private charity and private investment. In an effort to stimulate economic activity and remove social inequalities, government increased its tax, spending and police powers, as well as its right to purchase land for use by the public.

In addition, government began new activities such as housing for the underprivileged. It increased public works to broaden employment during times when business and industrial activity were slow. It built dams, power stations, roads, and a wide variety of other job-making operations. Government also expanded public schools, financed private building, and insured investment risks. It levied heavier taxes on the rich to finance its operations for the benefit of the poor.

Government moved to control the irregular growth of cities and improve their environments. In the process, its powers were widened so that it was in a position to influence growth and development.

One of the more perplexing questions of the welfare revolution was the precise role of the private and public sectors. In earlier times, government operated only where there was not enough profit to be attractive to the private businessman. Government controlled such operations as schools, roads, and the post office. Profit-making ventures were believed to be strictly private.

When the welfare function of government expanded, the question arose as to how government should act to achieve the new welfare aims. Should the government act directly, or should it subsidize or assist, private ventures? The general tendency was to do both. England subsidized the private businessman first, then built public housing itself. The United States provided most of its aid by insuring the risks of private investment. Mortgages were insured. To encourage savings, deposits in savings and loan associations were insured. Aid was given to private builders who constructed new homes for moderate-income families and war veterans. Other aid was given to colleges and nursing homes and for building homes for the elderly.

The powers of police, taxation and eminent domain have caused some disagreement. But there is no turning back. With the more rapid trend toward greater urbanization, there is every indication that the use of public power in developed countries will never return to its earlier narrow limits.

The gains made earlier which guaranteed the individual's privacy, his protection against direct seizure, and his rights under contract, have not been affected to any important degree. They have simply moved into a new social meaning. The shift from

an agricultural to an industrial society was accomplished with little or no violence. The democratic state was able to take steps—imperfect as they may be—to correct some of the inequalities of industrialization.

The welfare revolution has not yet produced all the answers to the social problems of urbanization. But it has released powers to confront these problems, and taken the first steps to use these new powers more effectively. If world tensions are eased and the enormous expenditures for defense and war can be used to help solve social problems, the day may be near when urban blight can be eliminated and when the poor urban family may well be able to afford a decent home—provided, of course, that social motivation continues to have a place in political calculations.

The Position of the Less-developed Areas

In contrast with the series of revolutions in the more-developed countries, the less-developed countries are having all their revolutions at the same time. There have been few existing patterns to build upon. There are no firm precedents to which new policies could be related. Industrialization, urbanization, and the land and political revolutions have all arrived at one time.

Often a political action by an ambitious military group adds another complication to the problems of the developing nations. Even constitutionally elected regimes may depend on the support of the generals.

In Africa, new contrasts and conflicts have arisen: between barter (trade-in-kind) and money; between human cooperation in meeting life's challenges and the specialization of function that accompanies industrialization; between the old established moral standards and those imported from societies that are eager to gain possessions; between sharing and individual saving; between the British or other prevailing system and the tribal conventions; between the political demands of the rising central state and the village, the chief, the elders, the tribe and the individual; between the representatives of the people and the decisions of the new man who heads the state.

The old system of gifts that once had its own dignity now is challenged by laws against bribery.

The task of creating an independent civil service is now faced

with the customs of tribal favoritism in the assigning of important jobs.

The old reverence towards the chief is converted by some into a faith in the unfailing wisdom of a new prime minister. What would be viewed as the loyal opposition in British politics is sometimes confused with a hostile tribe.

The shift from village to city or from tribe to family as the basic social unit has changed a way of life that had stood firm for thousands of years.

Changes in political patterns have also been sudden and revolutionary. Often a new state would have as its foundation a constitution glowing with lofty language but with no precedents for applying it to a specific set of facts.

Policies in the developing countries have often been inconsistent and unpredictable, kind to one type of investment and harsh to another, with the prospective investor never knowing when, where, or whether conditions might change.

Both the United States and Russia, and the differing doctrines they represent, are proclaiming superiority in the newly-developing nations of the world. Both doctrines use the word "democracy" as a term with strong moral meanings. But the two nations are very different in the measure of essential freedoms granted to the individual.

The doctrine of the United States is based on the theory that private enterprise is essential for a country's development. It believes that such enterprise should be encouraged by suitable laws, inducements, and guarantees. Where this fails to function, as in housing, government will assume the responsibility. But private ownership of farms and homes is widely recognized as a basic and important right.

Russian doctrine, based on revolution, at first asserted that all land belongs to the state and that neither private enterprise nor private ownership has a place in society. Private ownership, even of peasant holdings, was abolished. Farm dwellings and tools were seized by the government. Urban land was declared to be government property, to be owned publicly or dedicated primarily to the use of industries which were owned by the people.

Yet it was not long before the ban on private home ownership had to be modified. Today all land, urban and rural, remains

the property of the state in Russia. But the government allows people to buy an apartment in a cooperative apartment house. The right to build one's own home has had to be conceded to some extent. Plots have been allotted for building, the right to use them has been granted, and the new dwellings have been declared "the personal property of the builders."

The countries with Western traditions continue their respect for ownership of homes in which family controls can operate. However, the great bulk of U.S.S.R. families will continue to be tenants of the state.

Between these two worlds, the less-developed countries are seeking to establish their own values. These are by no means clear or simple. Those countries that have inherited shreds of the British system are trying to maintain them, at least in form, but are adding their own new ways of doing things. In other countries, severe limitations on rights do occur. And in some countries, there is respect for some types of property but not for all.

In some of the less-developed countries, legal processes are just beginning. The earliest important exercises of power often occur in housing and planning. Political patterns are being established for the sensitive relationships between government and the individual; between government and property; between public and private areas of interest; and between central and local controls.

The transition from a rural to an urban economy demands the creation of security of possession in the cities. Programs for home ownership should provide decent standards for the structures and security of possession for the urban, as well as the small-farm family.

OBSTACLES TO PROGRESS IN HOUSING

In every part of the world, housing progress lags far behind industrial progress. The technical genius that discovered the secrets of speed, sound, space and light still cannot build a house cheap enough for the average person. A Soviet space man can orbit the world. But the state that launched him cannot establish a good housing program on the ground. A Negro laborer's family in New York and a squatter in Caracas, Venezuela, may both have television sets, but neither can afford a decent house.

The ways and habits of democratic Europe and North America continue to influence most of the less-developed world. But there is nothing to be offered as a quick remedy for housing ills. Europe and North America are themselves besieged by housing disorder. Despite 100 or more years of effort, they are still suffering from the afflictions of 18th and 19th century urban defects.

The less industrialized a country is, the less likely it is to have a housing problem. When a country starts to develop industrially, its housing problems begin. The more it develops industrially, the more stubborn its housing problems become.

In a primitive village, the housing problem is not critical. The moment the family moves from village to city, its members surrender the home that is usually their own, as well as the more ample space on which it stands. They also surrender freedom from noise, smoke, traffic, and danger, closeness to nature, and their prestige in the community.

What they get in the impersonal city, whatever the compensations may be, is a crowded slum. Sometimes they do not even get that.

Low-Income and the High Cost of Housing

Low-income is one of the main obstacles to housing. Average income per person in most of the less-advanced countries is about \$100 a year. Most people can buy very little.

Although the wage earner's income may rise when he leaves a village to go to the city, finding a home he can afford is very

difficult. If an Asian family could get a 20-year mortgage on a house costing \$1,000, at an interest rate of 5 per cent, and if the cost of taxes, maintenance, insurance and utilities amounted to \$3.50 a month, the house would cost about \$10 a month. Economists have calculated that the cost of housing in the family budget should not be more than 15 to 20 per cent of the family's total income. Therefore, to be able to afford to spend \$1,000 on a house, an Asian urban family would need a minimum income of \$600 to \$800 a year. In India, only 12 per cent of the urban families have such earnings. Where is the money to come from?

So far as housing is concerned, the whole world has remained underdeveloped. From Harlem, in New York City, to the Congo in Africa, and from Peru to Pakistan, the urban worker can buy an automobile more easily than a good house. After the family pays for food, clothing, utilities, and other essentials, there is little money left for housing. In the United States, tenants in low-rent public housing pay about 20 per cent of their income as rent. This is considerably above what can be paid for rent in many other countries. In Bolivia it is only 8 per cent. A civil servant in India pays his government landlord 10 per cent. Families in the less-developed areas can allocate very little of their income for rent. Often they must choose between food and a roof.

National Financial Limitations

Housing for the poor is a problem also for wealthy nations. However, wealthier nations have developed techniques for easing the housing problems. These techniques are used or ignored, according to the amount of political and economic pressure. The wealthier countries also have architects, contractors, skilled labor, and available materials. While many of their families are overcrowded, virtually none are homeless and none are seizing land. Most members of their middle class are decently housed. Even when the European housing supply was seriously limited by bombing during World War Two, the damaged nations were able to rebuild.

Newly-developing countries are working under great pressure in the housing situation. Migrants to the cities are arriving so fast that new industry cannot provide enough jobs for them. Even the basic capital, financing, skills and materials are lacking.

Nevertheless, housing and rational urban development are the two great problems on which the prosperous nations can offer little guidance.

The developing nations of Asia, Africa and Latin America need a minimum of 24 million new dwellings annually. This means about 10 dwellings each year for each 1,000 inhabitants. The size of such requirements can be seen only when it is realized that, with a few exceptions, the highly-developed countries build no more than six to seven new dwellings annually for each 1,000 inhabitants.

It is clear, therefore, that all ideas of wholesale slum clearance and building of costly housing must be abandoned. The shelter problem needs some fresh thinking. The provision of the bare essentials may have to be the world's sad but only reasonable alternative. Once we understand the size and importance of the problem, however, there may be ways of dealing with it. It is only when hope is lost and eyes are closed to reality that crisis becomes inevitable.

Land Cost and Land Speculation Controls

In most less-developed countries, land for urban expansion is ample. Too little of this land has been made accessible to urban centers. This has caused land prices in cities to rise rapidly. It now often costs as much to buy the land as to build the house.

The urban land problem varies according to the specific country and its size, geography and public policy. In general, however, the following conditions contribute to high land cost:

1. *Excessive Concentration of Ownership.* In Latin America, the Philippines and other areas once governed by Spain, concentration of ownership is partly a remainder from the large agricultural estates which were part of the Spanish tradition. Many large farms in these countries are still used as sugar plantations, whereas their better use would be for urban development.

2. *Low Tax on Land.* In many countries there is no tax on farmland. In some countries there are no taxes on urban land. Often rice fields suitable for use as building lots are taxed very little or not at all.

3. *The Tradition of Land Ownership.* In most less-developed countries, the tradition of land ownership generally remains a

powerful force equal to possession of precious metals. The tradition is likely to make owners keep land and pass it on as a single parcel from one generation to another.

4. *The Scarcity of Alternative Investments.* In many of the less-developed countries, people are not in the habit of investing in business ventures, or even in factories. For example, government bonds are not generally a popular investment and are purchased mostly by banks and government agencies.

5. *Inflationary, or Dangerously Expanding, Trends in the Economy.* Such trends encourage land owners to retain their land. The money received for selling land, it is feared, might lose value. The land itself will more certainly rise in value compared with the local currency.

6. *Anticipation of a Profit Through the Building of Roads and Other Public Improvements.* In most countries, the government acquires only the land it actually needs for a road improvement. A new road could make land which is near it much more valuable to its owner. The owner pays no tax on his land; holding vacant land in the hope that it will increase in value does not cost him anything. It sometimes happens that a new road triples the sales price of adjoining property.

7. *Reluctance to Use the Power to Compel Sale.* Public agencies often depend largely upon voluntary sales to acquire the land they need. Official housing agencies which have the power to compel an owner to sell his land at a fair price or to permit the building of housing for the poor at low cost, have either never, or only rarely, used this power. Consequently, land prices are usually extremely high because few owners are willing to sell.

If more land could be released for urban use, the artificially high prices would soon find their true market level. Some device is needed to make it possible for the average worker to buy land. Otherwise, the central and more desirable land will continue to be the target of the squatter. The choice is between legal seizure by the government and illegal seizure by the desperate landless. If the already critical squatting problem involves an increasing number of voters, illegal acquiring of land cannot fail to gain political sanction in more and more countries.

Land development everywhere is in a state of chaos. The great need is for a land policy that can make properly planned

land available at reasonable cost. Well-established forms of possession, regulation, use, acquiring, taxation, and financing of land should all be elements of the land policy. Rarely, however, are such procedures used effectively.

Land Transfer and Registration

Land transfer and protection of possession by registration systems are routine matters in the more-developed countries. They were used in Europe as long ago as the Middle Ages. But they are troublesome obstacles in countries where legal systems have not matured or where stubborn customs persist.

In nations where physical force guaranteed possession or where there was seldom a change in property ownership, registration systems were unknown. However, as land is sold and as larger holdings are being divided into smaller holdings, it is very important to establish property titles, or evidence of the right of ownership. In Ghana, for example, people who wanted to build houses—both individuals and builders—and government agencies that wanted to make mortgage loans found that it was difficult to proceed with their plans because of the uncertainty of titles.

Problems about title to land are not always confined to registration systems. In Ireland, for example, there has been very little sale of land, but considerable emigration. A single parcel of land may have as many as 50 or more heirs living in several different countries. To allow the land they own to be sold, each of these heirs must be located and his consent obtained. In such cases, other methods must be found to make the sale and development of land less difficult.

Lack of Finance

In the more-developed areas, the mortgage system enables most families to buy houses. This system involves a reasonable first payment on the land and house and monthly payments continuing for 20 to 45 years. Subsidies, or funds granted by the government, are generally available for lower-income families.

In the less-developed areas, where the average family has small savings, a house usually must be paid for immediately. Even if there is a surplus from earnings, years of saving are required

before a family can accumulate enough money. Although building costs are low, the rate of interest on mortgage loans is very high. Often, high interest rates combine with high land costs to make home ownership impossible.

Lack of Savings

In the more-developed countries, a large portion of the money deposited in savings banks is invested by the banks in mortgages on homes. But in the less-developed areas, savings are usually in the form of jewels, cash, or actual property, which is either kept on the person or concealed in the house. The average person does not trust banks. Rapidly rising prices, or inflation, is a constant threat to savings in cash, but it does no harm to a bag of silver ornaments. In Brazil, the worker will stand in line at the bank to cash his paycheck so that he can buy something before inflation makes prices soar by the time his next paycheck arrives.

Absence of a Building Industry

A construction industry with many specialized trades does not often exist outside the more-developed countries. The wealthy can build a mansion by hiring a foreman or superintendent, to organize the labor and the working schedule. Some larger cities in Latin America like Mexico City, Santiago and Buenos Aires have private contractors who build for the higher-income groups. Some foreign-trained architects may be available to design an expensive home or factory. There may be a few large contracting firms which are financed and managed from abroad. These firms may concentrate on major public works or factories. Occasionally, some of these firms combine construction work with the import and sale of building materials. But generally the construction industry, if any, in the less-developed countries is small, badly organized and badly financed.

In Europe, specialized building crafts developed around the 11th century. These included carpenters, stonemasons, bricklayers, tilers, plasterers and painters. The building industry in the more-developed countries today depends very heavily upon a large group of workers with highly specialized and well developed skills. In contrast, the less-developed regions still are likely to rely upon the single laborer who happens to have carried with him

the slim knowledge he may have acquired in the building of his own rural shack. Although there are some local contractors, they are often handicapped by lack of experience and money.

While skills are advanced in some areas, the development of building crafts has been slowed by government emphasis on production in other fields and by lack of knowledge of how to stimulate housing production. Importing skilled workers from other countries is usually prohibited or not encouraged. The skills of many of the potential craftsmen from the rural areas have not been used, either because of failure to undertake a broad housing program or because the craftsmen have chosen factory work. At the same time, the lack of activity in home building has discouraged many workers from training for the building trades.

In some nations, foreign contractors have been discouraged from competing with the less expert local men. Less-developed countries have few surveyors, foremen, or architects. Where they do exist (as in the Philippines), they devote most of their efforts to factory or luxury housing construction. Building research is rarely undertaken, and where research stations have been established, trained personnel is lacking. Costly testing machinery is sometimes destroyed by rust.

There are some exceptions. Highly skilled craftsmen are found in Puerto Rico, where techniques of mass housing production are well developed. Labor in Israel, Hong Kong and Singapore is skilled. Togoland has many good carpenters.

There are similar exceptions in South American cities, particularly where Italian craftsmen have immigrated. Often, however, an unemployed man will say that his vocation is carpentry when he is incapable of sawing a straight line. In Singapore in 1964, a developed contracting industry and skills made it possible to build an apartment house at as little as \$3 to \$4 a square foot. But development is slowed by lack of available sites, high taxes on rents, and rent controls.

Backwardness in Architecture and Use of Materials

In some less-developed countries, there are striking examples of public architecture which the more-developed countries might well respect. Much of this building is ancient, but some of it is recent. Some South American architecture exhibits both boldness

and imagination. Occasionally an elaborate, extravagant venture may take form in the building of a new capital, town, or monument. Yet generally, both in design and in building techniques, the age of the electric light seems also to be the dark age of architecture.

Considering the lack of modern equipment and materials, the ancient Greek, Roman and Byzantine buildings, and even some of the architecture of the Middle Ages, can challenge most current buildings.

Some reasons for the odd contrast between past and present are that in former ages the pace was slower, the product was built for long life and with pride of workmanship, and because of a system of apprenticeship, there was greater craft skill.

Today there is a rush to get things built, no time for craft, and few skilled workers. While the more-developed nations have good modern examples of institutional architecture, home building for the average citizen has not improved much. It has usually remained the orphan of the technical age. There is little difference between the housing of the average rural family of a thousand years ago and the rural house today. Many urban houses are probably worse today.

Part of the trouble today is the absence of architectural education, the emphasis on speed and the concern for making money quickly. Another explanation is the tendency of the architect to be influenced by engineering problems. Even the best architect finds it difficult to design a good building containing apartments that can be rented at low cost. Little is known about the techniques of mass construction on the site, although beginnings may be seen in Jamaica, Trinidad, Puerto Rico, Israel and probably in a few other developing areas.

Public home-building and city planning in the less-developed countries give little thought to the city's future appearance. Buildings are usually standardized, uniform designs. This is partly due to lack of adequate funds. But even where money is available, it is often spent unwisely. Thrift, simplicity, and efficiency are rare.

In most places, housing does not get even the attention of a public works engineer, much less an architect. If, somehow, houses do get built, they often lack protection against floods and earthquakes. The gradual wearing away of the soil weakens their

foundations. Primitive pit toilets adjoin living space. Buildings are not protected from the prevailing wind and rain! Space is precious, yet ceilings are often unnecessarily high, wasting expensive materials. Roof installation is inadequate. Kitchens are small, and storage space for food is insufficient.

To protect people against these and other faults of building and planning, it is important for urban areas to have building codes. This is particularly true in crowded areas which are likely to have earthquakes. Too often the codes are national regulations that do not fit some localities, or they are city codes which do not apply to the suburbs.

The tendency in a number of countries is to copy the complex building codes of England, Germany, or the United States. Yet these regulations are often not suited to other countries and the talents to enforce and adapt them to local conditions may be completely lacking. Zoning laws originally designed for countries with widespread automobile ownership may require stores to be a mile away from dwellings. This places a hardship on the buyer who must travel that mile on foot in order to fill the family needs.

In Puerto Rico, new large subdivisions became dull monotonous suburbs without schools, churches, community facilities, or open space. Stores were often miles away. Soon an area intended for private homes would be dotted with hastily-built dress shops, grocery stores, barber shops, and mechanical workshops. Playgrounds were often cut in half by highways. In 1962, however, a forceful chairman of the Planning Commission stopped all building until builders could revise plans to build neighborhoods that were practical for daily living.

Failure in other countries to develop housing programs has caused many of the relatively few materials industries to close or suffer from lack of business. Tile and brick factories, lumber yards, and small tool factories must struggle to remain in operation. Influenced by irregular periods of building, the industries function irregularly.

Local materials remain undeveloped. Foreign materials are imported with the idea that they are automatically better. In Ghana's Northern Territories, where mud and straw have been successfully used for centuries, imported iron roofs have become

popular. Thirteen per cent of Ghana's imports are building materials, most of which could be made locally.

In Bolivia, the official explanation for not encouraging roof-tile production is that the local tile industry has failed to market its products at a competitive price. Of course, if sufficient orders were stimulated, it could do so.

Even where raw materials are available, often there are no ways to process them. Cement is scarce; but where lime is available, it remains unprocessed and unused, although it is one of the oldest of all materials. In Barbados, West Indies, the expensive tourist hotels are built with native limestone, but most families continue to buy Canadian lumber for their homes, which are invaded by insects within five to ten years.

For centuries, people in parts of Pakistan have used straw roofs plastered on both sides to reduce the chance of fire. This tradition can be revitalized by using other locally made products composed of local materials. But Pakistan spends millions of dollars each year to import iron sheets for roofing. The development of a local material through research and construction tests could reduce the drain on currency and stimulate the country's own industries. But Pakistan has not yet begun to do this.

Cement shortage is a problem in the Philippines—yet this area has good, usable brick clay, and coal for baking it. A few factories do make bricks, hollow clay blocks and tiles, but production is insufficient. Encouraging brick manufacture would mean better protection against heat and would reduce the country's dependency on imported cement. Although lime is the same price as cement and is much easier to produce, a lime industry has been slow to develop. Timber could be better utilized and many industries supported by timber by-products. This opportunity is wasted, however, because of lack of technical knowledge. In some countries that have built cement factories, production lags because of the lack of experienced people to operate them efficiently.

Ghana has many materials suited to local manufacture. It could produce wood shingles, grass and reed matting for ceilings, bamboo matting for porches and fences, and other materials.

These and other recommendations were all made in Pakistan, the Philippines, and Ghana by visiting experts. But recommend-

ing a program is one thing, fulfilling it is another. What these countries need besides advice is technical ability and administrative tools.

The Results of Not Having a Plan

Traffic is one of the blessings and problems of progress. The automobile and bus should provide access to and from distant villages, afford escape to recreation, and make low cost open land available for building. In the more-developed countries, the automobile has replaced the animal which was formerly used for transportation, and has won the right of way on the road. But in cities where streets were built for foot and hoof, motor traffic must compete with wagons, cows, water buffaloes, camels, donkeys, bicycles, men and roadside industries for the use of the narrow passageways. Movement has been slowed to the speed of the animal. Roads often have deep tracks and bridges are blocked.

Sidewalks are frequently lacking in old cities. When they are built in some new cities, they soon become filled with obstacles, holes and unseen dangers for pedestrians.

Houses have been built without plan in the back alleys. Wherever space has been unused, shops and extensions appear. This raises land prices and makes acquiring it for widening roads and replanning neighborhoods too expensive to be practical.

Unplanned and uncontrolled, the center of the city becomes more concentrated with trade and human traffic. Workers who live only a few miles from their factories soon spend an hour or more getting to their homes. Everything is delayed—unloading of ships, movement of goods, automobiles, and people.

