

The 100,000 free houses: no-overcome contradictions in public housing policy in Colombia.

Housing policy in Colombia, based mainly on the subsidy to the demand from the changes adopted with the issue of the Law 3rd of 1991, has been accused of limitations to cater effectively to the poorest¹. Indeed, access to new housing subsidy defined from showing the condition of being very poor, with very low incomes, and with the ability of saving and assuming the payment of a mortgage to complement the overall cost of housing is an important contradiction². In the allocation of subsidy it has been raised that the lower the income of the applicant the greater the amount which is given, although it is not a total subsidy: at most it covers one third of the final value of the property, according to the lowest cost offered in the market. Thus, many subsidies have failed to be assigned because it is obvious that the poorest have no capacity to save and even less debt capacity.

This apparent contradiction in public policy has one explanation and that is that the primary interest is not to solve the housing problem of the poor but to overcome negative cycles of the construction sector through the provision of social housing. In other words, when the general demand of buildings falls, social housing becomes the niche that puts up with the crisis, given that in a country with high deficits of such buildings especially for the resourceless people, This is an efficient haven. For this reason, the subsidy seeks to achieve an effective demand from this population and turning it into a leveraging for the market. What does not work in this equation: subsidy plus savings plus credit is precisely the conditions of poverty, characterized by erratic

income, which makes it difficult for the poor to save or to get a loan.

This is not the only benefit provided to the poor, there is also another subsidy that is aimed at improving the housing built in legalized informal settlements; however, this line there is no recognized significant progress either. The explanation lies in the inadequacy of the amount available. People who work on this type of subsidy recognize that it is just enough to structurally reinforce a small area of the house and comply with the standard of seismic resistance only in a small area of the house, without overcoming the shortcomings of existing habitability. Added to this, there is an equally complicated process to grant access to the subsidy as there are a number of requirements that many of their applicants fail to meet: They must be in a legalized neighborhood and outside areas of risk that can not be mitigated, have legalized tenure, among others. This already leaves out a significant number of households in need of help to overcome extreme situations of poor habitability. Presumably there are similar difficulties in access to the subsidy to own site constructions, for which the same requirements are demanded for the improvement of the property.

In the context described above, it is recognized that a high percentage of subsidies is not being assigned, and most disturbing is that it is precisely the ones targeted to the poorest in our society. However, it is not only a quantitative problem because from the qualitative perspective the issues are equally pressing. There is no regulation of housing quality regarding deliverables areas, nor on the spatial program with respect to household size, or finishes, much less on the conditions of the solution to the particular characteristics of ethnic groups. Thus, the parameter of these

1 Three modalities such as for new housing, improvement and own site construction are contemplated.

2 The definition adopted for Social Housing is based on its market price as one that has a value of up to 135 minimum monthly wages in force (SMMLV by its initials in Spanish) (approximately U.S. \$ 42,000), for which the subsidy is given to demand of households that earn revenues of up to four SMMLV (approximately U.S. \$ 2,200), being the subsidy higher in the lower income. As an alternative aimed at lower-income applicants, it is offered the Priority-Interest Housing VIP (by its initials in Spanish) at an estimated maximum cost of 70 SMMLV (U.S. \$ 21,000)

fundamental conditions for achieving a good habitability is limited by the final price of the housing. Housing developers host the maximum price saving profitability in business, regardless this implies the deliverance of very small and unfinished housing.

The question is evident: if the policy fails to meet the efficiency needed to cater to this line of the population, why is it that there are not structural changes brought up directed to overcome their housing shortage? An apparent answer is the 100,000 free houses program that responds to one of the previously stated problems and that is the inability of the poor to access the subsidy and credit due to their inability to save. This program indicates an awareness of the national government on the inefficiency of the subsidy policy to the demand of the attention of the housing deficit of the poor, which may be an advance. But free can be tricky, because it seeks to solve the problem of access to housing and to further promote the construction sector, without considering the implications that home ownership for highly vulnerable homes with meager income continue to have.