Where roads have been widened, as in Pakistan, the new widths seemed excessive to some of the squatters. These citizens correct the extravagance by moving onto the roadside and building temporary settlements. Despite the increase in trucks and automobiles, streets often remain unpaved for lack of money. After every rainfall in Santa Cruz, Bolivia, only an expert can guide a jeep through mountains of mud and valleys of tracks filled with flowing water.

Foreign aid, particularly from the United States, has helped to relieve some of the traffic snarls and to extend communication. Because the United States knows how to build roads better

than how to build cheap housing, roads have become popular in American aid programs.

In Turkey, millions of dollars have been spent on new roads. Villages and farms that were once isolated are now linked to Istanbul, Ankara, and other cities. But when the roads were built, no controls were instituted to hold down the rising prices of land on the roadsides or to regulate the speculative and planless subdivisions that quickly appeared.

The less-developed areas of the world are concerned primarily with productivity, hoping that someday they will have the time, money and ability to replan. By then, of course, there will be so many businesses and legal and illegal residences established that reorganizing will be impossible.

Some countries, like Pakistan and Brazil, have moved their capital cities elsewhere. This is one way public officials can escape the problems of population densities and overcrowding. The political wisdom of such decisions is still far from proved.

The question of sanitation is always troublesome. In many of the less-developed areas, rubbish is left on the streets. Dirty water is still flung from the windows. Although sewers carried away surface water in ancient times, they are unknown in many cities today. Sometimes excrement dirties the wells used for drinking water.

Primitive waste disposal not only has made the water supply impure in many cities but has drawn pests and spread disease. Officials who prefer not to notice illegal squatter colonies may be forced, through fear of rapidly spreading disease, to install running water. Although this action is most often justified, it also keeps the squatter settlements in existence by making them a little more endurable.

Disasters such as earthquakes, hurricanes, fires and floods increase the difficulties of building. Hurricanes in the West Indies often destroy thousands of homes. Earthquakes in Chile and floods in the Far East have added to the great stream of the homeless. Millions of people continually face the danger of floods.

Public Power and Public Agencies

Housing and public works programs require efficiency and authority to compel owners to sell their land and to regulate land

use. But in the less-developed areas there has been either a lack of adequate power or an abuse of power.

Compulsory purchase, or compelling owners to sell land to the government for public purposes, has long been established in the United States and England. In many of the developing countries, such action was unprecedented and its exercise seemed tyrannical.

For instance, Japan is well developed industrially but its political system is not yet completely matured. Officials and the public, inspired by the new spirit of democracy, have felt that taking land even for public use is undemocratic. Voluntary purchase for such fundamental uses as roads has resulted in very high prices being paid to the owners. Compulsory acquiring of land has taken as long as five years. The consequence has been that Japan has located housing and some other public buildings not on the best sites but where the government happens to own some land or can buy it easily.

Financing of public improvements through local tax revenues is almost unknown. Most Turkish cities, for example, cannot finance housing or local improvements even if they want to. Taxes and tax sources are limited. Cities cannot tax the surrounding suburbs. This has encouraged the opening of gasoline stations and other businesses just outside the city's boundaries where they do not have to pay taxes.

Politics and Public Pressures

To the chaos of squatting, filth, discontent and social disturbance has been added the chaos of politics, power, and policy. If there is an abundance of "Five-Year Plans," there is a shortage of housing objectives. There is little information on housing needs and few clear definitions of function among planning, housing, and public works agencies.

The housing agency in the Philippines concentrated its main efforts on higher-cost housing. An Improvement Trust in Pakistan acquired land in large parcels and built utilities, subdivided the land into lots, and sold them for the costliest housing. But little land was allocated to the poor. At the same time, the government of Pakistan, following a United Nations mission and a United States loan, adopted a housing law that included many aspects of the problem and began moving vigorously toward rehousing

squatters and meeting the housing needs of the poor.

In India, a substantial portion of the benefits of the housing program has gone to civil servants while the masses still remain to be helped. There are dramatic public housing apartments in Caracas but the city's squatters were coming in faster than housing could be supplied. In Japan, very little housing is being built for the poor. The reason is not lack of humane impulses but the considerations of cost and subsidy, of financial assistance, and the more effective pressure by the groups whose appeals were loudest.

Politics and pressure groups are important in the less-developed world, as they are elsewhere. Candidates for public office who seek support and find housing a popular issue with the voters may announce programs that are more impressive in the pledge than in the performance.

Sometimes political opportunists seek to embarrass housing officials who are trying to do their job. In Jamaica, tenants in public housing projects were urged by politicians opposing the government not to pay their rent. Most were happy to act in accordance with the suggestion. In Venezuela, occupants of public housing were also urged by opposition politicians not to pay their rent. Homeless families were told to move into new government housing free of obligation to pay. The government subsequently agreed to sell the apartments to the tenants, hoping that the prospect of ownership would improve payments. It has succeeded to some extent.

Squatters exert mass pressures upon officials, before and after elections, for legislation validating their possession or giving them alternative land. In the Philippines the squatters have elected their own congressman and in several instances forced the government to transfer land to them. In Singapore, the squatters are too numerous and too strong politically to be dealt with according to law. A land owner will pay twice as much as the value of the cleared land for the squatters' departure.

This summary is somber. But the housing situation is not hopeless. It is bad today partly because it has been ignored, partly because the nations affected do not know how to deal with it, and partly because the countries and some of the international aid agencies which could help do not consider it one of their more vital concerns.

CHAPTER VI

THE PROBLEMS OF ADMINISTRATION AND PERSONNEL

Politics, Education, and Administration

Expanding government functions have always increased the possibility of corruption. Even where there was no corruption, excessive bureaucracy or tyranny was often the alternative.

In the more-developed countries, government has increased its responsibility for its citizens and their welfare without excessive corruption or loss of freedoms. Civil servants have demonstrated a greater efficiency and pride of service. At the same time, the public has become more exacting in its demands.

The less-developed countries have not been similarly blessed. Suddenly burdened with vast responsibilities, they have lacked a history of trained administration and traditions of public service. Talents to deal with even the simpler governmental tasks have been scarce.

Politics has been very important in the selection of government employees. Appointments have often been made on the basis of whom a person knows rather than on his qualifications for the job. A good civil servant will find himself out of favor when a new political party takes office because he was too friendly with the former holder of an important position.

If public opinion either questions the sincerity of, or is indifferent about public servants, the public servant is likely to lack sincerity or become indifferent also. Morale is often low, the holding of a job is insecure, salary small, and opportunity limited. The most talented people in government service are often offered better jobs in business. Adequately trained office workers are scarce. A competent official often wastes time on details that should be handled by an assistant or a good secretary.

The administrative difficulties are doubled in city planning and housing. The less-developed nations are just beginning to take action in these areas. There are no easy guides on how to build a functioning city or else a housing shortage.

To complete an ordinary housing project, technical and

professional people are needed for planning, surveying, architecture, drafting, civil engineering, contracting and subcontracting. Skilled workers, lawyers, and foremen are also required. There is generally no one available or being trained to fill these jobs.

An extensive housing program also requires trained people in rent collection and accounting, maintenance and relocation policy, community center activities, and tenant education.

Part of the problem in less-developed areas is lack of education. There is also a lack of technical and vocational schools, as well as of apprenticeship systems and of people qualified to enter specific fields. Ghana, for instance, has a good college at Achimota, but the primary and secondary schools do not develop enough good students who progress to college. One reason for this is the shortage of well-trained teachers for the lower and secondary schools. Many people who might be good teachers choose another profession because housing and other conditions in the school areas are often unattractive.

The problem can never be solved by attending to just one part of it. Pakistan, India and other former British possessions have simply copied British housing and planning laws, although their circumstances are quite different.

Good books on planning and housing have been unavailable, fellowships for students few, and teachers untrained. Therefore, many of the talented students from the less-developed areas have studied in other countries. But they have found their courses frequently unsuited to conditions at home.

Ireland, which has produced more college graduates per capita than England, has lost many of her sons to England or Canada after graduation. In the Philippines and the British West Indies, craftsmen have often emigrated after becoming qualified. The competition for good technicians is so keen in the more-advanced nations that few can be found willing to settle in the less-advanced areas.

Poverty often prevents promising youth from entering the universities and obtaining the better jobs in public service. Others choose academic studies for the prestige of the degree, ignoring the need for special training. Also, many who do take special training lack the qualifications for the policy responsibilities they are asked to assume.

The lack of training and experience is reflected in the quality of work done by the government agencies. Although a government's statistical information is occasionally surprisingly good, statistics are generally inadequate. Accounting systems are so primitive in some countries that the head of an agency may not know how much money his agency has spent, how much is due it, and how much is collectable. The shifting of funds from one operation to another is frequent.

Conflicts between departments are common. Limits of authority are difficult to define. This is particularly true of housing and city planning, which cross many official lines—finance, public works, health, industrial development and public administration, among others. For more efficient administration, a public corporation may be established, but it soon encounters the same interference as a department of government. Or the new corporation may be free of any governmental control and be part of a chain of so many other independent agencies that administration becomes difficult and confused.

Sometimes, as in Pakistan, Turkey and Latin America, administration is seized by a military coup. Then the problems are attacked with orders—for better or worse.

Centralization

The growing dependency on central governments is often necessary to maintain order, but it is making administration more difficult. Even when the central power is decentralized, this may only mean passing authority to regional governors who are totally dependent on the central government.

The trend toward centralization has been increased by a belief that centralization saves money, speeds decision-making, creates friends, influences votes, improves tax collection and strengthens regional planning. More recently, there has been concern that an independent local government might oppose the central government, or that local troublemakers, squatters or students might organize into powerful political forces against the central government. Some of these fears are justified. Others simply reflect bureaucratic resistance to, or ignorance of, decentralized operations.

There is no one answer to the debate on centralization contrasted with decentralization. But one thing is certain: Giving

more authority to local government and developing greater local interest is worth trying in more places. Housing and public works programs offer unique opportunities for the development of new and interesting forms of local and regional operations. Even if these are not immediately practical, they may ultimately bring a firmer democratic base to some of the growing bureaucracies.

Aliens and Minorities

The suppression of aliens and minority groups in economic activities is a frequent obstacle to investment and to the better use of skills.

The growth of a country requires a variety of skills in contracting, building, production of building materials, development of finance methods and management. The alien may be a willing investor with the capital or the competence that a country needs. The minority group may be a source of labor and talent.

Some groups suffer from private prejudice, some from public policies. Offenses against them vary from job exclusion to persecution. One of the harshest policies is the immigration barrier that prevents an oppressed minority from escaping to a country of better opportunity or greater freedom.

This is a worldwide problem involving nationalism, group pride, isolation, prejudice, fear and the whole range of problems and theories concerning minority groups.

As long as societies were tribal and economies agricultural, these conflicts were mostly localized. Urbanization has brought in-migration of new personalities and groups into cities. This has resulted in a variety of pressures from the established majorities against the newcomers.

Loyalty to the family or tribe was the basis for cooperation in the rural society. But in an industrializing society, racial or religious conflicts often threaten stability. The key to a high level of employment is organization of enterprise. Prejudice against a single organizer may make the difference between whether an industry develops or not.

Most countries, however, are likely to favor their own citizens in civil service, in extension of opportunities, in access to subsidized housing, and in other operations. They fear the rivalry of the foreigner. If he succeeds, they envy his success. Often an

oppressed minority either emigrates when it can, is expelled, enters only those trades or business undertakings where it is permitted to work, or remains a permanently suppressed group. Barriers that prevent minority in-migrations have produced a subtle form of national oppression against the minority, as well as a loss to the oppressor of the minority's talents.

Many factors are involved in the integration—or absorbing into the population—the non-integration, the disintegration—or the loss of identity—of minority peoples. In less-developed countries, one of the many obstacles is discrimination, or prejudice, in education. Sometimes this results from a long-established tradition of isolation. Sometimes it is used deliberately to stop the emergence of a group. Differences in social position and national origin may be as responsible for discriminatory practices as differences in color.

India announced in November, 1960, that there would be no more questions about caste in application forms for schools and universities. Kenya made some progress in integrating its public schools but more recently has brought pressures against its Pakistani and Indian residents. South Africa has intensified its campaign for apartheid, or separation of the races, in education. In Bolivia and elsewhere in South America, a few schools have been established by German, Jewish, and other groups primarily for their own people, but they are open also to native Bolivians.

Research on discrimination in employment, education, and training is scarce, particularly in the developing countries. The barriers to advancement erected against minorities in both the more- and less-developed countries include:

1. Deprivations in environment and home life.
2. Absence of adequate housing. This hinders mobility and free access to areas of opportunity.
3. Community attitudes restricting the hiring of workers who, it is feared, might settle in the community.
4. Resistance to hiring because of prejudice against a particular group by personnel managers, foremen, or employers.
5. Lack of education, or inadequate schooling, hindering opportunities for advancement.
6. Lack of apprenticeship and on-the-job training.
7. Poor quality in counselling services, subjecting minority

youth to misdirection or bewilderment.

8. Failure of trade schools to train or encourage minority youth to enter advantageous occupations.

9. Discriminatory practices by employment agencies.

10. Failure by members of minority groups to train or apply for jobs because of fear, ignorance, tradition, or an unwillingness to sacrifice a higher-paying current job for a longer-range opportunity.

11. Opposition by unions or co-workers because of long-established traditions, or direct discriminatory practices.

12. Absence of skills acquired in the original community, and inability to develop them after arrival in a new community.

13. Existence of unemployed among the majority group who get preference in hiring in some industries.

14. Temporary residence, which hinders establishing roots in the community and in its available opportunities.

15. Lack of leadership or contacts.

16. Language difficulties, barring individuals from jobs requiring a knowledge of the native language.

Stubborn customs prevent many minority groups from overcoming these obstacles. However, sometimes the minority rises above the barriers and makes important contributions to the country.

The minority problem remains tense in Asia. It reached tragic proportions after the India-Pakistan separation, which deprived both countries of skills, businessmen and capital. It also burdened each with a painful squatter and refugee problem.

The continuing flight of refugees from China to Hong Kong remains one of the major human challenges as well as major housing problems, although the remarkable development of Hong Kong business initiative would not have been possible without the refugees.

The destiny of minorities in the years to come is far from certain. In the period after World War Two and the evil deeds of Hitler, many constitutions were written to guarantee equal rights to minorities. But even though the language remains in the documents, the protections are not always granted.

There are indications both of improvement and of growing problems.

A major challenge to minority rights arises when private prejudice and discrimination become part of the public system of morals. The consequences of such a policy can be tragic. Several devices to exclude minorities occur in the more- and the less-developed worlds. These include abuse of the zoning power to exclude minorities from some neighborhoods, use of the expanded police power to torment the minority group, and use of the compulsory purchase power to force such groups from their settlements. Legislation to prevent minorities or aliens from buying land, and exclusion of minorities from publicly subsidized housing, are other discriminatory devices that restrict a group's full usefulness in the economic structure. The worst form of discrimination, however, is the worldwide tendency to restrict immigration.

A society advances further when the labor and talents of all of its people function to the fullest. The United States still has some distance to go before Negroes have achieved full political and economic equality. But it has accepted political and economic equality in principle and is steadily moving toward achieving it. No country benefits from having to pay the economic and social costs of discrimination and rejecting the dividends that might come from granting equal access to life's pursuits.

Corruption

Corruption has not yet been eliminated in developed areas. It should hardly be shocking when found in some less-developed areas. The traditions of good public service are less matured. Too often, civil servants must rely on other sources of income merely to maintain a decent standard of living. The few wealthy people, to whom a bribe would be of no real value, do not yet look upon public service as either a public obligation or a mark distinction. Others may see public service as the short route to riches.

Frequently, businessmen view bribes as essential oil to soothe officials when administrative delays and irritations seem endless. Where permits are required for building or importing, there is an open illegal market in some countries. The political party in power sometimes accepts contributions or uses public funds to promote its re-election. In nations where tribal custom is

still important, bribery is not easy to distinguish from gift.

Public works and housing programs, in particular, have always provided vast opportunities for corruption—through construction contracts, purchase of materials, loans to friends, and low-rent dwellings to those who vote in the desired manner.

It would be unfair to view corruption outside the difficult circumstances within which most of these countries are laboring. They face new types of political organizations in which the ethics or morals, of private business initiative and government service have not yet developed. Political and economic stability is still insecure. Many officials are basically honest and devoted to the public. Many have a sense of history, though some resort to questionable political devices to prolong their holding of office.

Sometimes, to win an election, a hopeful candidate may encourage failure to meet payments by tenants and borrowers in government-aided housing. However, one might ask whether the man already holding the office would not have done the same to assure his own re-election. If some have made worthless pledges to ease the housing shortage, it is only fair to say that the financial limitations of the country have promised nothing more.

The surprising fact is that many of the developing countries have actually increased their national productivity and income. This gives reason to hope that things may someday be better. Political corruption does not flourish in every country. India is one of a number of examples of nations where standards of honesty are probably higher than those in some parts of the United States.

In general, the big problems are the lack of experienced people, the suddenness with which the new countries have had to assume new and enormous duties, and the pressures to achieve objectives quickly.

CHAPTER VII

AID—EXPERTS AND AGENCIES

Between 1939 and the end of World War Two, the Western democracies did little to improve housing for the rest of the home-hungry world. In the destruction of the war, a large part of the housing of Europe was being ruined. When the war at last ended, public demands were so persistent that there was no disagreement about the prime role of housing and city planning in post-war political programs.

England was organized into planning districts. The right to develop land was virtually nationalized in England, and a series of new towns was planned to relieve the crowded cities. Between 1951 and 1954, 300,000 new houses were built every year.

In the United States, prior to 1933 housing was not a major political issue. However, it gradually gained popularity. In 1949, the goal of a decent home for every American family was written as an introduction to the principal housing legislation.

A pledge to improve man's social and economic well-being was included in the United Nations Charter of Human Rights. It was not surprising that in a post-war atmosphere, human rights and human welfare were joined with the objective of world peace.

The more-developed areas recognized housing and urban development as social and economic necessities in their own countries. But they gave little thought to the supremely important housing problems of the less-developed nations. Despite the contest between democracy and communism to win the support of the less-developed world, housing problems were given low priority in the more-developed nations' official aid programs as well as in those of the international aid agencies, and the United Nations.

When leaders of the less-developed nations were compelled by rising internal pressures to acknowledge their housing problems, there were few people available to help.

Foreign Aid and Foreign Experts—The United Nations

In the middle 1950's, there was some recognition of the world's

housing problems when the United Nations established an office for Housing, Building, and Planning in its Bureau of Social Affairs. Despite a low status and limited funds, the United Nations housing office has done very useful work. It encouraged experimental projects in a few countries. It published general studies on land use, housing, finance, and planning. It has advised governments and aided in the preparation of master plans for cities in Asia, the Near East and Latin America.

In more recent years, the United Nations has changed its emphasis from advice to training and education. It has helped establish the Middle East Technical University in Turkey and small specialized training schools in Ghana and Indonesia. It also helped establish planning instruction in India, Colombia, Venezuela and Peru.

The number of United Nations housing employees is small and their budget is very limited. But despite these limitations, it has aroused interest in housing. It has enabled less-developed nations to receive advice from an unprejudiced expert or group of experts interested in providing help, not in making a profit.

Many countries have become more concerned about housing problems and have urged broader United Nations action. After the Secretary-General in 1960 circulated a request for comments on a "long-range program of concerted international action," 21 governments generally agreed on the need for programs of one sort or another. Some called for exchanging research information and organizing more international meetings for specialists. Others emphasized the need for increasing the productive capacity of the building industries. Several countries cited the need for more education and training. Others sought better financing devices and long-range programs.

All of these suggestions were really no more than general concern about housing. There were no specific steps taken to fulfill them. Generalizations such as these are usually the main result of international conferences. They rarely mature into specific forms of aid. The annual meeting of national representatives, recommended in 1962 by the delegates of the 21 nations, promised to keep the housing issue before the United Nation's Economic and Social Council. But no funds have as yet been

forthcoming from the United Nations for actual building or financing of housing.

The World Bank and Its Supporting Offices

Among the more important agencies, or offices, that have either done something in housing and city development, or have the power to do so, are the International Bank for Reconstruction and Development (the World Bank) and its associated members.

The World Bank makes loans or guarantees of payment to its member countries. These are made primarily to assist investment of capital for productive purposes and to promote private foreign investment. Almost none of this money has been used for housing.

The thinking that would leave housing problems to fate and prayer comes partly from architectural philosophers who urge less-developed countries to avoid the errors of the developed nations and not build slums. The theory was that anything built would be permanent. Therefore, the best should be provided from the beginning.

The fact is that in the more-developed countries, cheap houses and even slums were built in the first stages of growth. Many of these houses were built by their owners. Thereafter, as productivity improved, the countries began to rehabilitate, or clear away the slums, and build better neighborhoods.

What are called slums may have to be built first, but they should be the kind of slums that can be improved when the families can afford it. A reasonable program may have to tolerate some crowding in the beginning. But if the land and public services are properly planned and the houses are properly located, later improvement is possible. Meanwhile, a planned building program could accomplish much. It could encourage the development of internal financing devices, skills, and a building and materials industry that can ultimately meet the great and inescapable need for shelter as well as for jobs and greater social and economic stability.

Other International Agencies and Aid

There is no single agency, national or international, which exists to work exclusively and directly with problems of world housing

or city land and planning. However, many agencies are indirectly involved with these problems. These include official, partly-official and unofficial international agencies. There are also international housing organizations, such as the International Federation for Housing and Town Planning, and various architectural associations, but their main concern is with collecting and distributing information.

The wide involvement with housing makes it almost a standard factor in the calculations of development. House construction is used as an indicator of economic activity and social conditions. It is included in measuring cost-of-living, political stability, employment and unemployment, and other social conditions. But this essential part of life gets more mention than it does attention.

The Need for International Experience

One result of the worldwide indifference to urban, or city, problems is the absence of an international group of experts. This also explains the general lack of skill in dealing with housing and urbanization—the planning of city growth. They are all part of a single problem.

Housing does not mean houses alone. It is part of a whole framework of public services, transportation, schools, recreation, finance, materials production, training, and all of the other essentials of urban life.

Seventeen years after World War Two there was not a single university course which included detailed instruction in the problems of international urbanization, housing, or international urban land economics. Such training was needed to develop a group of international experts who could visit and advise many different countries. It was also needed to develop qualified people within each country.

The field requires people who understand not only economics but also related areas—housing policy, urban land problems, administration, social problems, city planning, finance, law and legislation, transportation, architecture, building and building materials and public relations—plus a large gift of common sense.

The experts should be able to identify the most serious aspects of a program while also seeing a broader view. They should

be clever enough to stimulate progress with the limited tools that may be available in any specific country.

Too many of the experts advising less-developed nations today are specialists trained only in one single phase of the problem, or civil servants trained only in routine administration. Too often they see the solution only within the background of their own limited fields.

In 1968, economics still ruled the foreign aid program and caused limited housing programs in most regions of the developing world. Housing, city planning, urban land, and similar aspects of the urbanizing process continued to have a low priority except in Latin America. The United States was beginning to recognize the importance of these subjects and has made substantial loans for the establishment of savings and loan associations. It has also made extensive guarantees to American investors in housing. This has helped Latin American countries considerably. However, generally this was related to an immediate political interest. Good policies and programs still needed to be established, both within the United States and on an international level.

The logic of such an approach may finally be recognized. But the lack of knowledge, the failure to establish goals, the absence of research programs, and the shortage of experts could mean years of delay before a realistic start can be made.

CHAPTER VIII

ECONOMICS AND HOUSING

The initial flow of housing money from the United States into Latin America brought no major improvement to most people. But it was, at a minimum, an official acknowledgement of the importance of housing.

In other parts of the world, there was neither enough money for housing nor any serious effort to devise the essential means of production.

When popular pressure for housing became very strong in less-developed countries, some governments made promises that they could not fulfill. Other governments provided a few housing projects. In the absence of a policy, unnecessary imports of building materials for higher-income groups were draining precious foreign exchange. In other cases, unemployment that could have been reduced by a firm building program grew worse with the increase in urban migration. Meanwhile, squatters took land, adding to the general confusion and hopelessness.

The less-developed countries were now spending from 12 to 30 per cent of their gross fixed investment for housing construction. But this was not benefiting the people whose needs were the greatest. Housing conditions continued to become worse. In some cases, they were twice as bad as 10 years before.

With regard to international aid, the poorer nations had to be satisfied with advice or an experimental program here and there. Of the billions of dollars spent by international agencies for aid since the end of World War Two, little of this money went into housing or urbanization.

An important reason for the neglect of housing was that it was viewed as a lesser requirement by international aid economists and by economists within the countries themselves. Both groups had read the same texts, attended the same colleges, or learned the same theories. The old texts survived to influence teaching and policy even after some of the authors had modified their views. The cold calculations of "input-output ratios" had dominated

postwar thinking in development economics. Housing, it was thought, required a large input and yielded little output.

The Theory of Low-priority Housing

From the beginning of international aid programs, there were two groups of economists, both opposed to housing expenditure.

The first group advocated what may be called "the devil take housing" theory. This theory states that housing is a stable form of investment requiring a considerable expense to create it, but providing little return on the money per year. Housing stimulates no foreign exchange. It competes with industry and agriculture for capital. It draws off needed labor and materials. It may even dangerously extend the economy.

A poor country, it is said, cannot spend much on assets for future consumption. It should focus on more food production and on assets that advance productivity, such as factories, machines, better seed and livestock, railroads, highways, and electric power plants. Use of a country's limited resources for housing consumes the funds needed for productive development and for better nourishment, health and medical care.

For these reasons, according to this group's theory, housing deserves a low priority in both internal spending and in international aid.

This has been the view of most international policy-makers like those in the World Bank since post-war foreign aid began. It was also the stubbornly-held view of American policy-makers until the Alliance for Progress program.

Other economists, whose view may be called "the modified devil take housing" theory, think that there may be a justification for some, but not much, housing.

Advocates of this second theory cite the United States as an example. They said in the 1950's that it required seven dollars of investment to produce a one dollar increase in the value of additional housing services per year. By contrast, only \$1.80 of added investment was required in a steel factory to yield a one dollar increase in the value of steel produced per year.

One economist said that, if the United States ratios are typical, "investment in housing should be kept down close to the lower limits of requirements." According to this theory, some housing

is justified but only where "the objective is to encourage relatively small-scale enterprise in the essentially rural areas in India, rather than to put a heavier load on the large cities."

According to this theory, if housing is built, it should be confined to the "musts." These are defined as situations where factories are built in remote areas, where a long journey to work produces labor problems, or where houses will demonstrate "the rewards that may be obtained from greater, disciplined productive effort."

It is difficult to argue with the statement that a poor country should not spend "too much" on housing. Indeed it should not spend "too much" on anything. However, both theories assume a sharp distinction between economic change and social change. What actually happens is that economic development forces population redistribution. This causes radical changes in the basic pattern and structure of man-made environment. Economic and social changes are essential parts of one process, the process of development.

The remote factory or power plant, where new housing is obviously necessary, is only a small example of what is happening on a much larger scale in the cities.

Possibly the "no housing before factories" theory was influenced by two programs popular in the more-developed nations in the years immediately after World War Two. One was the "new towns" program. Its planners hoped that the new towns would realize human dreams and be forever free from slums. The second popular program was expensive slum clearance and public housing.

Economists thought that the new towns being built in England and the slum clearance which was in progress in the United States provided accurate costs of new housing anywhere in the world. They decided that new cities or new housing were so expensive that there would be no money remaining for factories. They failed to see that neither of these programs was suitable to the less-developed world.

Gradually, more economists are accepting the idea that social change is an essential part of economic change. Various agencies of the United Nations now recognize that balanced social and economic development is essential, and have adopted statements

expressing this idea. But few of the theorists state what the ideal balance would be, or even what might be the proper order of priorities.

The truth is that sometimes social change may occur before economic change. Sometimes they may occur at the same time. There are projects which are considered part of the social change, such as education and health, which provide little or no reward in foreign exchange, yield low returns, and require time before their real benefits can be counted. Yet these projects are important to the proper balance of development and to the economic activities that require them.

During the years, the "exceptions" for housing which are allowed by the economists are likely to multiply. This weakens their main argument. Also, the resources and capital that some economists want to devote to more vital uses often get used for housing anyway.

Often the pressures and needs for housing are so great that they cannot be ignored. This can result in more of the scarce resources being used for housing than would have been if there were a wise policy of resource use.

Sometimes an employer is forced to build housing for his executives or skilled workers as part of his industrial investment. Each special group—executives, government employees, teachers—demands housing and often gets it, while the poorer people suffer. The wealthier citizens build expensive houses of imported materials without regard to the effect on foreign exchange.

The poorer people who are more desperate in their housing needs cannot wait for the economists to agree on theory. They are taking land unlawfully and using whatever materials they can buy or find to build houses.

The Effects of Housing on Economic Development

General economic principles on productivity do not apply in all areas, all cases, and all times. A theory may apply to the United States but not to Ethiopia. It may apply to one type of housing program and not to another. In Israel, where the population doubled between 1949 and 1957, an enormous housing program did not halt economic progress. The housing program probably aided economic growth.

To establish a rule with a long list of exceptions is not realistic. It is better to recognize that a housing program is essential. Then a practical portion of the budget can be allotted to it. The houses can then be built on sites best for the economy and the society. They can be constructed by the least expensive methods for that country, using a minimum of imported materials.

It is not possible to get an exact measure of the impact of housing. But housing should be recognized as a necessity of life. To exclude its production under any general rule is no more sensible than to ban production of clothing or milk.

In the less-developed areas, the building of homes is "economic" because houses are often the small production centers for the tailor, dressmaker, or storekeeper. Housing is also important in stimulating employment. It stimulates other industries and adds to local purchasing power. Whether "social" or "economic," it may be a wise expenditure simply to try to provide for balanced growth.

Unemployment is one of the most serious problems in less-developed countries. It is particularly severe in cities with a large population of newcomers. When rural migrants come to the city, they are likely to look to the construction industry as one of their primary sources of jobs. A properly organized housing program, using a maximum of domestic materials, could be the principal means of employing people productively.

If excessive home construction might dangerously extend the economy, almost any other excessive program would also do the same. Every program, whether it be housing, roads or factories, must bear a reasonable relationship to total public expenditure. But housing production at least contributes something essentially good. At the same time, it provides employment and helps prevent rapid rent increase.

For the many countries that are experiencing depression, or falling prices and wages, and growth at the same time, a housing program can use money constructively that might otherwise be wasted on temporary relief measures.

In 1963, about half the unemployed workers in some of Ghana's cities were construction workers. Yet these cities had severe housing shortages which could have been relieved by putting these unemployed to work. The war-damaged countries

of Europe planned not only for housing but for new towns as part of their total program for recovery. The spending of huge amounts of money for rebuilding did not limit their remarkable industrial growth. Housing and recovery proceeded together.

A housing program can be important in developing savings and in releasing unproductive capital into the economy. People will save for housing even when they might not save for anything else.

Housing helps develop other industries, such as production of building materials. The construction and building industries produce not only dwellings but related services and utilities, shops, and community facilities. Construction workers also build factories, transport, and power plants. Since one-fourth to one-third of labor engaged in all manufacturing industries is employed in building industries, they influence many levels of manufacturing activity.

If the general business cycle declines while building activity is high, a depression, or lessening of business activity, is usually mild. But if both building and other activities decline at the same time, the depression is severe.

For every construction worker employed on a building site, at least one other job is provided elsewhere. Dwelling construction is the largest part of the construction industry. It is therefore accepted as an important device for stimulating employment during periods of economic depression. It serves a similar purpose during the early periods of a nation's development when there is considerable unemployment, particularly among new migrants.

Housing is also "economic" in the sense that industrial production will be hindered or stopped unless workers are sheltered.

The location of housing influences the location of industry as often as the placement of industry influences housing. The existence of an adequate housing supply often ties workers to their environment regardless of the efforts of governments and economists to bring them to a specific industrial site. The large differences in earnings between one section of a country and another often reflect the availability of better housing and community life in one place as compared to another.

Where housing is built—whether by private builders, government aid, or squatting—determines the location of a huge public investment in utilities and other facilities. Environment cannot be easily altered. Enormous amounts of money are required to rearrange an established pattern.

The movement of masses of people into a city, and their hasty construction of dwellings, may raise the cost of installing utilities later to excessive levels. Providing the housing and utilities from the beginning may therefore prove to be wise. This is particularly true if transportation routes are planned at the same time. Once slums and squatter huts are built, they cannot easily be torn down.

Sixty million people are being added to the world's population each year and large-scale urbanization is inevitable. There is no longer any alternative to the need for investment in housing. The need for housing is a fact of world life.

Most countries today have been forced into housing programs because of political, social or economic realities. These events have made debate meaningless. Following World War Two, in England, Sweden, Denmark and other countries of Europe where housing has been important in national programs, a political party could not expect to win votes without pledging itself to a housing program.

What is true of developed areas is also true in the poor countries. Squatting in less-developed countries exerts its own forms of political pressures and creates its own economic forces.

When Jamaica decided to spend 60 per cent of a United States grant to rehouse squatters, and made housing its top priority, there was still a need for more factories. But industrial progress and political steadiness would be threatened unless the housing problems were solved.

In Colombia, squatters caused so many social problems, political discontents and disturbances that industry in one city began to move away. The country had to begin a rush housing program to induce the rest of industry to remain there.

Once housing is accepted as an essential part of any development plan, a nation is in a good position to determine the most effective and most economically practical production. It can budget the amount of money it can afford for housing. A developing nation may need to encourage programs that will use the

smallest amount of materials, labor, or imports. It can also restrict the production of luxury housing.

The government may promote the growth of factories that produce materials from local raw materials. It can specify which local materials are to be used for its housing program, and therefore keep factories functioning that might otherwise close.

Government can attract savings by promising homes to savers. It can encourage mortgage lending from sources that do not compete with loans for industrial development.

The country can prepare a land distribution program that will confine squatters to proper areas instead of allowing squatters to create their own settlement patterns. It can plan housing where it is most needed and it can adjust housing to industrial settlement policy.

Housing production can be increased in areas of depression, and decreased where it is less essential.

A nation can demonstrate to its people that it is interested in their needs and thereby create the political and social steadiness required to make economic investment safe and useful.

BACKGROUND OF PUBLIC POLICIES

The Influence of Britain

In the post-war world, less-developed countries that had won independence were forced into industrialization as the only way to employ and feed their growing populations. The more they industrialized, the more serious their urban housing problems became. For solutions, they often turned to the devices used by their former colonial rulers, who were believed to have all the answers both to industrial growth and to the problems produced by it.

The main site of 19th century housing reform had been the greatest colonial power of all—England. England's civil servants had already carried some of their planning ideas to the colonies. Many books had been written on housing and new towns. Officials and reformers had talked about better cities at meetings around the world. As a consequence, some of England's planning laws and procedures for acquiring land had become models for her departing colonies. Even after their independence, England's example and influence continued.

In 1875, England had adopted minimum standards of building, drainage, and the circulation of air. The idea for this was not new. Restrictions on builders were common in ancient cities.

Restrictions are now widely used throughout the developed world. Recently they have been extended to preserve beauty and nature, limit population densities, and protect the interests of residents. Zoning is one of the accepted devices for specifying residential, commercial or manufacturing uses. Building regulation was originally designed for fire protection, structural safety, and sanitary conditions. Now it controls the strength of materials, the condition of waste disposal and electricity, elevators, heating, air circulation and other aspects of buildings. Other restrictive devices control the shape and size of building lots and influence land use, street patterns, play spaces, and utilities.

Restrictive devices are accepted almost everywhere. However, they have limitations when applied to housing. Every restriction

increases the cost of the dwelling. If they are too strict, restrictions may limit or stop building. Restrictions improve quality for those who can afford the higher standards, but inevitably such regulations, by raising building costs, limit the number of people who can afford the product. Restrictive legislation that may be successful in a developed country with an adequate public housing program might not be practical elsewhere, unless land and housing are provided for those who need it and at costs they can afford.

Housing Policy in Britain and the United States

When house building failed to keep pace with the demand for housing, England considered direct government aid to housing. This began in a small way early in the 20th century and expanded after World War One. Government subsidies, or financial assistance, to housing became very popular in England but was not one of Britain's colonial policies.

In England today, it is accepted that private enterprise will continue to build for those who can pay the price. Government would build for the others, providing mostly units for rent.

The policies of the United States have also had influence in the less-developed world. Part of this influence is a result of the American-sponsored Agency for International Development (AID) programs. Also, the United States has been viewed as the most technically advanced country on earth, which therefore had all the right answers.

The United States government did not become active in housing programs until the 1930's. Most government aid has taken the form of assistance to private builders and direct public building has been held to a minimum.

Slum Clearance in Britain and America

A powerful force for housing reform in both Britain and the United States has been the slum. No word in the language suggests more terrible images of the poor man's life. No word is more capable of rousing people to protest.

Reports and investigations of slums in 19th century England had shocked the British conscience. However, a "slum" was not easy to define. At first, British social planners used the word to

apply to any bad neighborhood inhabited by the lower and criminal classes. Later this definition was modified to refer only to houses rather than to both houses and people. Slums were denounced everywhere. Officials generally agreed that future slums should be prevented and that existing slums should be eliminated as soon as possible.

Slum Clearance in the Less-developed Areas

Industrialization attracts people to cities. The less-developed countries are now experiencing population increases similar to those which brought slum life to Europe and the United States during their industrializing periods. Even in the most advanced nations, house production has not succeeded in keeping pace with mass in-migrations. Slums persist. It is even more difficult for building to keep pace with housing needs in the less-advanced countries.

Slum clearance is a popular program in both England and the United States and it has begun to influence the developing countries as well. It was viewed as the final answer to the slum's problems, to squatting, and even to overcrowding. The way to end slums and all the problems which accompany them was to tear down the slums.

In 1954, in Accra, Ghana, British-trained planners and their local followers favored clearing several slum areas, despite an intense housing shortage. That year, a meeting of British and other foreign officials concerned with African problems was held at Cambridge University in England. There was almost complete agreement on the need to tear down slums without regard to housing need or shortage.

Pressure continued to clear the slums of Accra. In 1955, a United Nations mission on housing arrived in Ghana. After surveying the housing shortage and the effect slum clearance would have in increasing it, members of the United Nations mission recommended that slum clearance be postponed until there was a more adequate supply of housing. This recommendation shocked some of the British in Accra. However, it was adopted by the government.

Nigeria was not as fortunate as Ghana. Despite a severe housing shortage and other serious problems, the Nigerian government

in 1955 started an ambitious slum clearance program in the center of Lagos, the capital of the Nigerian Federation. It has been an expensive and frustrating experience, and by 1962 the government was seeking other solutions.

Slums and Growth

It may be that in the early years of industrialization, the slum is an inevitable product of urban development.

Poorer countries with fast-growing populations sometimes try to prevent slums by building high-quality housing. But such programs generally produce few houses and slums form in other places. The population pressures are too strong to be met by building a few costly projects while ignoring the slum problem as a whole. India tried to build expensive houses as a solution to the housing problem, and then had to change the program. There has been a similar lack of results in Manila and other parts of Asia.

It is not easy to meet the housing needs in rapidly growing urban areas. A successful program must recognize the social effects of interrupting family life by evicting people, so that clearance can proceed. It should consider the social benefits of rehousing evicted families in advance of eviction and of rehousing them in an environment that retains or restores many of the habits and customs which could be lost in the clearance. This is not accomplished by building a development far from the work centers and without the other advantages and opportunities of central city life.

Housing built with public money must provide a maximum number of houses at a minimum cost. These programs should widen the area of choice for the slum dweller and meet as much of the housing need as possible.

The worst aspects of slum life are overcrowding and excessive cost. Demolishing slums without replacing them increases overcrowding and increases shelter cost. It may also increase squatting and thereby quickly create slums that are more stubbornly enduring than those removed.

Overcrowding is less serious when there is easy access to the open air. It may also be necessary to allow the occupant to take in boarders at the beginning of a program. Although such sharing

of a dwelling has disadvantages, it makes it easier to pay the rent. A shared home is less of an evil than no home.

Slum clearance may be inevitable in some areas. But on a broad basis, it is generally justified only when a country can afford it economically. Even then, it should only be undertaken when there are vacancies in existing housing.

Slum clearance should be the second, not the first, phase of a housing program. Supplying enough housing for the people who need it should always be first. In some cases, both clearance and building of housing may be undertaken as part of a single program.

In Singapore, the Improvement Trust had for some time been clearing slums as well as building some housing. It soon realized the consequences of its slum clearance policy when those who were removed from the cleared slums became squatters.

It is important to learn that when the formation of slums is inevitable, they should be planned rather than condemned. If expensive "slum" housing is designed well and built on carefully selected sites, it can be improved or replaced easily when possible. This is particularly true of one-story buildings. If slums are unplanned, however, they may defy government correction forever.

Planning housing of minimum standard might be called "slum building." Such a program might shock and surprise some reformers. But it may be a necessary first step to provide the housing that is urgently needed now. People moving into the cities of the world cannot wait for dream houses eventually. They need some housing now.

CHAPTER X

PROPOSALS FOR SOLVING THE PROBLEM

Public Housing

In the more-developed nations, slum clearance and public housing are usually parts of a single program. Since slums are regarded as an evil, their elimination was declared a blessing. The theory was that a housing program could not be valid without demolishing slums. As the slums were destroyed, new housing would be built on the slum sites or in other places. The government would subsidize, or assist financially, the cost of this new housing. Families forced to leave their homes by slum clearance operations would move into the new units.

Actually, however, building public housing is an independent operation. It is not necessarily part of slum clearance. Slums cannot be cleared without providing alternative housing for the people living in them. But public housing can be built on vacant land without clearing slums at the same time. Also, public housing is not the only satisfactory program for slum dwellers. Not all who are evicted want to become tenants of the government. Some families may not be allowed to have public housing because their incomes are too high or their families too large or too small. Others may decide that the location of the public housing available to them is inconvenient to their places of work. Some slum dwellers may prefer living in houses which they own. Others may prefer to live in older buildings near their friends and their old neighborhoods.

Slum clearance does not always mean destruction of the slum. People can move out of slums if there is enough alternative housing. Even worse than slums is a housing shortage that provides no shelter, good or bad. Tearing down slums without providing alternative housing for the people who live in them increases the housing problem. It results in the remaining slums becoming even more crowded.

There is a wrong way and a right way to clear slums. The wrong way is to clear slums without providing enough housing for the families who are forced to move. The right way is to

build enough housing for the slum dwellers first.

Ireland's housing program is an example of the right way to accomplish slum clearance. Between 1948 and 1956, almost 16,000 dwelling units were built for low-income families. Most of this building was on vacant land just outside the largest city, Dublin. By 1963 it was possible to clear the older sections in the central city. These areas have now been developed as offices, high-cost homes, and commercial properties. Small, privately-owned pieces of land have been assembled and re-planned for private and public re-development.

Public housing programs in the more-developed nations are not always appropriate for the less-developed areas. Many public housing plans were first tried in Great Britain, where the poorer people usually rent their homes. The United States adopted Britain's policy and built all its financially-assisted housing for rental. However, by contributing to, or subsidizing, the interest on a mortgage the government can make it possible for poorer families to purchase their homes instead of only renting.

Except where there is a land shortage, poorer families in developing areas should have a choice of either ownership or rental.

There are income limits in public housing in the United States. If a family living in public housing improves its income, it must move. This rule makes it difficult to establish any permanence for the family and encourages tenants not to tell the truth. It also places a penalty on ambition.

Ireland's policy is more practical. It establishes an un-subsidized, or standard, rent for each unit. Each tenant then has a choice. He can reveal his income and pay an amount of rent which is based on his ability to pay. Or, he can choose not to reveal his income and pay the higher standard rent.

Under this program, people can live in public housing even if their income improves. This gives them more freedom. It stimulates tenants to keep their buildings in better condition. It avoids dividing families according to their economic condition. In most of the developing areas, continued occupancy can be permitted without any requirement for revealing incomes.

When the tenant of an apartment or house rents part of it to someone else, this is called subletting. In most of the highly-developed nations, subletting is not allowed in public housing.

But in the less-developed nations, subletting part of the dwelling, may be logical. It may be the only way for many people to pay housing costs. As both the incomes of families and the supply of housing increase, crowding more than one family into an apartment will decrease.

It is not possible to recommend one public housing policy for all the less-developed countries. Conditions, costs and customs vary. Each country's housing problem must be studied and solved separately.

Urban Renewal

"Urban renewal" refers to programs for the rebuilding of large slum areas in the central parts of cities. Such programs were developed in the United States in 1949. With the growth of the world's cities, the urban renewal idea gained popularity in Europe. Recently, it has been of interest to the less-developed nations also.

Under the urban renewal program, the government acquires large areas of land. The government replans the area and uses some of it for such public uses as schools or roads. The remaining land is sold or leased to private developers. The private developer either rebuilds or restores the area to a good condition.

When this program began in the United States, its main purpose was slum clearance. Recently, however, the rebuilding of decaying central areas of cities has been considered most important. The demand for centrally located land has been increased by the need for wider roads, parking, apartment houses, offices, shops, and industries. Land which is developed as a unit by an urban renewal program will have the best use made of each section.

Urban renewal is not a new concept. Paris was rebuilt in the 19th century. Glasgow and Birmingham a century ago also bought substantial slum acreage in the cities' slum centers. The areas were replanned with new roads. The remaining land was sold for private re-development.

Evicting people from slums today is much more difficult than it was in the 19th century. At that time, slum dwellers were considered human surplus. Today the public duty is not only to evict but to rehouse them. If there is not enough housing avail-

able to rehouse families being evicted from slum areas, the urban renewal program becomes unpopular.

Some countries have adopted generous rehousing programs. Because their new housing is often more expensive than what families paid in their old slums, the Netherlands not only rehouses former slum occupants but also gives them subsidies, or money, for a period of five years, with a smaller amount each year. In the United States, occupants must be assured of alternative housing, in public housing or some other place. However, the rehousing is not always adequate, and opposition to urban renewal has increased.

The problems facing developing areas are more serious. Population in the cities is growing faster. The building industries are more limited. There is a shortage of private investors in building, financing, and transport. Yet some developing nations which have housing programs are considering urban renewal programs for more rational development of their city centers.