In the report on the program prepared by the Ministry of Housing in February this year, the main impacts of the current housing policy are presented showing a focus more related to housing production as an economic activity than as a strategy to cater to the vulnerable population. The only social impact presented in this report states that

“The increase in the production of social housing and the number of households with access to water and sanitation service contributed to the percentage of people in multidimensional poverty decrease from 30, 4% in 2010 to 27% in 2012, which means that in two years 1.27 million people rose from this condition” (p. 19).

Indeed, access to housing allows families to improve their status in relation to one of the dimensions that constitute to the index³, which does not mean it is an indicator of poverty reduction since it would be

necessary to advance in the same way in the other dimensions. In this sense, the minimize the solution of the housing problem of poverty and the production of housing units, without considering the living conditions households this population will inhabit.

In fact, since its formulation the Free Housing Program has shown that the strategy is essentially quantitative. The goal is expressed in number of homes: 100,000, and the report states that by February 2014 there were about 40,000 houses completed. The amount of resources invested is presented, among other accounts, as well as the credit approved for funding the project and how much the economy has grown thanks to the contribution of the construction sector. However, regarding the quality of housing it is just briefly mentioned that for the program there are criteria taken into consideration such as: Greater number of green and common areas, increase in built up areas of housing, related needs to private spaces, finishes and utility connection.

There is no quality consideration in terms of ensuring the physical and mental health of residents in homes. Thus, issues such as the location and its relationship to the workplace, the conditions of mobility, public space or affectations of risk have been subordinated to the possibilities offered by the availability of cheap land and what can be built on this without exceeding the available budget. As anticipated at the beginning of the program, for the location of these projects it was necessary to resort to peripheral lands continuing with the segregation processes that keep the poor at the edges of cities, far from sources of employment and access to urban services.

This will cause a poor quality of life for residents in these new developments due to stress, while it will lower their tolerance, increasing domestic violence and subjecting children to physical and social risks due to the long hours they must stay alone without supervision of responsible adults. It does not take into account the damages for physical and mental health that subjecting households comprised of five or more members

3 Dimensions of Multidimensional Poverty Index: Educational conditions of the household; conditions for children and youth; work; health; utilities and housing conditions. Source: Departamento Nacional de Planeación (National Department of Planning), 2011, Multidimensional Poverty Index for Colombia.

to live in overcrowded conditions can have—which has shown association with domestic violence and sexual abuse, as well as with acute and chronic respiratory diseases or lack of cultural appropriateness in terms of its design—that can generate feelings of frustration and possibly vandalism (Ceballos et al., 2012).

In this regard, it is important to consider that the free housing program is intended for families in extreme poverty (Red Unidos), displaced by the internal conflict, affected by natural disasters or living in areas of risk that cannot be mitigated. This circumstance makes critical the recognition through the design of individual and diverse socio cultural characteristics derived from multiple sources to be integrated for living in a new territory. It is about families that in many cases have already suffered the breakdown of the social fabric under dramatic scenarios and require support to recompose it, and others who today are part of complex social networks that weave survival strategies, which will be seriously affected by the assignment form provided: the draw. Mechanism that leaves to chance the possibility of building a social fabric that supports a new condition of life that truly aims to overcome poverty.

Since its ruling, the law 1537 of 2012 from its formulation mentioned the promotion of mechanisms for income generation for people who are part of the subsidized housing projects and recognizes for VIP (priority-interest housing) projects the need of accompanying families. However, there have been no reports on how this promotion is being carried out, nor is it even clear what constitutes these mechanisms. The only thing that has been emphasized since then has to do with freezing their status as beneficiaries of social programs and their socioeconomic stratum for a decade but there have not been executed actions aimed to develop capabilities to communities so they can

continue with their process of living independently after the project delivery.

From this perspective, it is worth questioning whether the initiative of a housing program for the care of vulnerable populations in Colombia should continue facing a massive housing construction that seeks “to provide a roof”, while maintaining the characteristics of poverty and forgets how to build city to its citizens.

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