In 1963, Singapore asked the United Nations for advice and help in establishing an urban renewal program. Because it was one of the first to do so, its experience is important to other developing countries.

More than a million of Singapore's 1,730,000 people live in the Singapore City area. Singapore has been producing more than 12,000 public housing units each year. Yet it has a large squatter population and a severe shortage of housing and of office space. Since 1921, the island's population has doubled every 20 years. In the central city area, people crowd into tiny rooms.

Singapore first tried to solve some of the central city problems by imposing rent control and prohibiting evictions. This gave existing tenants control of very valuable property, but did not allow for the development of new housing or new office space.

Urban renewal appeared to be the way to solve the problems. Under an urban renewal program, Singapore's Housing and Development Board could acquire large areas of land. It could replan the area and improve traffic. Then it would re-sell the remaining land for badly needed office, commercial, and residential buildings. These would be constructed according to the new plan.

Rent control often discourages new private building. In

Singapore it had also reduced the values of many of the existing buildings. The Board could acquire this land cheaply and re-sell the cleared land for more appropriate uses, often at a profit. Singapore's extensive public housing program would provide new homes for the homeless occupants and stores for some of the evicted storekeepers.

Taxes on the new buildings would be higher than on the slums they replaced. With an urban renewal program, the government would also be accomplishing a much-needed public service. It seemed like an excellent program, until the problems were identified.

The 12,000 public housing units that Singapore built each year made it possible to provide a tenant with a new dwelling unit. However, most of the slum dwellers preferred to stay where they were. Most of the housing projects were too far from work. For urban renewal to succeed, more housing projects would have to be built near the center of the city, or in neighborhoods that also contained industry and shopping areas.

Another problem is finding private builders willing to buy and re-develop the sites. It is particularly difficult to find developers to build housing for moderate income families. These are the families whose income is too high for public housing, but who find most private housing more expensive than they can afford.

One reason why private developers hesitate to build in urban renewal areas is that taxes on the builder's total rent are very high. The United Nations mission recommended that these taxes be reduced to make the building of rental housing more attractive to private re-developers.

Another problem in Singapore involved the Chinatown area near the business section. This area has some of the worst slums seen anywhere. They are overcrowded, airless and lack privacy. But once outside the house, the Chinatown section has many attractions. It is centrally located and offers many jobs. It contains attractive restaurants, shops and temples. Life in the streets is colorful and interesting. No replacement could capture the area's attractiveness and interest for both residents and tourists. But the buildings are overcrowded and very much need repair.

A reasonable urban renewal program would identify and reinforce Chinatown's existing values rather than destroy them.

The United Nations mission recommended that many of the buildings in Chinatown should be repaired and modernized to make them safer and more liveable. Those which are unsafe or in such poor condition that they cannot be repaired should be destroyed. They should be replaced with small buildings which retain the style and spirit of the neighborhood. To ease the overcrowding, additional public housing should be built on nearby government-owned land.

The experiences of the United States, Europe and some less-developed areas have shown that urban renewal can be an important tool in the planning process. It should not be used only, or even mainly, for the clearance of slums. It should be used as a tool to make central city sections serve their most useful functions in national development. Urban renewal can be used to improve traffic; provide more areas for parking cars and trucks; make public improvements such as parks, schools, libraries, and streets and build new houses, offices, and factories. Urban renewal makes it possible to assemble many small pieces of land into one sizeable area which can be re-designed effectively to meet the city's problems. It provides a politically acceptable device for selective release of property from the limitations of use and reuse which often accompany rent control.

Urban renewal, however, involves a forceful use of government power. This is an important and valuable power, but one which must be used very carefully. It should be one tool, but not the only one, in the planning process. It should not be used only as a device for increasing tax revenues. It should not be used to profit from land operations. It should not be used as an excuse to evict "undesirable" people from their shelters.

In most instances, urban renewal should be started only when the housing shortage has eased, or when, as in Singapore, it is combined with a vast rehousing program. People being evicted should not only be offered other housing, they should also be given money for the cost of moving and other expenses. A storekeeper or a businessman forced to move because of urban renewal or slum clearance should be paid more than these expenses. It will take some time before he can establish good relations with customers in a new neighborhood. He may be so distant from his old customers that he must begin anew to

build his business. This involves considerable loss, and the government office which evicted him should give him a payment of money to compensate for this loss.

Most important, urban renewal should not be started until it is evident that the benefits to the community as a whole justify the inconvenience and the disturbing of their way of life to the people who must be moved. It should be started only after it has received wide public acceptance.

New Towns

Another idea that has impressed the less-developed nations is New Towns. This program became popular in the more-developed nations as a way of achieving a better life. It has been offered as a remedy for the problems of the over-populated cities of the developing world.

Areas experiencing rapid population growth often develop in one of the following ways: People and industry accommodate themselves within the existing cities, move from the central cities into the nearby suburban areas, or move to new self-contained cities elsewhere. In Asia and the Far East there seemed to be no alternative to enlarging already existing areas in preference to creating new units. But as the existing factories and businesses in the big and more established cities expanded and hired more workers, the cities grew. The housing shortage became worse. Community facilities such as water, schools, and roads became overloaded.

When it appeared that the limits of space, efficiency, and human endurance were being reached, some means had to be found to distribute industry and population over a wider area. Interest increased in an idea which was adopted in England during the 19th century—the development of New Towns.

An English writer 100 years ago said that the “crowded cities have done their work.” He suggested that “better results can be obtained by starting on a bold new plan” on open land away from the central cities, rather than by “attempting to adapt our old cities to our newer and higher needs.”

As they were first proposed, the New Towns were to be garden cities of about 30,000 people. They would be self-contained social and economic units. Each town would be built

on about 6,000 acres. Each would contain homes, industries, and community buildings. There would also be green areas or park land on the borders of the towns called "greenbelts."

In the early part of the 20th century, New Towns of various kinds were built in England, Holland and Germany. New Towns for steel and railroad workers developed in India. At the end of World War Two, planning for New Towns began in Greece, France, the Philippines, and South America. Today they are being planned or have been developed as national policy in Israel, Singapore and Malaya, Ceylon, Venezuela, Norway, Puerto Rico, the Netherlands, Ireland, the Soviet Union, Poland, Hungary and Yugoslavia.

In many countries, increased population has made it essential to build New Towns. Improved communications have made it possible.

The decision of an industry to locate on a vacant site often attracts another factory nearby. Workers begin to build homes near their jobs. Tradesmen and shopkeepers soon arrive to be near the growing population. The settlements soon begin to spread. The result is an unplanned New Town.

Planned New Towns should be part of the growth process. However, once again the experience of Europe and England is not always appropriate for other parts of the world. Population growth in the less-developed nations is occurring at a much more rapid rate than in Europe. New Towns planned for 30,000 people have rapidly been crowded with squatters and new migrants. In addition, limited-population New Towns were too expensive for many developing countries. Also, they failed to offer the varied opportunities and attractions of the larger cities.

In a world where freedom of movement exists, no planned city can sustain its assigned population or its plan while cities are experiencing a mass increase of population. If New Towns are to accommodate the increasing populations of the less-developed areas, they may have to be built for 10 to 20 times the number of people that were considered the ideal number in England.

An existing city can reach the limits of its utility. Mountains or water may prevent its expansion. It may be over-populated with both people and traffic, making the cost of moving goods through the city uneconomic. In these cases, a country may have

no choice other than to build New Towns.

The successful development of New Towns is related to job opportunity. In most countries, even when there is a shortage of housing elsewhere, a new self-contained town will not keep workers if there is no prospect of jobs, trade, or progress.

By 1963, Israel had built 21 New Towns. It had problems keeping population in four of these because the few factories in the areas were not able to work at full employment. The industries and social life also lacked variety. Even in some of the other towns, people began to move to bigger cities, where the job choices and chances for advancement were better.

The central city provides the greatest variety of choices and interests. The suburb, or satellite community, has the advantage of closeness to the central city. It is possible that in many countries, the idea of self-contained New Towns will prove less popular than a program of suburban, or satellite, growth. The availability of land at cheaper prices than in the city has encouraged many industries to move to the suburbs. A worker living in the suburb can work either in the main city or in the satellite. As in the case of a New Town the satellite should be planned to accommodate industry, housing and recreation.

If a New Town is built on land that is distant from a large city, it should be sufficiently varied in its industries, opportunities, and activities to be interesting to its inhabitants and offer them a variety of employment opportunities.

If industries in a New Town are large and important, such as a big steel factory, related industries should be encouraged to settle there also. This provides workers with a wider choice of jobs and the opportunity to move from one job to another. Government policy of inducements and regulation can mean the difference between the success or failure of such new communities.

Dispersal of Industry

Many planners have suggested moving industry out of the cities as a way to combat overcrowding in the cities. If industries could be placed near where people worked at farming, it was believed, this would discourage them from moving to the city and help maintain them in their established rural environment. It would

reduce unemployment as well as the cost of new transportation and public facilities.

Few could disagree with the need for a policy of industrial decentralization. Industry should certainly be encouraged where the smallest number of houses need to be built. But, as in the case of New Towns, desired effects do not always result from policies. A nation's desire that industry settle where it is good for the nation is not always what the industrialist thinks is good for his business.

In the less-developed areas, where there is a shortage of investment capital and it needs to be encouraged, the wishes of the investor are likely to be more important than those of the planning officials.

The city has many assets that cannot actually be seen that attract the businessman. These encourage him to settle either in the big city or near it. They include:

1. *Business Contacts in the Big City.* The big city has the banks, the universities and the better newspapers. It is where business leaders meet each other; where the distributors and buyers are located; where foreign businessmen are most likely to visit; where the best professional and skilled workers are available; where there are service industries; where investments in businesses are bought and sold; where air and rail service are best. The big city also supplies a ready-made consumer market for goods.

2. *Contacts with Government.* Government today regulates business. It makes loans or subsidies, and grants export and import licenses. It influences the national economy through currency, tariff, and other controls that can make the difference between profit and loss. The big city is the place to see consuls, embassies, tax officials, and other men of influence. Government delays in the modern world can frustrate any business activity. But personal contact in the big city keeps the businessman informed of government policy.

3. *The Logic of the Big City as a Residence for the Executive's Family.* The business executive's wife has become an important factor in his choice of residence. Despite its inconveniences, the big city offers good schools, department stores, doctors, dentists, safer water, theaters, restaurants, clubs and beauty shops. People

have more privacy and more social opportunity. If the big city seems too inconvenient, the executive's family can live in the suburb, but the city must not be too far away.

If the big city must inevitably grow bigger, what will happen when a city like Calcutta, India, soon reaches 12 to 16 million inhabitants? Or possibly 50 million by the year 2000? In 1963, India had 106 cities with populations of 100,000 or more. Many of these cities will experience population and industrial growth in the years ahead. But enlarging existing cities and suburban areas offers less risk than building isolated New Towns.

The task is great. But there is no shortage of land or materials. The main shortage is one of ideas, policies and the ability and the will to recognize the problem and to help those who do not yet know how to help themselves.

THE PROBLEM OF FINANCE

Absence of a mortgage financing system is an important characteristic of under-development. A mortgage system is accepted as essential almost everywhere.

In countries with high individual earnings, a middle-class family must have twice its annual total income to buy a modest house. But by the time its chief wage earner can save that much, he will probably be dead.

Urbanization has been accompanied by rising costs of homes, a shortage of capital for the purchase of homes, and a wide difference between income and shelter cost. The only way a family can buy a home is to assume a debt.

In Europe and America, the person holding the mortgage is no longer a villain. The mortgage lender is usually a respectable bank or insurance company. This is not always so in other parts of the world.

In low income countries, private lenders charge interest rates ranging from 20 per cent to 100 per cent. Much of what a worker earns often goes to the lender. Even in the developed countries, interest and other payments on a 6 per cent mortgage amount to more than 50 per cent of monthly charges in paying back the amount of the mortgage. The interest rates charged in less-developed areas make home buying for the average worker little more than a dream.

A good house should last at least a lifetime. In the more-developed nations where a mortgage system exists, the house is built first and paid for in installments out of earnings. But where there is no financing system, families have no alternative but to rent (if they can), build a cheap temporary house, crowd into small spaces, become squatters, or sleep in streets. Absence of a mortgage system can lead to the slowing of the construction industries, increased unemployment and social discontent.

Less-developed nations have tried to establish various mechanisms to finance home building. Most of these are crude and ineffective. When a credit pool is credited from tax revenues

only, the resources are so small that only a few houses can be built. Financial uncertainty, lack of purchasing power among the citizens, fear of inflation, a dangerously extended economy, and higher yields available on other investments, are all factors that have limited the growth of home financing.

Developing Capital for Housing

There is no uniformity in the financing needs of developing nations. Most developing nations do not have the capital to finance housing projects. However, a few countries can raise funds privately in the international market. Others can get private loans if payment is guaranteed by the government. In exceptional cases, like Puerto Rico, bonds are sold in the United States for a variety of needs. Many developing nations can pay periodic housing subsidies out of taxes. Their first problem is getting the initial capital for development.

Spending tax money for housing means less money for industrial growth and other vital needs. Because of this, housing must often be built at the lowest possible cost. In such cases also, local materials should be used for building. Sometimes unemployed or partly employed workers can build their own dwellings.

How can money be accumulated for a housing program without harming other aspects of development? The following are general answers:

1. Capital expenditures for housing or new towns, and subsidies for lower-income families, should be considered as two distinct items and budgeted separately. Subsidies should be paid out of annual revenues. Money which the government lends to individuals or groups to build houses should be paid back with interest. In that way it can become a revolving fund and be used again and again for the production of more housing.

2. Money loaned for housing and to industry should come from different sources so that they do not compete with each other. This already happens in most developed nations. Commercial banks lend most of their money to industry. Institutions such as savings and loan societies lend mortgage money, but do not make business loans.

3. Many people have savings which they do not want to

put into commercial banks or business investment. These people should be encouraged to deposit their savings in savings institutions that make loans for housing.

4. A number of countries have money in their local currency which is owed to the United States for purchase of farm products. These are called counterpart funds. Not all countries realize that some of these funds can be used for housing. Some of these funds should be invested in low-cost housing projects, mortgage institutions, production of housing materials, and other activities which will stimulate housing construction.

5. Some countries may not be aware of foreign capital available to them. For example, countries within the British zone of influence could borrow money from British or Canadian life insurance companies.

6. Industry can borrow money from the government to provide housing for its workers. Proper government policy can often influence a company's decision to invest in housing.

7. Government guarantees should be given to savings deposits in institutions with mortgage investments. This would encourage more deposits. Seldom would the government be required to make any payment on its guarantee, if properly administered.

8. Insurance companies should be encouraged to invest more money in housing.

9. International sources of money for housing should be developed. Some of this money goes into housing anyway, and disappears into a few expensive projects. Loans should be made to help increase savings and to help build houses for poor families.

The Financing of Company Housing

Financing and building of housing have often been done by employers, particularly in areas distant from established cities. In the United States, company housing built by employers has often been ugly and inadequate. With the increase in government housing programs, the need for company housing has declined.

Company housing is frequently found in the less-developed areas. Such housing has been built in the Far East, the Middle

East, South America, Canada and other areas. In Japan, workers eagerly await the opportunity to move into houses built by their employers. About 700,000 dwellings were financed by Japanese employers between 1945 and 1951. In India, major industries like the Bata Shoe Company build housing for their workers.

The practices of companies vary. Some prefer to pay a fixed housing allowance to the worker, who then finds his own housing. Ninety per cent of the workers in Venezuela's new steel town of Ciudad Guayana take this payment rather than live in company housing. A steel company first provided rental housing near the factory. The tenants regarded maintenance as the company's obligation and neglected the grounds. The result was a dreary cluster of buildings lacking the qualities of a neighborhood.

In Aruba in the Netherlands West Indies, an organization was established to help finance construction of homes. The homes were then sold to workers for a small first payment and a mortgage with interest at about $4\frac{1}{2}$ per cent. The loans were made by private banks and were guaranteed by the organization.

Most of the objections to company housing can be eliminated if the dwellings are sold to the workers. When the house is their own, people usually maintain and improve it.

Government Guarantees

Banks and other institutions can be encouraged to make more mortgage loans if the government will guarantee them against loss. Such government programs are now quite common, and have made financing easier in a number of countries.

This system has helped owners buy homes with small first payments. It has increased home ownership. However, some people question the wisdom of this method. Many mortgages in the United States are made without benefit of government guarantees by builders who dislike restrictions and the amount of time and paper work involved in dealing with government agencies. Some mortgage loans actually cost less than those with the government guarantee.

Government guarantees are not workable everywhere. Where interest rates are very high or there is a threat of inflation, a government guarantee is not enough to encourage investment. However, government guarantees are very effective for encourag-

ing the putting of new money into housing investment from such sources as pension funds, savings institutions, and insurance companies. Should a device for international lending be established, the government's guarantee to the international lending agency may also be necessary.

Social Security Funds

Social security and pension funds are a form of forced savings used in a number of less-developed countries to finance housing. Housing can be an excellent investment for pension funds. However, these funds should not be used for social or governmental purposes that are too risky and should more properly be financed by tax revenues. It is important, therefore, that the administration of the funds be independent.

The Development of Savings

It is important that savings or other idle money be invested in housing. This is the only real way to establish reasonable and workable mortgage systems. But systems of savings which can then be used for mortgage investment are not usual in less-developed nations.

The low income level in poorer countries naturally limits savings. But some people have enough earnings or profits for comfortable living, with a little money remaining that could be put in a savings bank. Others have savings inherited from parents or received as a dowry at the time of marriage. Greater effort must be made to encourage these people to deposit their savings in a bank.

When income increases, the average family often copies the spending patterns of Western nations instead of copying their habits of saving.

In Western countries, even families of modest income often save some money. They deposit their money in a savings account where it earns a moderate rate of interest. In the United States, savings banks are paying about five per cent a year. Out of its reserves, the banks make loans. Savings banks are heavy investors in mortgage loans, which are often made for a long period of years at an interest rate of about 7½ per cent.

In the developing nations, families which could save a little money frequently spend it all on a new television set or buy

things they don't need because it is sold to them on the installment plan. Those with free money sometimes lend it for short-term high-interest loans to installment businesses which then re-lend to farmers, consumers, or traders. The charges on these loans are usually between 17 and 30 per cent.

Other families with savings fear inflation. They buy products, such as jewelry, which they feel will be valuable even during a period of inflation.

Many developing areas have no savings and loan associations. Whatever savings are deposited in commercial banks are loaned to business rather than used for mortgage loans. Even these loans are made at very high rates. In Bolivia, for example, normal bank loans in 1960 cost 21 per cent. When such profits can be made on commercial loans, it is very difficult to get money for housing.

An opportunity exists to attract savings from many people which can be used to establish a mortgage system. The main difficulty to be solved is changing the habits and traditions of the past.

The Growth of Savings and Loan Associations

One of the largest sources for mortgage funds in developed areas has been the savings and loan association or the building and loan society.

These associations began in 18th-century England. Some of them were formed to build a specific number of houses, and when this task was complete, the association was ended. The associations today are quite different. The shareholder is more like a depositor. The borrower views the association as an impersonal mortgage lender.

These associations are an established part of the economy in the United States and Britain. In the United States, they are licensed by the individual states or by the central government. They usually receive loans and insurance of their deposits from the government of the United States.

Similar associations are found in New Zealand, Ireland, New South Wales, Canada, South Africa, and Central and South America.

If building and loan associations are to be successful in less-developed areas, a number of problems must be solved. One problem is lack of practical knowledge in how to establish and

operate the associations. Another, common to associations everywhere, relates to the availability of cash. When the money demands exceed the money resources at that time, payment is postponed. This is likely to discourage people from investing in savings and loan associations. A government-supported program to assure a government loan, if necessary, would help.

Another problem is the attitude of government officials themselves. Some government officials consider mortgage loans inflationary. This strengthens the reluctance of commercial banks to help the associations with credit.

American dollar loans to the associations in Latin American nations have been helpful. American aid has helped establish many such associations. However, the most important need in many countries is for their own governments to support the associations.

A greater emphasis in American and international policy on expanding savings and loan associations elsewhere would help to attract savings and to increase mortgage lending. It would also help to increase construction activity. As discussed in an earlier chapter the benefits of American housing aid at low interest rates, including loans to the associations, have gone mostly to upper-income groups in these countries. In one country, a loan made by the United States was re-lent at as much as six times the cost of the borrowed money. Lower income families can receive little or no benefit from this form of American aid.

Savings and loan associations can be established as non-profit associations or as corporations operating for a profit. In many countries, the laws permit only non-profit corporations. However, it is wisest to permit both forms.

Non-profit associations are good when they are operated by dependable people. However, there are sometimes difficulties caused by insufficient capital, absence of motive, the indifference of the directors, unfair profits on land, lawyers' fees or other expenses charged by supposedly non-profit managers. Corporations should be established with adequate investment capital so that profits are the reward of the investors. Associations operated for a profit sometimes have the same difficulties as the non-profit associations. However, the stockholder-investors have a direct financial interest in checking to be sure that the association is

operated properly. The stockholder-investor wants to be sure that the association makes careful loans, keeps management costs as low as possible, and uses some of the profits to expand and improve the business.

A rigid law that permits only non-profit associations limits the number of such associations. It is likely to discourage the very investment of money and expert financial knowledge that the country desperately needs.

Attracting Savings

Savings banks provide two main advantages. These are: 1) A safe place to keep money, and 2) interest earned on the money while it is in the bank. These two attractions were sufficient to encourage savings in most developed countries. However, custom and tradition in many less-developed nations do not include savings. Additional methods must be found to encourage people to put their money in savings banks.

One device which might be used to encourage savings is the lottery. A lottery is a game of chance supported by a government or organization to raise money, usually for some worthy purpose. If every deposit of money in the bank were accompanied by an opportunity to win a home, the idea of saving money in a bank might seem more attractive.

Many governments permit lotteries today. The money raised by a lottery is often used to build hospitals, or for other useful purposes. Other groups, such as churches, also use lotteries to raise money.

The main objection to lotteries is that it might encourage people to rely on luck rather than on work. However, if lotteries are combined with savings, the benefit of savings is retained. Thrift is encouraged.

Many people do not deposit their money in banks because they fear inflation. However, it is possible to take precautions so that even if inflation occurs, it will not lessen the value of the money deposited in banks. The value of savings can be linked to the cost-of-living level, or to particular commodities such as cement. Thus, the value of savings rises in proportion to prices. Such programs have been used in Chile and Scandinavia.

In Israel, a "Saving for Housing" project, begun in 1955,

~~encourages people to save for an apartment.~~ The price they will have to pay for the apartment is related to building costs in the year they first began to make deposits in a savings account to pay for the apartment.

Other reasons for resistance to savings include the fear that the government may discover that a person with a bank account has avoided paying enough taxes. This is an exaggerated fear for small savers. But it has discouraged savings.

Sometimes people avoid savings banks because of unnecessary difficulties placed upon them when they wish to withdraw their money from the bank. The Nigerian Postal Savings System, for example, allows only small withdrawals at any one time. Getting money out of the bank may take as long as a week because of the need for identification and other complicated regulations.

There is no reason why more banks and savings and loan associations do not advertise their services. In the United States, these institutions advertise in newspapers and on radio and television. They also give clocks, blankets and other prizes to people making their first deposit. Barclay's Bank in Singapore gives every saver an accident insurance policy equal to the amount of the deposit. Advertising can be used to encourage savings. There is no reason to leave this area exclusively to the installment salesmen, whose clever techniques for attracting idle money have proved magnetic.

Mortgage Sources in Less-developed Areas

There are a variety of mortgage sources in less-developed areas. However, these are not always used effectively.

The fact that a government mortgage fund exists does not always mean that it functions.

In Pakistan the government-financed Home Building Finance Corporation in 1957 made loans of up to 80 per cent of the estimated value of a house. Interest charges were 5 per cent for individuals and 4 per cent for cooperative housebuilding societies. Anyone applying for a loan was required to show proof of adequate income, an approved plan for the house, an architect's estimate of the cost, and proof of ownership of the land.

The idea of this program was good. But between 1952 and 1957, less than 1,000 loans were made. There were no loans to

cooperative building societies. One reason for this was, that the government requirements were complicated and took a very long time. Also, the repayment period was too short and payments were too large for many families.

Ghana had similar difficulties with a mortgage lending program. A statement in the United Nations report on Ghana written in 1954 still relates to many countries today. The report said that . . . the mere passage of a law does not mean it will be successful; a loan program must be so drawn as to reach the greatest pool of possible borrowers; experienced personnel is absolutely necessary; restrictions might express the desire for safety but at the same time be too impractical to allow the program to function; the whole business of mortgage lending is a highly technical operation which requires the best skills available in the business; the experience of one country in financing cannot be blindly copied by another and made effective.

Housing financing is a difficult subject. In the less-developed world, even the most fundamental principles are not yet understood. Full understanding of housing financing will require many years. The continued help of experts in this field is a necessity.

International aid must be continued. However, most of the money to build housing must be found within the borders of each country. Savings, which must be the source of internal loans, must be expanded. This can be achieved by adding to the inducements of interest and safekeeping, the opportunity to get a mortgage loan. The development of such savings is a task to which the World Bank and other international agencies have given little attention.

The development of savings for housing need not interfere with the development of savings for industrial expansion. With some government aid or insurance, a savings system can often be used to finance low-cost housing, in addition to financing other housing.

Some general theories are important in financing. However, theories must be adapted in each country to its own history, traditions and problems. Technical advice is needed in less-developed areas. So are new ideas which can result in the production and financing of more housing.

CHAPTER XII

HOUSING PROGRAMS FOR LESS-DEVELOPED AREAS

For most of the world's people, there have been no major changes in house building since ancient man produced his first stone ax. His lake dwelling was 750 square feet in area, with a fireplace, porch, peaked roof, and walls plastered with clay. It was built by the owner and was in many ways superior to most houses of contemporary urban man.

Even today, there are caves in Pakistan that provide better shelter than most squatters' huts. The caves are protected against weather and lead to open fields, in contrast to the dreary city tenements and back-to-back slum shacks.

In cities of Latin America or Africa, and in other rural areas, man still makes bricks from mud in the same manner that ancient man did 7,000 years ago. The mud is compressed by foot in the same kind of wooden mold, dried in the same sun, and put together by hand to form the same type of shelter.

Housebuilding and shelter standards have not changed very much since the start of civilization. In most of the world's rural areas, man still builds his own home with his own hands. However, the industrializing city has complicated man's efforts to obtain shelter.

In the cities of poorer countries, disposal of wastes becomes a serious health problem. The simple patterns of life in the village or field are all altered. There is often a long journey to and from the job. Land and shelter must be purchased in the marketplace. As urbanization increases, a new form of social organization is needed if man is to survive and function. Government action is needed to solve the problems of health, sanitation, overcrowding and squatting. Also needed is the knowledge, much of which has not yet even been formulated, of specially trained people.

Factory-built Houses

When governments in less-developed areas were unable to meet the problem of building the millions of new houses needed, it is

not surprising that they thought that the technology of more advanced nations could provide the answer. The age of mass production that had produced the television and airplane would, it seemed, certainly have the answer to shelter problems. It was considered impossible that housing would be the one exception.

Immediately after World War Two, there was a severe housing shortage in the United States. Many new methods of home building were tried to ease this shortage.

The traditional way to build a house is to bring all the materials to the site and then construct walls, roof and interiors on the site. One of the experiments after the war was designed to create houses faster and cheaper. It involved building walls, roofs, and sometimes an entire living unit, in the factory. Then the finished product would be delivered to the site to be put together quickly. It was thought that in this way, houses could be mass-produced like automobiles. This method of home building was called prefabrication. Its name was meant to explain the method used—constructing, or fabricating, the parts of the house before (pre) their arrival at the site.

In theory, prefabrication appeared to be an excellent method of producing many inexpensive houses. The United States government spent more than \$40 million to subsidize a single producer of a prefabricated unit and spent many times as much on other experimental efforts. Despite the attractiveness of the idea, however, prefabrication was not very successful.

Many officials in less-developed areas became very enthusiastic about the idea of prefabricated houses. They knew about the idea, and quickly started programs to build prefabricated houses in their own countries. They did not know that, where it had been tried, the program had failed. It was no cheaper than traditionally-built housing and was often not as good.

However, India, Ghana and Israel acquired a faith in prefabrication that was beyond argument. Wood, light-weight metal, and pre-cast, or pre-formed, concrete prefabricated houses began to appear near city centers. Most of them were expensive and unsuited to their location. These countries, and others, had unfortunate experiences with prefabrication, which made them reconsider and return to slower but surer methods of producing houses.

The officials who yielded to the temptations of prefabrication

cannot really be blamed. Metal manufacturers in the United States and Canada were looking for new markets for their products. They presented the virtues of metal prefabricated houses as the solution to the world's housing shortage in the less-developed as well as the developed countries. They were selling a final answer long before they had perfected the product or established low or competitive costs.

In the developed countries, prefabrication was being viewed even by experts as an infant industry with a big future. But the less-developed nations did not know that the product of the new industry was proving to be troublesome. Recently, the prefabrication industry has made important improvements in both quality and quantity. However, even in industrial America, prefabricated houses are not cheaper than houses built in more traditional manners.

Prefabrication is a word which can have many different meanings. Products have been pre-cast since ancient man baked brick. A house is composed of numerous items. Some are prepared on the site. Some are prepared in other places. In some areas, timber, pre-cast concrete, or fire-resistant cement walls have long been locally prefabricated.

There is a future for on-site prefabrication and quantity on-site production as well as for prefabricated parts. Efficient mass-produced walls, roofs, pipelines, doors and windows will help reduce the cost. In the more-developed countries, apartment houses are made of pre-cast sections.

In Jamaica, a group of Jamaican businessmen and a Puerto Rican builder constructed a thousand houses using concrete pre-cast on the site. They report that this produced a saving of 15 per cent in labor cost per house.

Experiments with prefabrication should continue. This is particularly true of on-site prefabrication and of prefabrication of parts such as walls and doors. However, most areas of the world must rely on traditional methods for some time into the future. The use of local labor and materials is still the most economical way to produce houses for most developing countries. The campaign to sell the exported prefabricated house as the proved product of the industrial age has been stopped at present. However, its vigorous salesmen are not discouraged.

Return to Self-help

After the disappointment with technology, it was not surprising that officials would try the other extreme—to encourage the homeless to provide for themselves as they had done when man first moved out of the cave. If man's skills were used and some materials were supplied to him, he might be encouraged to build as he once did (and indeed as he was still doing in small villages and areas that had not yet industrialized).

This seemed like a good idea. However, as in the case of prefabrication, it did not provide a complete answer to the housing problem.

Self-help and Aided Self-help

Despite the advance of technology, owner-built housing—the earliest form of construction—is still the most common in the world today. Mutual aid in building is also an old tradition. In villages throughout the world, since ancient times, friends, relatives, neighbors and tribesmen have helped each other build walls or roofs or other parts of a house.

The official self-help programs simply tried to make what already existed a part of government policy. The difference was that they tried to adapt this method of building to urban environments. The cities, however, have a money economy in contrast to the farm-product economy of rural areas. A specialized worker can be hired for the work and can do it better. The factory worker lacks the time and energy to build. Farming is a seasonal occupation which provides intervals when the farmer's time and attention can help the building. Factory work does not provide these seasonal periods. Also, a city environment does not provide the possibility of easy cooperation of friends, family and neighbors.

Self-help and mutual aid exist in most parts of the world. However, adapting this kind of program to an urban situation is a difficult task.

The kind of public assistance and the amount of self-help effort vary with each area. In many villages and small towns, there is a strong tradition of self-help. The government may supplement the independent self-help building of the farmer with projects for the self-help improvement of roads, sanitation, water, markets, schools, or public squares. Government may also supply the

worker with the specific parts of the house that are difficult for him to obtain.

In the cities, government money has been used to buy materials and land. The government has supervised and trained workers. It has provided machinery.

Organized Self-help and Mutual-aid Projects

In urban housing projects, the more self-help required of the occupant, the greater must be the encouragements, supervision, and administrative costs. The more trained workers placed on the job, the more efficient it is. When construction standards are simple, fewer skilled craftsmen are needed.

In organized mutual-aid projects, the workers are taught specific jobs, and they move from house to house. The workers are usually not told in advance which house they will own.

It is very difficult for complete self-help programs to be successful in cities. Self-help programs in cities have failed even when some outside help was given.

An experiment in Pakistan, in which an American religious group tried to demonstrate how to build, resulted in the teachers doing almost all the work. A project in San Juan, Puerto Rico, required future occupants to work at building their own houses on week-ends and one extra day each week. A man who was part of this program said he would have preferred to pay a laborer for the extra day's work because he lost payment from his regular job.

Often the added task of building a house while doing the work of a regular job results in a worker doing two jobs badly. Because of time devoted to building his house, he is tired when he arrives at his regular job. He worries if the rain is spoiling his foundation. He makes frantic telephone calls to his wife when he should be concentrating on his work.

Puerto Rico's self-help programs have been publicized throughout the world. Sometimes other countries have begun similar programs before learning what problems occurred in the Puerto Rican experiment. However, because so many nations know about the attempt in Puerto Rico, it is important to know what the Puerto Rican Planning Board considers the most important problems in its organized self-help programs. These are

some of the problems identified by the Planning Board:

1. Too long a period of time is required to build self-help houses. (An average of six months to construct about 20 houses.)
2. Many houses were constructed as part of a program of cooperation between the government and small groups of 15 to 20 families. Teaching the families about construction and finance and working with them required much time, effort and patience.
3. An organization of engineers, inspectors and administrators is required in the government planning agency to administer the program.
4. The cost of these dwellings, especially in rural areas, does not reflect true costs. It does not include the price of land, the salaries of technical and administrative personnel, and the cost of future improvements to provide essential public services.
5. Expensive construction equipment is required.
6. Because most families do not have experience in how to build a house, construction is often not perfect.
7. No great economies or efficiency in construction are obtained because modern techniques of mass production on the site are not used.

However, houses built with substantial or partial self-help have proved practical in some of Puerto Rico's rural areas. It is reported that this program produced an average of about 3,000 houses each year. Small houses, 18 by 18 feet, are built of strengthened concrete. They contain one large room designed to be divided into a living-dining room and two bedrooms. Communities of 30 families join in the work. A trained foreman supervises it.

Self-help and mutual-aid programs have experienced both success and failure. They have succeeded among people with a common aim or interest and when some people in the group possess skill and ability. Sometimes the most important skill is inspiring leadership.

In a town in Ghana, a young former post office worker was elected chief. He inspired his people to build a community center. If they had hired professional builders to construct the building, it would have cost a great deal of money.

Ownership is almost always essential to successful self-help programs anywhere. Ugly slums have frequently resulted from programs where the occupant was to be only a tenant. The

amount of cooperation rises with ownership and declines with tenancy. The occupant will do more work on his own home.

Determining the Value of Self-help and Mutual-aid Projects

Much has been written in praise of self-help and mutual-aid programs. Some of this is correct. Some of it is not. A careful review of the program seems essential. My conclusions, based on the projects I have seen in the more- and the less-developed, countries, are as follows:

1. The success or failure of self-help and mutual aid projects depends upon conditions in each area. The more rural the environment, the more likely it is that self-help is already functioning and will continue. Aid in materials and land buying will speed the process of building houses.

2. In areas favorable to self-help, it should also be possible to stimulate other building. This would include construction of roads and schools, digging of wells, and the provision of community facilities. It is important for the government to help with equipment, facilities, guidance and money.

3. Organized and aided self-help can be achieved in urban sections of the less-developed areas. However, it can only accomplish a limited amount in the rehousing of large populations. Self-help works best in small communities. Such areas already have traditions of self-help in building. Life is easier. Relations between people are closer. Land is more plentiful.

4. Because craftsmen can build all or a substantial part of their own houses, there will always be a need for houses built by such craftsmen both in cities and in other places. Some form of financial aid should be given to encourage those with the talent for building.

5. Industrial workers do not usually have the time or the energy to learn building crafts. Most people have a long work day. If self-help projects are to be built by the occupants, it is important to select people who have enough free time. It is also important that the people involved in the project have the same objectives. However, this is likely to make each project a special case. The benefits then do not reach the majority of the working population.

6. Despite their limitations in industrialized areas¹, partial self-help and mutual-aid projects have many values. Self-help trains men to build. As a result of this learning, some enter the construction trades. Self-help and mutual-aid might be useful where idleness exists because of unemployment or the seasonal nature of work. Self-help and mutual-aid techniques also might make greater use of prefabrication of essential parts.

7. Self-help should not be offered as the solution for the housing problem of cities. It might use time and money that could have been spent more usefully in other places. It has been said that self-help saves from 20 to 25 per cent of the cost of building a house. However, such figures are very incomplete. They do not include such factors as an individual's loss of time and efficiency from his regular job, the cost of construction machinery, salaries of supervisors and other administrative expenses, and defects in construction.

8. Some self-help projects are designed primarily for the training of workers. In others, the main aim is the production of houses. In these cases, the government should provide land which it has already divided into housing plots and which it has supplied with utilities such as water. Then each owner can decide whether to use his own building skills or to hire others for all, most, or part of the work.

Part-by-part Construction

In countries where mortgage money is available, many families build their houses a little at a time. First, they save enough money to buy a piece of land. Then they wait until they can afford to buy some building blocks. At that time, the family may build the wall with the help of its members or hire a professional worker or a paid helper. The family may then wait until they have saved enough money for the roof, doors and windows. Some families borrow money from friends or moneylenders to finish building their house.

Families have to wait a long time between different parts of the building process. Sometimes years pass before the family can pay for the land and enough building blocks to start the house.

The roof is usually the expensive item that keeps a family from completing the structure. In villages of Nigeria, 514 of a total of

3,070 houses counted by the United Nations mission did not have roofs. The situation is similar in Bolivia, Ghana and other countries.

Installment, or piece-by-piece, building is not a new idea. Simple shelters have been built in all parts of the world and then expanded room-by-room or floor-by-floor until the house was large enough for the family's needs. Squatters have built one room huts and later extended them.

Installment building is the only way many families without savings can get their houses built. It may seem more practical to deposit the savings in a bank until there is enough to pay for the house. However, savings systems do not always exist. Sometimes they are not convenient. Some families may prefer to see their savings in the form of bricks. However, brick saving is a long and often disappointing process.

The installment builder needs financial aid to help him complete his building. Often a small loan is enough. This aspect of the housing problem needs more attention and action.

Standards for Core Housing

If people are given the basic, or core, part of a house, they can often finish and improve it themselves. Providing this core house has become a major type of self-help program. It was introduced into the less-developed areas by United Nations missions. It has now become one of the basic housing programs.

Core housing aims to provide an organized, cheap and practical program for the urban and urbanizing areas of poorer countries.

One of the problems with self-help programs is that the worker has no place to live while he builds his house. Frequently he has already spent his money on a squatter hut. He may live far away from the site of the house he is building.

In the core house program, he can, with little additional work, move into the core immediately. Then he can expand or complete the house according to the amount of time and money available.

One advantage of core housing is that it can be mass-produced on the site at considerable saving. It does not require detailed supervision.

The core house program should be developed according to the following principles:

1. The house should be a minimum unit that can be occupied. It should provide a good pattern for later extensions. If large families are to occupy it, the core house should, if possible, have at least two rooms at the beginning.

2. Construction should not depend exclusively or even mainly on self-help. Some workers skilled in building should be selected as occupants in the area where the cores are built. These workers can be hired by other owners. The improvements that skilled workers make on their own houses will often inspire others.

3. Ownership, either at the beginning or eventually, should be a basic requirement in a core housing program. Ownership stimulates investment of money and labor toward expanding the core. Families should receive loans in installments—small amounts—to finance both the core and its additions. The loans may be made to individuals. However, it is better to make the loans to villages, tribes, or cooperative units for re-lending to their people.

4. People selected for special training in how to build houses should be those who can continue building and earn their livelihood in it. The core-house program, however, need not depend on training each owner to build. He can either do the work himself or be permitted to hire someone else to do it.

5. The building lot should be large enough to permit expansion. One or several houses should be built with extensions so that people may see the possibilities. The core house need not stand alone on its own lot. The houses can be attached if land or utilities are expensive. In these cases, the houses should allow for additions at the front, rear, side, or top.

6. Local industries should be developed to provide materials for completing the cores. These may include clay, tile, lime, or other industries. If such industries already exist, they should be encouraged and aided to expand their operations. There should be very little use of materials which must be imported from other countries. When imported materials are essential, mass purchases should be made to save money.

7. The materials used for the core should also be useful for the expansions. The interiors of the core house should be planned so that improved facilities or additional rooms can be supplied easily. Metal or concrete cores should not be used if the expansions

will be built of wood. Nor would a wood core be suitable if the expansions will be built of cement blocks.

8. In tropical climates, the rooms in the house should have openings on two sides. The windows should be low and the openings large enough for a good breeze to cool the house. The roofs should be built to exclude heat. Outside walls should be protected against fire.

Electricity is not always immediately necessary. However, core houses must have access to good water and to sanitary facilities.

Varieties of the Core

No single type of core house is suitable to all countries and all climates. Each country, and each region within a country, may require a different design.

Some possible designs of core houses include:

- the one-room core for small families in very poor countries;
- the two-room core to be expanded horizontally for the growing family;

- the core that can be added to vertically;

- the row house core, where houses are attached to each other on either side. This method of building is used where land and materials are expensive. Attached houses are cheaper to build because one side wall serves two houses and because money can be saved on utilities. This kind of building can be used for core houses if there is space for expansion in the front or the rear.

Some core houses consist of one large room that can be divided and shared by the family. In warm climates, the core house can consist of only a roof, floor and some supports. The walls can be built later by the family.

A core house can be prefabricated. However, material for extensions should be available locally.

Local building techniques, including those seen in squatter colonies, will suggest the type of core house most suitable in each area. The squatter colony is often an important source of information on the available local skills and techniques.

Applying the Core Housing Program

No single program is suitable everywhere, or functions in the same way everywhere. This includes core housing.

- The core house is no substitute for high-rise, or many-storied, buildings in densely populated areas. It can better be used away from the center of cities. Its success, therefore, depends heavily on the development of good transportation so that people can live away from the centers of cities and travel easily to and from their jobs.

It may not be possible to use the core housing program where land costs are very high.

In the Philippines, the costs of shelter vary very widely. A small house made of local materials and built with the help of friends cost about \$150 in 1958. A house in the largest city, Manila, constructed by a private builder cost \$4,000 or more. In other parts of the country, where land is not very expensive, core housing is practical.

Unless a house is planned as a core from the beginning, a core housing project might become a slum. The design and placement of the houses must be planned for expansion. There must be provision for open space, tree planting and play areas for children. People should be able to borrow money from the government to improve the interior of their houses and to build extensions. Competent government officials should be at the project to give encouragement to the occupants.

It is important to know the cost of the core house and also the cost of the completed house. It is not sensible to build cores where only a small additional amount of money would have been needed to build the extensions also. This might happen in more-developed areas where plumbing and kitchens account for a high proportion of the cost.

The core house should be simple. Decorations and other interior finishings can be added later by the owner.

In Puerto Rico, complete houses were built which conformed with the high standards of constructions established by the United States government. They were not always what the owners thought they should be. After six months, the owners had made so many changes and expensive additions that the original house pattern was no longer recognizable. Most of it was better than what the government standards prescribed. Some of the work was done by the owners. Some was done by hired workers.

In Pakistan, people who were living on land and were certain

of being given its ownership built good houses. Squatters on government land, who were expecting to be displaced, built only temporary huts. Other countries have had similar experiences. It is clear that individual ownership of the land encourages improvements.

A country must choose the kind of building programs it wants. It can build expensive houses for a few. It can build for many poor people and exhaust its resources. It can also build for many poor people at minimum cost. Core housing, however, can help a country provide shelter for many people without costing so much money that nothing remains for other programs.

Housing can be built as a rigid final product. Such housing is difficult to improve, even when there is enough money available to make improvements. Housing can also be built so that it can be improved when there is enough money to do so. A core housing program makes this possible.

An expanding industrial population makes demands that ignore the best plans. No nation experiencing a heavy increase in population has been able to avoid the growth of slums. Whether the continued growth of slums can be stopped depends primarily on the plan of the sites for new homes and of the utilities such as water and waste disposal. If the site plan for housing is good and the utilities are provided, the houses can gradually be improved even if they are of minimum standard at the beginning.

The core house is adaptable to increases in family size. When a family moves, a core house which can be improved or expanded by the next family is easier to sell to a low income family than rigid product that is too costly.

Some people may call a core housing project a slum. However, if it is a slum, it is a slum which is more adaptable to changes and improvements. It is planned as minimum housing, but it can be altered and improved.

Core housing is not a quick answer to the worldwide housing shortage. Neither is self-help. However, core housing should be considered in almost every less-developed country as one part of the housing program.

Core housing is not the answer in all neighborhoods and sometimes high-rise housing is also necessary. Nor is it a substitute for the traditional self-help or mutual-aid programs used in rural

areas. However, it should be used with self-help wherever possible. A core housing program is often more efficient than the organized self-help programs now being tried in cities.

Where land is available at reasonable prices, core housing is more likely to produce shelter than is organized self-help. If core housing programs are properly planned, they will eventually produce more and better housing also.

called the Gold Coast), a country with many types of people, tribes, languages, religions—and problems.

Ghana had a population in 1954 of 4,333,000, which was rising annually by about 225,000 people. Many of them were moving into the cities, and these cities soon developed problems common to other growing cities. Accra became a busy capital with a major airport, stores, and modern buildings. It was just a short distance from this busy modern city to rural tribal communities.

In the cities, rental property replaced tribal possession. Rents began to increase much faster than wages. A housing shortage developed. Overcrowding appeared. There were increasing conflicts about ownership of land, growing competition for land available for sale, and some squatting. As urban problems grew, the government began to regulate property and to seek methods for easing the housing shortage.

Changes occurred gradually over the years in western nations. In Ghana, everything was happening at once.

Ghana adapted to the use of automobiles by cutting roads through the old elephant trails. Workers left their rural tribes for the opportunities and the conflicts of city life.

Sharp social changes accompanied urbanization. The small family was replacing the tribe as the social unit. Pressures to abandon older values, older styles, and older ways of life began to alter housing needs and desires.

Ghana's Housing

Despite its increasing urbanization, the Gold Coast in 1954, like many other developing countries, was still mainly a country of open fields, tribal villages, and communities. Most people lived in small towns of less than 1,500, which were governed by chiefs.

In the larger towns and cities, there were modern houses, slums, areas of quickly-built shabby huts, and office buildings. Cooperation was no longer tribal but more often practiced only among members of the same family. Dwellings were larger, needed a longer time to build, and required more skill.

Almost all building in the rural areas was accomplished by self-help. Everyone knew a little about how to build a house.

Ghana's housing problem had been increased by rapid urbanization. However, Ghana has advantages not shared by other

developing areas. Even with its sharp population increase, in 1954 it was not crowded. Its climate is tropical and its land is generally level. The urban land problem has become complex. However, most people in the rural and village areas could still buy land at reasonable prices.

A spirit of cooperation exists in many aspects of tribal living. Strengthening the cooperative practices of tribal and village life is important in programs designed to increase housing production.

The Search for a Housing Solution

Before the United Nations mission arrived in Ghana, the government had experimented with prefabricated housing. It had not been successful. (See Chapter XII.) Housing had become an immediate political problem for which a solution had to be found quickly.

The United Nations mission began the search for a new housing program. The following factors had to be considered in developing a workable financing method:

1. There was a strong desire for home ownership.
2. People were willing to save money. However, the forms of saving were not developed.
3. Many people knew how to build houses.
4. Good local building materials were available.
5. Most people did not have enough money to buy a good house.
6. There was no existing method to finance housing.

The desire for home ownership was visible because many people saved building blocks. Often the blocks were in place on a lot, but the house remained unfinished. Most owners could not afford to buy the roof and some could not afford doors and windows, either.

By helping to finance the roof, doors and windows, the government could help lower-income families. It could also encourage self-help. Such a plan would use local materials for the walls and would encourage the building of many houses.

The United Nations mission presented the idea of a roof loan program to the government. After a lively debate, the idea was accepted.

The Roof Loan Program

The United Nations mission's plan for Ghana was simple. Loans would be made for roofs, doors, and windows. The loans would be repaid during a fixed period of time and there would be an interest charge on the loan. No loans would be needed for construction of the walls.

At the same time, separate loans would be available to communities or councils for construction equipment, such as concrete mixers, block-making machines, and wood-working machines.

The United Nations mission recommended that loans be made by a central agency to local or municipal societies or councils. The local groups would be responsible for repaying the loan. These groups would then make smaller loans to individual borrowers.

The Roof Loan Program in Operation

The government of Ghana offered a roof loan (including money for doors and windows) of up to \$560 to anyone who would build his own walls. To qualify for a loan, the borrower had to be a member of a village housing society which would agree to guarantee the loan. Also, the house had to be finished except for the materials financed by the government.

Membership in a village housing society is open to families who intend to build a house, or to have one built for them. By 1960, there were about 25,000 members of village housing societies. Loans had been made amounting to almost two million dollars.

The United Nations mission had said that even if the loan were not repaid, they would become unintentional subsidies, or financial assistance, for the lowest income people. However, most of those who have taken a loan are repaying it gradually according to a schedule arranged when the loan was given. The large number of people who are repaying is a tribute both to the program and to the people who participated in its operation.

Other Results of the Program

The roof loan program has had other results. People are building walls more carefully. The village housing societies have developed other interests and activities. Members meet to discuss local

problems, build roads, improve sanitation and advance their education. The government supplies construction equipment and tools where necessary and gives instruction in how to use the machines and tools.

The roof loan program is not a complete answer to the housing problem in the large cities. There is no guarantee that the program which works well in Ghana will work as well in other countries. Some countries may not be as successful in getting people to repay the loans and there is always the danger that politics will intervene to discourage repayments.

The roof loan program has demonstrated that the cooperative tradition of tribal and village life can be the basis of a modern housing program. It can also be used to make public improvements, advance education and develop social and community responsibility.

Roof Loans for Bolivia

Bolivia has been endowed by nature with an abundance of raw materials for building. It has the material for bricks as well as an ample supply of wood. Local industries can provide roofs of clay, tile, or cement.

Bolivia has a good supply of land and a good climate. Its people know how to build houses and it does not yet have a serious squatter problem.

Although it is an under-industrialized country, it has a serious housing problem. Its cities are overcrowded and rents are increasing.

Bolivia needs more water and sanitary facilities. Many homes have neither. This is not because the country lacks water, but because supply systems are inadequate.

The country's main problem is how to build houses in quantity with limited funds. The houses must be cheap so that workers can afford them. Therefore, the houses should be provided either by self-help housing or by core housing that the workers could expand.

My United Nations report in 1959 recommended that the government lend money to the workers to help them develop their land and build houses. A program might be developed for owners to receive a loan for the cost of a roof, doors and

windows, provided they first built the four walls on land approved by the government for development. This idea was approved by the government of Bolivia but they did not have the money to finance it. United States foreign aid officials were asked to help finance the program, but declined.

In recent years, considerable United States foreign aid money has been given to Bolivia. However, there has been only one small loan for housing, and that was of little benefit to low income families.

Roof Loans for Nigeria

A United Nations mission in 1962 recommended a roof loan program for Nigeria. Here, too, it was suggested that housing societies be established to be responsible for the debts of its members. Maximum loans were to be \$560. Most loans would be for less. The money would be repaid in installments over a five-year period.

Because loans are made only for the final sections of buildings, the quality of the foundations and walls can be inspected before the loan is approved. Corrective suggestions can be made where necessary. This same kind of inspection system operates in the roof loan program in Ghana. Also, as in Ghana, the government would encourage the use of local materials. It would influence better construction and planning.

Like core housing, roof loan programs are not suitable everywhere. For many areas, however, they offer a cheap solution by using existing resources to help answer a new problem.

EDUCATION AND RESEARCH

The Need for Training

Progress in a country depends not only on a few people who are talented, resourceful and wise but also on a larger number of people who are instructed, experienced and willing. Education and training are essential to developing the abilities and usefulness of both groups.

Often, however, the development of training facilities is viewed as having too remote results to be of immediate importance. The temptation is to proceed at once without planning for the wide variety of skills essential for the nation's development and operation.

Some people think that the needs of a developing area can be satisfied by financing and building a dam, a series of roads, or a steel mill built by foreign contractors. Others think that housing pressures can be relieved by a quick program using whatever skills are immediately available and without developing more skills and more factories for materials. Both approaches do some good in a few countries. But without a simultaneous longer-term development of the major skills and professions that an urbanized economy demands, they will prove inadequate.

The main task in most countries is to define and provide for both long- and short-term requirements as part of a development program. Education is indispensable for the varied skills and professions needed in the production of housing as well as in the operation of industry. The most constructive way to provide the necessary education is through a technical university whose training is closely related to what is required by the urban industrial society. The importance of such facilities for training and education was dramatically demonstrated in Turkey in 1954.

The Problems in Turkey

Turkey is a country with many variations in the countryside, customs, occupations, and social and economic conditions. Istanbul is very different from the capital city of Ankara. The

smaller towns and provinces were for many years isolated from Istanbul and the outside world.

In the 20th century, Turkey has experienced major social and political reforms, including a new constitution and legal systems; western clothes; faster industrialization; improvement of agricultural methods, and better education.

But Turkey is still mainly agricultural, and the old customs and methods conflict with the new. However, Turkey's cities have the same problems of industrialization and urbanization as other countries. The distances between the cities and the rural areas have been shortened by an American-aided road program.

The rapid pace of the urban migrations allowed little time for planning to accommodate the new populations. Housing was very scarce. The migrants took whatever land they could find. By the middle 1950's, almost half the population of Ankara were squatters. The planned city of Ankara no longer looked like a planned city. Squatters' huts on the hills looked down on the well-ordered center of the city. Istanbul and Izmir were filled with squatters' shacks. Action was needed to control further blight and to prevent continuing invasion of government and private lands.

The Shortage of Technical Manpower

Even the best urban policy will fail if all the required skills are not available. Turkey had too few architects and town planners. Some cities in the country had none at all.

Ideas and programs were adapted from other countries. Government officials were giving approval to plans they did not understand. The building code was so general and confusing that it supplied no clear directions. Cities violated the code themselves when they built public buildings. This certainly did not set a good example for the citizens.

Laws about building were confusing and often impossible to obey. Therefore, builders frequently ignored the laws. Once an unlawfully-built house is erected and occupied, it is unlikely, because of the housing shortage, that it will be ordered torn down.

The need was for trained people who could act according to understandable, publicly-supported and enforceable laws.

Other Problems

Turkey has a rich architectural history. Ancient buildings and monuments are very beautiful. Many still exist in the cities of Turkey.

Many of the modern buildings are bad copies of the architecture of other countries. They have no relation to Turkey's great architectural history, or to their climate or location.

Even where land is plentiful, new housing is often built on plots which are too small and too close together.

Many attractive plans are developed, and then ignored.

The shortages of people and training existed not only in architecture and planning. Turkey also had a shortage of engineers, surveyors, lawyers, builders, people to draw plans, people trained in finance, economics, sociology and other sciences and professions.

Turkey had relied on foreign aid to supply these skills. However, visiting experts usually stayed only a short time and wrote a report. These reports were then filed in office cabinets, often because there were no people to follow their recommendations or even interpret them. It was clear that what Turkey needed was not only foreign experts but trained people who would remain in the country, and who could only be trained through an internal education program.

Developing a University

When I went to Turkey on a United Nations mission, I did not know that the result would be a university. However, it was apparent that there was a great need for one. I proposed the idea in a written communication in 1954. In 1956, Turkey's Ministry of Education officially opened the Middle East Technical University in Ankara, the capital of Turkey.

The university has a unique staff arrangement, which might well be studied by institutions of higher learning in other developing countries. The positions of President, deans, directors, and department chairmen were at first occupied both by a Turkish official and a foreigner. This arrangement continued until time and experience were able to give the Turkish administrators a full understanding of western techniques of higher education.

For example, the university charter requires that the permanent

president be a citizen of Turkey. However, his consultant president in the early years of the university was to be a scientist or engineer of international reputation from another country. Two American educators were the first consultant presidents. Now an energetic Turkish educator has been officially named to head the university.

By November, 1963, there was a teaching staff of 300 and there were 2,100 young men and women registered as students at the university, and by 1968 about 5,000. It was described as "the fastest growing university in the world." Students came not only from Turkey but also from other middle eastern countries, and from Africa.

Institutions of learning cannot avoid the problems of rapid and sometimes even violent change in developing nations. The Middle East Technical University is no exception. But already it has made an important contribution.

There has been a complete change of government in Turkey since the start of the university. However, even though the university was started under the old government, it has grown under the new government. This is a tribute to Turkish officials and an indication that the struggle for improved education has the support of all political parties.

Training is a long and tedious process. There are no quick and easy ways. However, over the years, thousands of trained young men and women will be better able to shape the form and development of Turkey's cities and countryside.

The Need for Research

Education and research are both essential for developing nations. Often a good program will be rejected or ignored because of inadequate research.

Research into urbanization includes not just one problem. It involves many related problems. It is impossible to isolate one from the others. The problems include, among others, economics and the land problem, the relationships of the urban to the rural economies, population problems, tax, finance, and subsidy policies, manpower problems, public works, transportation, sanitation, administration, politics, community and social organization, regional policy, housing policy, architecture and city planning,

materials' production, code enforcement, and industrial location.

The questions of urban land need more research even in the developed areas. Very little research has been done into design and materials in less-developed areas, particularly in tropical building.

The proper development of research programs will depend substantially on the availability of statistics. But the availability and accuracy of the statistics depend on the skill of the statisticians. It also depends on the willingness of the governments to publish the statistics. Sometimes statistics are part of a country's propaganda process and are shaped to fit the requirements of public relations and politics. Nor are figures always current. With the rapid change in cities, information is soon too old to be useful. Sometimes the information does not exist. In Barbados, in the West Indies, for example, there is much historical material and general tourist information. But there was no income study. There was no information on family budgets, nor on what people earn or how they live.

If research into the varied problems of urbanization is to be done, the following points are essential:

1. Collection of all appropriate material in a few central places.

2. Appointment to universities throughout the world of qualified people in these areas of study.

3. The encouragement of studies by qualified people in universities in the developed and less-developed areas.

4. The encouragement of more meetings and discussions dealing with specific problems of experts working in the field.

5. The identification of experts and scholars who have been working in related fields and the recruitment of their interest for United Nations, World Bank, AID, and other missions.

Because the problem has many sides, the people best qualified for research will be of two kinds:

1. Specialized experts in a specific field (experts in materials, tropical architecture and design, town planning, administration, and similar subjects).

2. Those whose broad experience in a variety of fields enables them to identify inter-relationships among the various special areas.

In undertaking research, the emphasis should be on policy investigations and on field studies, rather than on studies done at a desk. Studies should be of two kinds: To obtain answers needed immediately, and to plan for the future. Yet even the first small step—assembling the appropriate materials—has yet to be taken.

CHAPTER XV

DEVELOPMENT PLANNING AND HOUSING

In the 19th century, the individual pursuing his own best interests was thought to further the interests of all. Businessmen in capitalistic countries—those in which most industries are privately owned and operated for profit—claimed that government should not interfere with their activities. It was said that government interference would upset natural harmony and diminish the total wealth produced.

Today governments recognize the right and the necessity of intervening in the economic process. Governments are initiating, influencing, and regulating economic activities.

The less-developed nations are under great pressure to feed, clothe, and house their growing populations. They must plan their intervention much more carefully than the more-developed nations. The demands are for them to do everything, and do it all at once. They must educate and train their people, operate government programs, and stimulate private industry. They have very little money with which to do any of these things. But their governments are growing very quickly, and their cities are crowded with people demanding jobs, food and housing.

More government means more taxes. To increase tax revenues, government must encourage greater production by industry. This often requires subsidies or other inducements. The governments must plan their actions with great care.

These problems are all related to a nation's development. To help solve problems of development, a new area of study has been created. It is called "country programming" or "development planning." A new group of experts seeks to find guide lines for the best handling of both public and private activities.

The answers are not simple. The experience of more advanced countries is not always appropriate. The developing nations are trying to achieve in 10 or 20 years what has developed slowly in other places during hundreds of years.

Development Theories

Two different theories have become popular among writers on economics. The first theory states that savings and investment are the most important parts of the economy. The second theory identifies production as being most important.

There is also a third theory. This one states that no single factor can fully account for development. It is a social process, with a measurable economic aspect.

No matter what theory an economist believes, however, the need for housing still exists. Sometimes this need is ignored by the economic planner. When this happens, people protest. Then it is the politician rather than the economist who forces the government to take action.

Housing and urbanization are an important part of development planning. To see how they are affected by this planning, it is important to understand the 10 ways in which governments are acting today in relation to economic activities. They are:

1. *Abstention.* This means that the government takes no part in influencing or shaping the actions of private industry. A builder is allowed to construct whatever he chooses. Industry is allowed to settle wherever it wishes. Government takes no action in determining the hours and pay of workers.

2. *Persuasion.* This implies an appeal to industries or developers to do something they will ordinarily not do. In India, some industries have been persuaded to make social contributions. In the United States and England, builders have been persuaded to construct non-profit or limited-profit housing.

3. *Regulation.* This refers to restriction by government in the interests of health, welfare, or safety. It is a useful and often attractive government power because it does not require the spending of tax money. However, if used too severely it can damage industry and productivity. Sometimes government regulations can be eased to stimulate private industry.

4. *Inducement.* This implies giving some consideration to achieve a desired action. Such considerations include subsidies, guarantees, loans, favorable tax policies, and other aids to stimulate investment or new industry. Government mortgage insurance and free factory sites are examples.

5. *Direct Operations.* These include the building of roads,

schools and other public improvements. In some countries, direct government operations may include things done by private enterprise in other countries. When direct operations are very extensive, they identify the system as socialist (community ownership and operation of means of production and distribution), state-capitalist (a form of capitalism in which the central government controls most of the capital, industry, natural resources, etc.) or other authoritarian form, which requires unquestioning obedience.

6. *Desocialization*. This shifts economic activities from government hands to private hands. It may occur in the sale of a socialized or government-owned asset, property, or enterprise. Sale of government lands to encourage settlement is an example.

7. *Public-Private Joint Ventures*. The government may join, by investment or credit, in a business operation with a private enterprise. Some investment mortgage banks are examples.

8. *Regulated Monopoly*. In this case, a government may allow one group to have exclusive control of a service. However, the government supervises the service. Examples are a telephone company in Latin America or a cement manufacturer in Jamaica. Monopoly can be consistent with free enterprise if the monopolized activities are carefully selected and regulated in the public interest.

9. *Planned Inevitability*. The government plans the installation of roads, power, or other public facilities. These are located so that they become the logical and even inevitable locations for development of industry, housing, or other operations. This can be a useful way to plan industrial areas or to influence settlement in a new town.

10. *Cooperative or Non-profit Enterprise*. Government can stimulate activity that has a public purpose. In such cases, the profit motive is subordinated to the general or cooperative good.

There are many types of cooperatives. They include credit associations, housing cooperatives, self-help, agricultural, and consumer cooperatives. The forms of non-profit ventures are also varied. The most recent example in housing is the non-profit housing supported by religious, social and even private industry groups in the United States.

The way in which these varied economic policies are used

and the extent of their use helps explain the political systems of different countries. Many countries use a variety of these policies. They have what is known as "mixed economies."

Creating Housing Development

Good planning means wise use of government power. In a plan for an entire nation, each item of the plan has objectives, and the objectives of the separate items must be part of the plan for the whole nation. For example, housing and transportation programs have their own objectives. These programs must also be consistent with the main objectives of the country.

Government powers are used more in urban development than in any other activity. However, most of the programs are still very limited and involve production of only a very limited amount of housing.

Housing, city planning and city re-planning are only some of the many elements in developmental planning. But they help to develop other activities.

Although a nation may begin a housing program simply to provide new homes, its economy will benefit in many other ways. There will be less unemployment. New building will stimulate local purchasing power. A housing program also will encourage local materials industries, and many secondary industries which will decrease the country's dependence on imports.

A good housing program will contribute to the proper development of the nation's physical environment. It will stimulate savings and the organization of a mortgage system offering reasonable interest rates. New and important sources of tax revenue will be created.

Few countries have effectively stated the objectives that should influence the urban patterns being formed today. Generally there are several housing and planning agencies which are not working toward the same goals. Sometimes a nation says it wants to increase the housing supply for its poorest people. But when a housing program is started, too many of its benefits go to the middle-class.

Government today has great powers to shape and influence the national environment. However, not all nations give housing an important place in shaping urban patterns.

The Purposes of a National Housing Policy

Housing objectives in less-developed countries will vary according to political and social pressures, financial conditions, existing housing supply, and many other factors. However, certain objectives are probably important in most countries. These are as follows:

1. *Priority in Housing Production for Lower-Income Families.* When there is a shortage of building materials or money, the least-privileged must not be ignored in a housing program. These people most need government help to obtain decent shelter. However, aid to them need not exclude other groups. When a government mortgage guarantee might stimulate building, help support local building and materials industries, and assist other groups, the two programs may both be needed.

The great number of poor people makes it impossible to meet the demands of all in a short time. A large, expensive program for the poor might cost more money than the government can pay. However, a limited program helps only a few people. A decision between these two kinds of program is not easy. But a country can make some progress by adopting a housing program that produces the greatest number of houses at the least cost, and uses as much local material as possible. This can be accomplished either by planning houses that the occupant can build himself with some technical aid or help in purchasing land or materials, or by building a core house, to which the occupant can add later.

2. *Opportunity for Home Ownership by Low-Income Families at Low Costs.* Most poor families hope that they will be able to own their own home. Ownership represents not only shelter, but also security. The emotions about home ownership are not always realistic, but they are powerful.

Government can help people buy their homes by allowing families to make a small first payment and then pay the remainder in monthly payments. The government can sell the land to the family and then help it finance the house. Other ways of financing may also be used. However, it is important that the monthly charge be low enough so that the family can afford the house.

3. *A Housing Program Offering Reasonable Choice of Environment.* Because not all families want to own homes, they should

have other choices. Some families prefer to rent. Some choose a short journey to work from a city apartment in preference to a suburban dwelling. Some people like cooperative housing. Others find it a burden.

There should be a variety of housing so that different people, or people at different times in their lives, have a choice.

4. *A Financing Policy that Permits Low- and Middle-Income Families to Buy Homes.* Some less-developed countries have no financing programs. Other countries have financing programs that are not very satisfactory.

It is important that mortgage systems be established to offer loans at reasonable interest payments for a long period of time. In the United States, many mortgage loans are made for periods of 20 to 40 years.

Without proper financing, a nation's housing program will be small or will not exist at all.

5. *Encouragement of Savings.* Savings are very important to housing finance. If people can be encouraged to save, the savings can be used to expand the mortgage program. Savings are voluntary and do not discourage investment.

A house is often the most important reason for saving. Therefore, a housing program should be part of any program designed to increase saving.

6. *A Subsidy, or Financial Assistance, System.* Subsidies are important to a good housing program. However, they are often criticized. It is said that subsidies always mean financial losses. This does not happen if the housing is simple and sensible.

There are many kinds of subsidies. The government can subsidize the cost of land, the interest on a mortgage, the rent, the cost of building, or other parts of the total cost of housing. Sometimes subsidies are given to industries to encourage them to build in specific areas. In Sweden, subsidies are given to families according to the number of children.

However, four principles should always be considered:

a) A subsidy should serve a public purpose and be part of defined long-term objectives, such as improving health and safety.

b) Subsidies which serve more than one purpose should be preferred.

c) The subsidy should be defined and certain, not devious or hidden, so that the public knows how much it really costs.

d) Subsidies should be granted impartially to the class of people most in need of them.

7. *A More Effective Building Industry.* The primary needs of a housing program in an urban economy are skilled people and materials. Development of skills will depend on the availability of opportunities and on the type of construction.

When it has been determined how many building units are needed and what type of construction will be used, it is then possible to determine approximately how many people should be trained to work on constructing the buildings.

More schools are needed to train people to work in the building industry. There is a need for technical training centers and trade schools. There is also a need for secondary technical schools, and for opportunities for people to learn while they are working.

Two types of skilled workers are required:

a) The highly talented people, such as architects, engineers, city planners and administrators.

b) Mechanics and craftsmen.

In many developing countries, the training of architects has emphasized engineering, sometimes with only occasional attention to architecture.

Many rural migrants to the cities have building skills. However, when there is no attempt to arrange a schedule of building construction, people looking for work take jobs in factories.

8. *Reduction of Home Construction Costs.* Another important part of the housing problem is the cost of building. Expensive houses meet the needs of only a few people. Cheaper housing serves the many.

The best way to save money on the cost of construction is for the government to take responsibility for land planning and utilities and for the occupant of the house to do as much of the building himself as possible.

~~When the government actually builds the house, there are other ways to reduce costs. The design should be simple. Prefabrication, either in a factory or on the site, can help reduce costs.~~

No single economy will, by itself, achieve substantial reduction of house cost. To produce the necessary savings, the cost of

materials must be reduced, the building operation must be done with great efficiency, and new ideas are needed.

Houses in a warm climate can be simpler and cheaper. The simpler the house, the greater is the proportion of local materials that can be used. Local building traditions are often ignored because they are not considered modern. But sometimes strong flat roofs made of local soil can be seen. In the most primitive tribal villages, houses are sometimes found that are better examples of building craftsmanship than those found in some of the more-developed countries.

There are many ways to reduce costs. Some of the following might be used, according to local conditions:

a) Lower Ceilings. Ceiling heights are frequently excessive. Whether a ceiling is cool depends on its construction and on the roof material more than on its height.

b) Wide plots of land require more expensive roads, drains for water and waste materials, and other public utilities. It is important to avoid narrow alleys that sometimes become filled with garbage or unlawful shacks. But houses can be built around an open courtyard, as in North Africa and in other hot, dry climates. Partly-detached houses also produce economies in public services.

c) Lime concrete is cheaper than cement or cement concrete.

d) Earth blocks can be made from many local soils.

e) Where climate makes it difficult to keep a supply of cement, local stones can often be used.

f) As much as possible, local materials should be used for roofs.

g) Wood is often expensive because only a small part of the tree is useful for making boards. However, sawdust and wood shavings can sometimes be pressed together to make boards.

Each country has its own materials, standards, climates, skills and traditions. Techniques and experiments must be related to each specific area.

9. *Placing Industry Where a Minimum of Housing Must Be Built.* Much has been said about the desirability of locating industry where people already live.

In India, a man who works in a new town often makes a long and difficult journey on week-ends to visit friends, family and

familiar scenes. Many Indian villages, deserted by their younger men, have a surplus of young women whose chances of getting married are diminished because the young men work and live far away.

The location of industry can have a strong influence on creating social problems—or on social betterment.

Industry's main concern is profit, not a country's social or economic needs. The advantages of a large city are often important to industry. However, in deciding where to locate, the managers of industry can often be influenced by government. There are many possible ways for industry and government to work together. These include the following:

a) Frequently there is no essential reason for an industry to locate in one place in preference to another. If government officials had talked to the managers of industries, the decisions made by industry might better fit the country's needs.

b) Many industries in less-developed areas are owned or controlled by government agencies. It is important that these agencies realize that their decisions must be part of the developmental planning for the whole country. Too often, independent government agencies act separately from the other agencies in government.

c) Government agencies working with industry must be in contact with other government agencies concerned with providing roads, power or housing—factors that should influence the industry's decision to build on a specific site. Often this does not happen.

d) Many industries do not need to be located in a large city. In a non-urban area, they might have better access to local materials. Government officials should know about the availability of materials and workers in areas outside the central cities. Such facts might often persuade an industry to choose a site favored by the government.

e) Many industries make decisions after only brief inspections of a few sites. They do not wish to devote a great amount of time and effort to studying all possible sites. But a government agency could provide industry with complete information about an entire region.

f) With modern transportation, areas on the edges of a city

might combine all the advantages of the city without its traffic or other inconveniences.

g) Countries which are aiding the less-developed areas can and should do more to persuade their home industries to choose sites that will help the country being aided. The right choice of a location for an industry could sometimes do far more good than a \$5 million grant for a new road.

h) Physical improvements are vital factors in attracting industry. Roads, power lines, water and other public utilities all influence the site selection of industry.

i) Location of schools and universities are important. The existence of a good university is a strong attraction.

j) The conditions of the labor market are among the most important factors in determining where industry will locate. Vague laws requiring employers to provide or pay for transportation encourages industry to settle in other places where the transportation problem is solved by the worker himself.

k) The interest, attractiveness, and safety of a community have much to do with industry's settling or staying in it. Dreary, isolated towns are not likely to attract either the investor or the executives and skilled workers upon whom the success of a new industrial venture depend. Governments should aim to plan cities and provide facilities that attract the executive and his wife and are convenient for children and family life.

10. *A Reasonable Program for Rehousing Squatters.* When a country's policy is to ignore squatting, unlawful settlement will increase. Silence by government is accepted as agreement. Once a number of squatters have built homes in an area, it may be difficult, if not impossible, to persuade them to move.

The squatter problem and the policy for dealing with squatters varies in different countries. In some places, squatter colonies are so large that special resettlement programs may be required. Where squatters are few or arrivals are recent, some assistance in moving may be all that is required. In some cases, it may be best to allow the squatters to remain where they are and help them improve their conditions.

Although the policy may vary according to conditions, once a policy is determined, it should be clearly defined. The squatters should be aware of the policy, and of the fact that the govern-

ment intends to enforce that policy. Uncertainty can defeat any program.

When the government decides to clear a squatter area, the policy might include the following steps:

—The local and the central government must agree on the policy.

—It is important to have other housing available to the squatters, and a good program for their relocation. Mass eviction without new housing causes trouble and achieves nothing constructive.

—The money necessary for a rehousing program must be made available.

—It is important to have the support of the public.

11. *Prevention of Squatting.* Avoidance of squatting is more important than dealing with the problem after it has developed.

The squatting problem should not be viewed as simply a contest between law and lawlessness. It involves a human need for living space. Some people squat so that they can gain money from the owner of the land by being paid to move. However, most squatting is done by people sincerely looking for a place to live. Frequently, squatting results from poor land policy or no policy at all.

Squatting can be avoided by anticipating population movements and planning for them in advance. Sometimes the most useful policy is one that proclaims "Squatters Welcome." This policy would make land available to people when they first arrive in an area. It can achieve better and more stable communities than a law that says "Private Property—Keep Off" but encourages people to disregard the law.

Land available for squatters should be divided into building plots, supplied with utilities, and designated as the future area for permissible settlement. If specific areas are designated on which squatters may settle legally, the justification for unlawful settlement no longer exists.

Whether squatters build well and maintain their property depends on the certainty of the tenure, or the length of time they may expect to remain. In Ankara, Turkey, squatters made many improvements in their shacks once they were given title to the land.

If squatters are given help in planning their sites, and some loans for building or materials, they still may not produce acceptable housing. In this sense planned slums are more likely to emerge into better housing than are unplanned slums.

12. *Encouragement of Cooperation.* Cooperation has been a new and difficult achievement in countries like the United States and England. However, it is an old idea in the less-developed countries. Members of the same family, tribe, or village have a tradition of cooperative enterprise.

Migrants have often carried with them to their new environments self-help and cooperative associations, building and loan societies, and other traditions of cooperative effort. Out of these institutions have frequently grown important cooperative devices. The benefits of such cooperation can either be used and expanded in the urbanizing process or lost forever.

One difficulty in achieving housing cooperation in cities is the lack of personal relationships. However, with proper leadership, expertness and financial aid, cooperation may succeed.

In the less-developed areas, there have been forms of cooperation even in the squatter colonies. Cooperative organization is also found in labor organizations and in groups of government workers.

Cooperation is possible in the cities of the less-developed areas. However, new ways must be developed to encourage cooperative effort for obtaining land and for easier financing. Ways must also be found to solve the disputes that arise among co-operators, and for managing or supervising the enterprise where necessary. The formation of regional as well as national co-operative groups would be helpful.

13. *Sensible Rent Controls or Their Repeal.* Rent control is the most common form of price control. When it is adopted, it is usually promised as only an emergency measure. But the controls are likely to continue even after the housing shortage has eased.

When tenants are the majority group, they usually support continuing rent control. Tenants are likely to be firm in their opposition to rent rises or to the lifting of eviction controls even when release of such controls may be justified. However, rent control should be viewed as only a temporary measure.

Rent control may apply to either old or new buildings. It may include both business and commercial property.

If there is rent control without an accompanying housing program, the controls can cause as much trouble as they are designed to avoid. In the attempt to find housing, people will avoid the law. Unlawful deals between tenants and landlords will be made to avoid rent control and to give a family a place to live.

The least constructive use of rent control is with new buildings. Control is likely to discourage the new private construction which could reduce the housing shortage. It is difficult to encourage investors or to secure mortgage loans when rents may not cover future operating charges.

Rent controls should never be established unless absolutely necessary. However, the claim that rent control produces a housing shortage is not accurate. Some aspects of rent control do discourage new construction. But most often, rent control is the result of a housing shortage rather than its cause.

Controls should be removed entirely when the rental market has returned to normal. Every effort should be made to increase the housing supply while rent control is in effect.

The Effects of Government Building Programs on Future Development

The decision to build a city or its suburbs will establish the pattern for future generations. Every city in the developed or developing world is dominated by the decisions of the past.

Old patterns also influence the cities in the less-developed world. Some South American cities, for example, reflect the policies established 500 years ago.

A city built today, therefore, should consider the essential expansion tomorrow. However, cities built while there is great pressure for homes and industry will not reflect careful planning. They may have to be rebuilt when time and money permit.

The wealthier nations are now involved in urban renewal. The less-developed ones must plan for urban renewal in the future.

In the more-developed nations, planning is concerned mainly with correcting errors of the past. Planners focus on clearing

slums and blight, easing traffic, zoning, providing better housing, renewing older areas, and regulating urban and suburban growth. These countries were developed when engineering knowledge was less advanced. Therefore, their buildings usually had from one to four stories. Thus they can be demolished without great cost.

Today, however, huge, expensive apartment dwellings can be built almost anywhere. They are also very expensive to tear down. Also, street patterns and the location of utilities are difficult to change once they are established. The cost of removal is increased by the presence of stores and costly public and private improvements. If poorly built, such dwellings will be the slums of tomorrow.

General rules do not apply everywhere. However, it would seem wise, where possible, to widen roads and bring cheap open land into use, retaining some property in public ownership as a reserve. (To prevent squatting, it is often useful to use public land for farming or for other public uses.)

At first, homes built away from the center of the city should be as cheap as possible. Core housing, self-help, land and utility projects, or one- and two-story dwellings are appropriate.

Where possible, streets and utilities should be planned for future as well as present use. As the city grows, the cheap houses can be replaced with taller buildings with more occupants.

When there is no alternative to expensive apartment dwellings in or near the center of cities, they should be built so that they will be useful for many years. When possible, apartments should be planned so that they can easily be expanded.

Low buildings with open space around them are the most desirable. Over a period of years, it is not the one-story building, however bad, that is the worst influence on a city. The tall, crowded apartment building, with its small airless rooms overcrowded with people, is much worse.

Planners often advise nations to build well and permanently. The nations that can afford to do so should. But in poorer countries the choice is narrow, the time is short, and the mistakes are present for many years. Planners must consider both the immediate results of their advice and the future possibility of correcting mistakes made today.

THE ROLE OF AID PROGRAMS

Aid Competition

The contest in political ideas between the United States and the Soviet Union has led to a competition for aid to the less-developed areas.

The Soviet Union has aided the development of metals in India. It has helped to build the Aswan High Dam on the Nile River in Egypt. It has provided a technological institute, hotel, and hospital in Burma, and stadiums or sports areas, in Indonesia, Guinea and Mali.

And the Soviet Union has been giving technical assistance for housing and urban development. Soviet experts worked on plans for two large residential districts of Accra and Tema in Ghana. They developed a general plan for Hodeida in Yemen. The U.S.S.R. is also supplying several countries with building materials, construction machinery and engineering equipment. The Soviet experts emphasize prefabricated housing.

However, far more aid is given by international agencies and by the United States. Soviet aid for housing began only recently and has been relatively small.

American aid in all areas of activity is much greater than the Soviet Union's. But it has been small and disorganized in housing and urban development. However, by 1961, American public officials were beginning to recognize the urban problems in less-developed areas that the aid experts had ignored. The Alliance for Progress program for assistance to Latin American countries included "urban and rural housing programs to provide decent homes for all our people." Specific goals also included a fairer system of land tenure, more adequate taxation on real estate, credit facilities at reasonable interest, drinking water and drainage for not less than 70 per cent of the urban population, and construction of inexpensive houses for low-income families. But the nations of Africa and Asia must be satisfied mostly with United Nations technical advice. This often means telling officials of a less-developed country to do what they are not in a position to do.

The United States aids many countries outside Latin America through its contributions to the United Nations, the International Bank for Reconstruction and Development (World Bank), the International Development Association, and the International Monetary Fund. The main form of direct United Nations aid is through its technical assistance programs.

The United States contribution to United Nations technical assistance has been great when compared with what other nations do. America pays for 35 per cent of the total. However, this is generous only by comparison. The total amount is small. And only a tiny fraction (less than one million dollars annually) has gone to the small staff administering the United Nations' Housing, Building and Planning Branch.

The Lack of Housing Aid

The United States should not have to finance all United Nations international aid. Unfortunately, however, United Nations technical assistance of all kinds is small. There is very little attention to the problems of urbanization and housing. The more-developed nations have for all practical purposes ignored the more urgent urban needs of the rest of the world.

The International Development Association (IDA) was established specifically to help with such projects as housing. But its funds are small. It has developed no specific housing proposals.

The world's housing shortage will be resolved only by the development of proper policy with a broad social and economic viewpoint. This involves the development within the needy countries of skills and materials, transport and land programs, and savings and financing techniques. All of these should be supported by outside technical assistance and some financial aid where necessary.

The reasons for the lack of constructive aid to housing and urbanization have been the following:

1. *Self-Interest or Self-Protection.* These attitudes have turned the concern of the aiding nations toward projects supporting their own defenses or those of friendly armies. In other cases, projects have been favored that increase the contributor's prestige or influence with the aided countries. Financial assistance is often given to build alliances, promote trade, or obtain other advantages.

2. *Frustration.* Many international aid officials feel that the cost of dealing with urbanization and housing is so high that it would never end. Therefore, they feel that aid should not be given at all.

3. *Vague Ideas on Priorities.* Some policy-making experts consider social programs to be less important than industrial development. They believe that industrialization should come first and the production of shelter and urban development thereafter.

4. *Unawareness.* High officials fail to see the conditions under which people live. After President Eisenhower's brother and President Kennedy saw some squatter areas in Caracas, Venezuela, housing aid was increased to Latin America. But in the rest of the world, few high officials have even seen the conditions. Most international aid agencies have had little interest in the problem.

5. *Narrow Viewpoints.* Aid officials have been unable to deal with the housing problem and its place in urban development. They have the power to act. But they are likely to recommend things within their special field of interest, such as roads or dams.

6. *International Competition.* The two most powerful countries, with their different political systems, compete in everything from sports to space travel. Instead, they should determine where they can most usefully aid human welfare and community stability.

7. *Official Jealousies and Bureaucracy.* This prevents national and international agencies from taking responsibility, from deciding to whom to give the supervision of programs, and where to start.

8. *Inexperience with Urbanization Problems.* There is a lack of information and of experienced people. Therefore, small experimental projects are recommended instead of broad programs. In other cases, a program that was effective in one country is recommended for another country with little regard for its usefulness.

9. *Concern about Money.* Great Britain, the U.S.S.R., and many developed European nations have not favored new or expanded programs in the United Nations or other international agencies because they require the giving of additional money by their governments.

A principal obstacle to expanding urban development and housing aid has been the limited funds available for all foreign development aid. Even if the International Development Association's capital of a billion dollars were substantially increased, the IDA still does not have the knowledge and the experts to begin a housing program. The United Nations Housing, Building and Planning Branch has the experts, but it does not have the funds to finance any project it might recommend.

Organizing International Aid for Housing

There should be a specialized agency for urban development under the United Nations, with funds and powers to accomplish its missions' recommendations. It should deal with housing and urban transportation and development. And the United Nations Special Fund's powers should be expanded to permit more inclusive aid in urbanization problems and building projects that create production in other industries. More aid should be given also to training and education programs, to development of capital through savings, and to other aspects of urban development.

The Role of the United States

President Kennedy declared that the United States is ready to aid "the poorer people of the world, looking for hope and help." The Peace Corps and its food and other programs have done much to help the less-developed nations. But its aid for housing can be improved. A "Peace Corps of Experts," in fields where experts are needed, would be useful.

The United States should take the leadership in asking international agencies to include urban problems and housing among their responsibilities.

Part of America's national purpose is to help other countries to develop. The United States should make greater use, therefore, of the United Nations. It should also urge larger contributions of United Nations aid for urban improvement and offer to meet its share of the additional cost. There are already many United Nations recommendations in the urban field which are good recommendations but lack two vital ingredients: money and people who know how to use it to the best advantage.

Some Principles for Urban Aid

Neither the United States nor the U.S.S.R., nor any other nation, can finance the world's housing requirements alone. Money will help, but money alone is not enough. There are no magic cures. Housing is a long-term investment and urbanization is a continuing development. It requires full use of each country's own resources of land, skills, materials, savings, and finance methods. Often it is better to use aid money to establish local materials factories or technical schools, rather than to waste it on one extravagant venture or build a small experimental project which brings no results.

A less-developed country is usually less-developed not only in skills and technology, but also in basic laws and institutions for land use, finance, planned urban growth and security of tenure. These laws and institutions are essential to developing programs and to protecting the rights of the individual. The morality of the state comes from these rights. And the moral state in turn reinforces the rights of the individual.

No housing, financing, or land use program can be developed for use in all countries. The problems of each country must be studied first. For example, cooperative housing, aid to labor unions, or savings and loan associations may help in some parts of Latin America. But in other places they may be less important.

It is generally a waste of time and effort to send architects or specialized technicians to a country before its legal and institutional patterns are established. A comprehensive knowledge of the country's needs and priorities is essential before specialists are sent there. The laws that are written for the country and the agencies that are established will have a significant effect on the country's political and institutional nature.

Slums, homelessness and overcrowding are not found only in capitalist countries. Discontent with living conditions can encourage communism. But communism does not guarantee improved living conditions. The greater the industrialization, the greater is the housing problem. It does not matter which political system was responsible for the industrialization.

Increasing income can improve the family's ability to pay for housing. But unless more and cheaper housing is provided, the difference between shelter cost and ability to pay will continue

to be large. The pressure of increased demand for housing may make the problem even worse.

The failure of a building industry to function hinders not only housing production, but factory building and the general industrial progress of a country. Government aid can encourage the creation or expansion of private building industries. There is a great need for educating building industry executives in less-developed countries and providing money to help them finance their projects. Greater attention should also be given to aspects of the economy concerned with home building. These include improved planning techniques; land, finance, and savings policies; encouraging the production of building materials; and providing adequate transportation and utilities.

Efforts should be made to improve central city areas. But slums may have to be accepted as a phase of urban and industrial change. It is difficult to avoid the formation of slums in a period of mass migration to the cities. Yet slum formation can be controlled so that better developments in other parts of a city are not affected. The cheaper dwellings should be planned and built so that they can be improved, added to, or replaced in later years. A planned slum is better than an unplanned slum if it consists of separate shelters that are individually owned. Housing programs should acknowledge the inevitability of slums. Otherwise, the result will be costly, permanent slums that cannot be improved.

Aid programs must be developed according to a country's specific skills, materials, land patterns, finances and administrative competence. The most important factor is not what the aid expert believes is right for the country. What he recommends must also be what the country can do successfully.

Each country has values, culture, customs and ways of life which determine the success or failure of a program. Knowledge should be gained of tribal relationships and kinships, building traditions, methods of cooperation, savings habits and other characteristics. Whenever possible, this knowledge should be used in developing assistance programs.

Housing aid programs should always be adapted and developed according to the needs and abilities of each individual country.

Sources of Capital

Economic growth requires substantial spending. Some economists want all the spending for industrialization and none for social welfare programs. Other economists have said that agricultural production must come first. In recent years, most economists have accepted the need to finance such programs as roads, ports, health and social welfare. But the need for housing money is still neglected. Land for housing could be acquired at the same time as land for roads, ports and other improvements at lower cost. The housing could then be developed nearby. Usually, however, spending for roads and ports is done separately from housing land. Housing construction can stimulate materials production, provide jobs and increase savings, tax revenues, and general industrial development. But these factors are ignored in development policy.

Available money for investment in most low-income countries is limited. But money used for housing does not necessarily come from the same sources as money for industrial development.

Industry gets most of its money from commercial banks. Money for housing more often comes from savings banks or savings and loan societies. The amount of money these institutions can lend for housing depends on the amount of money deposited with them. Therefore, it is important for developing nations to encourage savings.

Some countries can borrow money for housing from international banks or other world market sources. Other countries raise money within their own borders from social security funds, savings and loan associations, lotteries—games operated by governments to raise funds for public benefits—government savings banks and other sources. Many countries borrow money from their wealthy citizens.

Almost every country has had some experience with waste and inefficient policies. Badly used, \$100 million might build only 20,000 houses. Wisely used, the same amount of money might provide ten times as many houses. When money is limited, spending it on transportation, water and other utilities, instead of on expensive houses will increase the amount of usable city land. Then, with a proper program, families can build cheap houses with their own or hired labor and with local materials.

Even with the best policies, most countries still need some financial help from outside. The World Bank, the Development Loan Fund, the Inter-American Development Bank, the Alliance for Progress program, and funds from other sources might all be utilized for housing. Their programs and policies should be re-examined to make this possible.

The United Nations estimated that to provide enough houses in Asia, Africa and Latin America in 30 years, 19 to 24 million dwellings would have to be built between 1960 and 1970. However, the cost of such a program made it impossible for countries in any of the three continents to be able to provide that much housing.

More practical ways than now exist must be found to reduce costs of construction and to change building standards. It is unrealistic to assume that the developing nations can build public housing projects of the American type or new towns with houses of British standard.

Until there is enough housing available for the people who now live in the slums, slum clearance programs should be stopped. More use should be made of roof loan programs, house cores, self-help, suburban transportation, and land and utilities programs in which the workers build their own dwellings with some help. Cheap land must be acquired and made available in small plots. Local building materials production techniques must be improved. Savings must be increased so that more mortgage money is available to finance new housing. The most important policy is to plan the land properly from the beginning.

The United Nations estimates that \$3 to \$4 billion a year is needed for housing in less-developed nations in addition to the money these countries can spend themselves. However, there are no programs to provide this money. But when compared to military and other expenditures, this amount is not unrealistic.

Internationalization of Roofs

The roof is usually the most difficult part of the house for a poor family to provide. Many countries have the materials for roofs. However, they do not have facilities to manufacture roofs from these materials.

Roofing industries should be developed and financed by inter-

national aid. If families are helped with roofs, and sometimes also with doors or windows, many will somehow manage to use their own or a neighbor's skills to provide the walls and other parts of their shelter.

International agencies should assume responsibility for financing the roofs, doors and windows. This would help solve the housing problem in many low-income countries. It would also be a more economical way to finance international housing aid. Many more homes would be built and with less money.

An International Bank for Urban Development

An international bank should be established with power to lend, borrow, or guarantee investment in urban development. Membership should be open to all countries. Both the more- and the less-industrialized nations should provide the capital. Some capital should be provided by the World Bank or other international agencies.

The bank would have several purposes. It would assist in urban development and housing programs by providing some of the essential money to plan and finance new housing projects. It could help develop materials industries, including roofs, doors, windows and other equipment.

Loans could be made directly to member countries, or to their political subdivisions such as states, departments, cities or regions. Loans could also be made to private enterprises involved in housing development.

Examples of Aid to Housing and Urbanization

Before any aid is given, a general preliminary study should be made of the country's needs and priorities. Experts knowledgeable in the main problems outlined in the first study should be asked to make more detailed recommendations. A few examples of recommendations that might be made are as follows:

Loans to Pakistan might finance utilities and house cores that could be expanded by the owners as their earnings permit. Other loans could also be made later to help expand these cores.

In Chile, loans might be made for self-help housing. Similar loans would be made in other countries where there are towns, villages, or cities in which self-help housing is practical.

The squatting problem in an old city should not be separated from the building and financing of a new city, even if they are hundreds of miles apart. Development and employment opportunities in the new city would help solve the problems of the older city.

Where people can build their houses on the edges of the city, loans should be made for transportation.

Loans might be made for regional centers of design and building research.

With some changes in policy, company housing might be developed into an important source of new housing. One objection to company housing is that the company then becomes both the employer and the landlord, with too much power over the life and well-being of an individual. If the company sells houses to its workers, this problem would not exist. Sometimes a company may arrange a program so that a worker pays for his house gradually, or begins by being a renter and gradually becomes an owner.

Good technical advice can help ease the shelter problem and reduce the need for loans. For example, industrial-location policies should be designed to encourage industry to settle where housing already exists. Sometimes a nation's industrial-development agency keeps too many sites for possible future use by industry and prevents land from being used for housing. The government's agreement to provide additional utilities or access roads could encourage considerable industrial settlement on sites where housing already exists.

Building new towns with both housing and industry offers an important means of re-distributing population and industry. But new towns can be expensive for poor countries. The expansion of existing cities is often cheaper and less risky. Many cities can be expanded. The advice of experts on this subject could be helpful to many countries, and could prevent spending huge amounts of money to create new cities that might not be necessary.

Sometimes the location of power, minerals, or transportation justifies establishing a new town. When built, it should not be a one-company town. The disadvantage of a one-company town is that any decrease in the particular industry would leave no

choice of other jobs and mean loss of income and possibly loss of homes. It is important that new towns provide space for development of other industries and small trade.

Many reforms may seem trivial but are actually very important. Sometimes it is difficult to get loans or mortgages because of some small technical detail. If the small detail is corrected, the larger problem can be solved.

Sometimes foreign specialists can be helpful just because they are foreign. Their recommendations can not only show what actions are necessary but, when publicized, can ease the political pressure that sometimes keeps officials from recommending what they know is the right policy.

Aid and Land Policies

Unless a constructive land policy is adopted by less-developed countries, aid money for urban development will be wasted. The land problem should be solved within each country. Where it is needed, urban land reform must precede international aid for urban development and housing.

While a nation is working to solve its land problems in urban areas, however, other forms of international aid can be useful. Urban land problems should not be a reason to postpone aid for land improvements, the development of the country's materials industries, or for housing in areas where the cost of undeveloped land is low.

A proper land policy should aim to bring more land into use at reasonable prices and to permit public purchase when essential, particularly for lower-income housing.

Lack of a land policy is due partly to the fact that industrially less-developed countries are also politically less-developed. Relationships between government and business are not yet clearly defined. Government regulations and tax policies are often considered as invasions of property rights.

In the United States and other developed nations, all land in cities is taxed according to its value. This kind of tax does not exist in many less-developed nations. Adopting such a tax would have many benefits for these countries. It would discourage people from holding land vacant and undeveloped while waiting for prices to rise. Because the owner of a large piece of land might

not want to pay taxes on it, a land tax would encourage subdivisions for moderate- and lower-income families.

There should also be special taxes for streets, utilities, roads and other public improvements from which landowners benefit financially.

Government should buy more land than is needed for roads alone so that the increase in land value will benefit the public instead of the private owners. After the road is completed, part of the land can be sold at a higher value or used for public purposes.

Some of the less-developed countries were once under British rule. They are less likely to deal firmly with land problems because they have inherited the policies of a country whose landowners had held a specially privileged position and paid no tax on undeveloped land.

Pakistan is an example. While there is land shortage in East Pakistan, there is no acute shortage of land in the Western region. However, some individuals own large pieces of undeveloped land in urban areas. They are neither selling the land for development nor developing it themselves. Rather, they are waiting until population increase or the need for public improvements makes the land more valuable and they can sell it at a much higher price. Meanwhile, the land is not taxed. The absence of a land tax makes it painless for owners to hold their land without using it.

A United Nations mission to Pakistan recommended several proposals to discourage individuals from keeping valuable urban land from being used. One recommendation involved the first move toward a land tax.

Often a sensible law or a timely suggestion can do more than millions of dollars in cash. New ideas for housing in any country can be developed by talking to the people of a country as well as to the government officials. The people have important information about home building in their own areas. Ideas such as core housing and roof loans developed from United Nations missions in which both the people and the officials were consulted.

CHAPTER XVII

LAND IDEOLOGIES AND LAND POLICIES

The policies made for land, land development and housing shape cities. They also show the differences between the two great ideologies, or doctrines, now seeking to secure commitments from the "uncommitted" nations.

Both ideologies have pledged the government to work for the general welfare. Under both, housing and urban land use have become part of the welfare purpose. But neither has yet developed a quick cure for the problems of housing and land use, despite the vast differences in their approaches.

The democratic ideology is trying to meet new problems by increasing the responsibilities of the state while maintaining its traditional protections for the individual. Countries with democratic governments value the individual's rights to urban as well as rural land.

The right to buy and own property exists. So does the right to rent, to move from farm to city, or not to move. Individuals have the right to trade. What one has acquired is protected. The right to own property is protected.

Under the communist ideology of general welfare, the state determines the rules. People are expected to conform. There are no ancient traditions of individual rights. There is no higher law to act as a restraining force against the state rule.

Ownership of land has been socialized, or decided by the community. The right to move one's home or change jobs is governed by rigid state planning and controls. There are no effective constitutional, traditional, or judicial protections to guarantee one's rights of tenure.

The subordination of the state to the individual is an ultimate objective. That the state will "wither away," however, is far from assured.

The urban revolution has forced both systems to vary their original concepts. The Western nations and the United States still recognize the private profit system. However, they have modified private rights in order to improve housing conditions

and environment. They have enlarged the spending and public acquisition powers to provide houses for those whom the profit system ignores. An increasing amount of government money is being spent for this purpose.

In the United States and western Europe, the individual in the home he owns continues to retain the dominant choice in his way of life and his home. Poor as the choice often is, he is at least legally free to seek whatever better opportunity may be available. At the same time, the state is trying to some of the gaps.

A farmer may work on his own land and keep whatever profits he makes. A city dweller can buy his own building land. He may either occupy it himself or rent it to another. He may rent or buy land on which to conduct a business. His choices in relation to land, although they may sometimes be narrow in fact, are still protected by law.

The individual may build on the land he buys and add to it with his own labor or with the hired labor of another. He can sell it with few restrictions. Or he can leave it to his heirs.

The system of tenure and the emerging state policy are both directed toward preserving and respecting the system of family organization, parental sovereignty and the privacy of the home.

The communist system has eliminated the private ownership of land. It exercises central authority over individual decision.

Movement from farm to city is restricted. Land cannot be bought and sold. The state controls industrialization, housing and much of the pattern of life. But the basic desire of individuals for greater freedom to direct their own lives and environments has not been completely suppressed. The desire of people to own their own home exists even in a communist state. Although the government has been firm in prohibiting private ownership of land, it has had to acknowledge some rights to ownership of houses.

The less-developed nations are experiencing sudden changes in environment, social groupings, and political organizations. The non-communist countries have recognized the need for more state intervention to improve housing and living conditions. But they have generally followed the example of western Europe and the United States in not having government owner-

ship of all land and trade. Some of these less-developed nations have not always guaranteed such rights as freedom of speech. But they usually recognize the right to individual ownership of land, house or shop, and the right to move.

Land Policies in the Non-communist Countries

Conditions and backgrounds vary greatly among the non-communist countries. Some of these countries regulate or spend more than others. In most of the countries, policies are still changing. In England and the United States, the demands of health and decency have given the state more power over private property than in years past. In both countries, however, there is still respect for private rights, payment for property acquired by the state, and reasonable regulation in the interests of health, welfare, or safety.

The government can purchase privately owned land for almost any program which benefits the people, and the owner is required to sell. This is known as the right of "eminent domain."

Government powers of regulation, taxing, spending, and eminent domain are all being extended to meet social or economic needs. Socialization of housing for low-income groups is accepted.

Many of the new, less-developed nations are strongly influenced in their national policies by the former colonial powers. Court decisions in one country guide the decisions in another country. The differences in political and social approaches to housing and urban planning are becoming fewer because of increased travel, exchanges of experts, international conferences, training of students in British and American schools, and technical assistance programs.

Policies are imitated in many countries which share the same basic problems of urbanization and slum life. The United States adopted Britain's public housing program. Europe adopted the American pattern of urban renewal. Canada, the Philippines, Jamaica and Trinidad have copied the American form of government mortgage insurance. Sweden and the United States have adopted housing ideas from each other.

A way is being sought, in the democratic nations and even in the developing nations that are less than democratic, to guarantee some areas of individual choice in land, land tenure and

housing. Property rights in land may be considered as a basis for the extension of some of the other freedoms in the future. This is because land and housing involve basic programs from which other human desires and political rights may grow.

Both developed and developing nations are responding to the pressures of the urban masses for freedom from seizure, freedom of movement, and freedom to own a plot in an urban area with some security. There is little tendency toward the total taking of private land by the government that prevailed in the U.S.S.R. Private building and commerce in materials are being permitted in the developing world. Therefore, there is hope for the gradual development of other vital freedoms.

Generally, these are the trends in both the more-developed and the developing areas of the non-communist world:

1. Housing and land for houses are considered to be essentials of life. It is the state's duty to protect access to them if the general welfare is threatened.

2. The right of a few to hold land while most others are landless is no longer absolute. Nor do the many have an absolute right to hold land that slows development and growth. The state in some countries is gradually beginning to limit the size of land holdings; in others to purchase the land for redistribution, or to provide state-owned land for needed development.

3. Taxes are paid on property income or property value.

4. The state regulates land use by zoning, building laws and insistence on proper maintenance.

5. There has been no widespread tendency for government to take private property except for public purposes and with payment to the owner. But this right of eminent domain is well recognized and the definition of "public purpose" has been extended to include not only roads, parks, schools and bridges, but also housing, parking, airports, markets, and land for industrial use.

6. The rights of tenure, or possession, are recognized (including sale, lease and inheritance).

7. Strict regulations which limit the rights of property owners, such as rent controls, may be imposed during an emergency or crisis.

8. In some countries, government forces or encourages

private owners to use their vacant land.

9. The state often buys land and sells it for private development or holds it for future use.

10. A privately owned public utility, such as a railroad, electric company, or a limited-profit housing corporation, may be granted the right of eminent domain to acquire land for public use.

11. Regional planning has expanded central authority over the rights of local governments.

12. Government assistance is taking one of a number of forms including insurance of mortgage risks and of deposits in savings and loan societies, granting of loans and subsidies for home building and many other aids.

13. Government generally has acquired the power to regulate excessive land profits through taxation, zoning and other methods.

14. The right to enjoy security in one's own dwelling is being accepted more and more. As a nation's economy improves, there is a stronger trend toward ownership among the people.

15. Greater attention is being given to the housing needs of minority groups.

In the non-communist countries, housing, slums, house financing, building activity and many other aspects of the housing economy are now public concerns. The entry of governments into the housing field is new, and the ultimate shape of programs is not yet known. There are some bad uses of the new powers. But the state will no longer stand aside as people live in indecent housing or sleep on the streets. Above all, there is a recognition that private ownership of homes and farms must be respected.

The Position of the U.S.S.R.

Under the U.S.S.R. constitution, land belongs "to the whole people." All rights to possess, use, or dispose of land are granted by the state. Solving the housing problem is a function of state planning and administration.

Karl Marx, the 19th century socialist and writer on political questions, believed that the housing problem was a result of capitalism. Yet as industrialization proceeded in the U.S.S.R., the housing problem emerged just as in the capitalist societies. Strong central planning and government ownership of all urban land and

buildings did not solve the problem.

Today the Soviet Union has the same slum problems as the rest of the urbanizing world.

According to a report by a United Nations economic mission to the Uzbek Soviet Socialist Republic in 1961: "The most serious problem affecting the level of living is, without question, the housing situation. The testimony of factory directors, republic and municipal authorities is unanimous on this point."

The Soviet Union's problem has been increased by the concentration on heavy industry and producer goods, and the destruction or damage of 1,700 towns and settlements and more than 10,000 villages that reportedly occurred during World War Two. But even if there had been no destruction, the problem still would exist. The main cause of the continuing housing shortage in the U.S.S.R., as in other places, is industrialization and urbanization. However, 976 towns and 1,941 urban-type settlements are reported to have been established between 1926 and 1961. The U.S.S.R. has made great advances in prefabricated construction of apartment dwellings. It has increased its housing investment in recent years and attained a high rate of new housing construction.

But political systems affect the building product as well as the way of life. According to Soviet authorities, 90 per cent of all housing built in 1959 conformed to the same standard architects' plans. Space provided for living is small. Most urban residents live in one room of a shared apartment with a shared kitchen. The average occupancy per room in 1961 was 2.7 persons.

Central control is maintained over planning and housing as over other forms of production. A Soviet official has described Soviet achievements in housing and economic development as the direct result of "the State social, political, and economic structure of the country, the absence of private ownership of the land or the means of production, the State system of national economic planning, the industrialization of the country and the collectivization [transfer from private to public ownership] of agriculture.

"Since land is public property in the U.S.S.R., the [allotment] of sites for building is the obligation and responsibility of State organizations.

"Plans for the development of towns, residential districts, micro- [small] districts and individual building are [formulated] by the State planning institutes.

"The building trusts which erect the housing, the factories which produce building components, fixtures and materials, and the transport organizations are also State undertakings."

Under state planning, the state decides what is good and what is needed. Somehow everything and everyone is expected to fit into the state's predictions. The whole economy is planned and land, industry, power plants and transport are public property. Therefore, industry can be located where the state orders, and population is thereby distributed and redistributed according to plan. The difference between planning in the West and in the U.S.S.R., a Soviet official said, is that in the West, the general town plan is merely a prediction of the "directions in which the town may develop." In the U.S.S.R., the town is built exactly according to the state's plan.

Despite its planned economy, however, the U.S.S.R. has some of the same urbanization problems as other countries. Soviet leaders have urged planning for limitation of growth and dispersing industry throughout the country. But despite government planning, industries and people are stubbornly likely to move toward the larger city centers.

About 30 per cent of all urban living space is in private houses. This seems contrary to the communist ideal. But private houses have been permitted because of the housing shortage and because of the pressures from private householders. However, government orders have discouraged the building of new individual homes.

There is confusion in the housing field because of the competition between economic councils and local governments. Complaints appear in Soviet newspapers about housing shortages and frequent delays in building. There is a serious shortage of building materials in the U.S.S.R. as in other countries. There is also anger about priorities given to sports buildings over housing and other essential facilities. The competition for skills is fierce. In 1960, less than one quarter of the cities had a chief city architect, and most of them were unqualified. Cities are criticized for holding land without developing it and for violating plans.

Other problems are poor planning of land use, excessive use of land by industry, indifference to regulations and unclean water. Squatters' huts have sometimes interfered with planned expansion. Demolishing occupied building has been as troublesome and as costly as in capitalist countries.

Communist planning in an urbanized society is not free of the problems encountered in the less planned economies. Compromises are being enforced in the Soviet Union as in other places. Official jealousies and bureaucracy are problems regardless of the political system.

The communist state still enforces controls over individual movement and choice. The Soviet passport restrains many rural people from moving to the city, although the restrictions are not always effective. Officials boast about the progress in housing by citing the total amount of housing space built. But the country seems committed to constructing small, standardized apartments as an inexpensive method to meet the need. Although housing is being built in quantity, overcrowding continues. Occupancy is still generally one family to a room and often more. Neither technical progress nor the communist ideology has solved the social problems of urbanization.

The urban revolution is bringing new challenges to the patterns of society not only in the Soviet Union but in every part of the world.

In some countries, state ownership of housing is increasing, although other forms of tenure are allowed. In other countries, the state acquires housing and urban land and then sells it to encourage a greater variety of choices. And in still other countries, the state subsidizes private builders to enable them to provide a variety of choices. In the centralized, or totalitarian, society, however, the choices are narrowed, and shelter becomes another instrument for shaping people's lives and making them conform to the central authority and design. The house is part of the state's rigid process to limit the individual's privacy and his choices.

The democratic principle which governs housing and urban land policies today is fundamentally the same as the principle established by the philosopher John Stuart Mill more than 100 years ago: "... pursuing our own good in our own way, so long as we do not [hinder] others [in] theirs or [hinder] their efforts

to obtain it." Millions of people throughout the world understand the meaning of the right to their own land and to their own homes. They are carrying with them to the cities the same desire for property that they had in their rural villages. If there is to be any real hope of freedom in the developing societies, there must be the right to a home free from state domination, security in one's tenure and the right to move toward new opportunities.

The Challenge to the City

The troubled cities of the less-developed nations are fertile places for revolutionary propaganda. Conditions are similar to those in 19th-century Europe when the *Communist Manifesto*, or declaration of motives, appeared in 1848: misery, bitterness and anger in the teeming slums and squatter colonies; low wages and long hours in the new factories; competition for jobs; child labor; and a serious shortage of housing.

In Western Europe in the 19th century, reform defeated communism. In the developing areas today, most people come from societies in which private property and personal or group ownership are part of the established way of life. Russian communism does not appeal to them. But discontent, disorganization and suspicion are everywhere challenging economic and institutional patterns before they have matured.

The most important question confronting the democratic world is whether political stability can be maintained while productivity is developed and the change to industrialization is effected. Most of the less-developed countries have no alternative but to encourage private capital to help expand industrial output. If these countries are to develop industrially, they must encourage new capital investment. But because of the contrast between wealth and poverty, capitalist investment becomes the target of revolutionary propaganda.

The democratic process provides greater freedom for protest, opposition and even rebellion. Most revolutionary propaganda is being directed toward the cities, where the poverty is most obvious, and the unemployed, the unsheltered, the students, workers and squatters can more easily be organized.

Although land reform has begun to help small farmers in such countries as Mexico, Puerto Rico and Bolivia, the land problem

in the cities is almost being ignored in Latin America, Asia and Africa. A program that promises land distribution for the masses and individual ownership in the cities could be politically more vital than communism. The greatest weakness of the Soviet Communist program is its denial of this promise.

The United States is emphasizing the virtues of its own system and giving financial and technical aid in selected areas to speed the process or change or lessen hunger and disease. President Kennedy suggested a revolution born of "the most powerful forces of the modern age—the search for the freedom and self-fulfillment of man." But people's stomachs must be filled and shelter secured before the higher aspirations become especially significant to them.

The American Revolution

Widespread property ownership was basic to the development of democracy. Near the end of the 18th century, two political theories divided the world, as is the case today. One was based on the welfare of the state and placed immediate needs above principles. The other was based on unchanging moral principles which could not be violated: freedom, justice and the rights of the individual.

The American Declaration of Independence, made in 1776, emphasized the basic human rights which the state could not violate. But one of the most appealing aspects of the new republic and its system was that life, liberty *and property* were joined together. The new system guaranteed protection to property in the Bill of Rights. It soon also made property available to immigrants.

The United States and the U.S.S.R. based their revolutions on two different theories. The United States restored to private owners land acquired by the state. The Soviet government acquired what was already privately owned. From the beginning, America accepted the family as the unit in which the individual was nourished and grew. The property a family acquired was its own, receiving all the protections that law and government could provide. Widespread land-ownership became a vital force for building democracy. Thomas Jefferson, one of the authors of the Declaration of Independence, wrote: "The small land holders are

the most precious part of a state."

When industrialization transformed much of the rural land into urban land, the United States kept the pattern of individual ownership and decision. The U.S.S.R., on the contrary, extended its hold on the individual into the urban area. As industrial capitalism grew, the United States expanded controls to protect basic rights of equality and justice. It did so within the democratic institutional structure which had been established during the agricultural period. While stimulating enterprise to make it function more effectively, it acknowledged individual ownership and the access to ownership. Private farm ownership continued. Small trade was respected even as large corporation ownership grew. The essential freedom survived the critical changes from a rural to an industrial economy.

Today the move to the cities is accompanied by the same aspirations, including the desire to own a small dwelling in which a man can raise his own family. In some aspects, the land problem in the cities has begun to resemble the age-old struggle for the soil.

Urban Land and Living Space

The real challenge to man's freedom under worldwide industrialization may ultimately come from the ancient desire for living space, rather than the competition between the two great ideologies.

The need for more land has pressured ambitious nations to conquest since early times. To satisfy land hunger, national leaders looked to empire or war. The pressures of dense populations in Italy, Germany and Japan played an evil role in World War Two. The same pressures may some day play a similar part in China and wherever the problem exists.

Yet the industrializing and urbanizing patterns of our time may help. Man's needs for work space and homes in cities are relatively small. In a world of cities, the shortage of space should no longer be a factor in the struggle for survival. But the misuse and mis-planning of space is a serious factor.

If the urban areas within each country are expanded by proper land policy and the addition of transportation and utilities, there will be ample room for homes and work places even by the year 2000. If industrialization can be managed intelligently and food

produced for the hungry, there will be no need for expansion beyond the borders of each nation. In the highly industrialized United States, for example, urbanized land occupies less than 2 per cent of the entire land supply. A similar situation exists in most other countries. The solution to the problems of urbanization may be the key to international understanding and a lasting peace.

The City—Threat and Hope

During the remainder of this century, the force of world population growth will be felt most in the cities of the less-developed countries. The urban population of Africa will probably grow from 58 million in 1960 to 294 million by the year 2000. Asia will probably grow from 559 million to 3 billion, 444 million, and Latin America from 144 million to 650 million.

Despite its complex environment, the city has been able to offer the hope of progress to the world's under-privileged people. The availability of training in a city has brought man greater opportunity to equip himself with skills. In the cities there are more jobs from which to make a choice. The city continues its ancient role as the refuge for those seeking education, opportunity, stimulation, independence, fame or privacy.

The city is still where men and women assemble in marketplaces to sell and buy goods. The marketplace and the widespread ownership of land and shelter are still the seeds from which larger freedoms have grown and can continue to grow in the world's new societies.

Individual rights can be protected in the city because people are nearer to each other and yet closer than ever before to the examples of the outside world. In the city, people have universities, telephones, lawyers, friends, newspapers, and organizations to protest government actions and protect the individual from the state. For all these reasons, the city, which gave birth to freedom in the older industrial areas, may yet develop freedom in the new industrializing nations.

But the city, with its poverty, homelessness and overcrowding, also offers more dangers today than in the past. The failure to settle the problems of land distribution and housing in the world's cities threatens the industrialization programs of the

developing world. It also threatens the stability of the entire world. Prompt action is essential if the institutions of individual freedom which the city re-inforces are to be maintained.

Shelter and land are vital to the destiny of the city and to the strengthening of its values. Housing and urban land policies may well determine the fate of the emerging societies, the freedom they might help nourish and sustain, and the peaceful progress of nations within their own borders.

