COLLECTIVE SELF-HELP HOUSING IN BRAZIL

Henk Gilhuis
Sjoukje Volbeda

HOUSING AND URBAN POLICY STUDIES

4

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</table>
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The publication of this study has also been made possible through a contribution by Cebemo, the Catholic Organization for joint financing of development programs (Oegstgeest, The Netherlands). Cebemo has also participated in the financing of the São Bernardo Housing Programme.

The fieldwork, which was carried out by Henk Gilhuis in 1988, focused on collective initiatives for low-income housing in Brazil. Two different self-help approaches to the housing problems of the urban poor were selected for investigation. One is located in the industrial town of São Bernardo do Campo, within the metropolitan area of São Paulo; this is an example of a strictly collective initiative. It was set up as a pilot project to be repeated if it proved to be successful. The other is situated in the far outskirts of Rio de Janeiro, in Nova Iguaçu. Here the originally collective initiative was altered during the process. When the initiative got to the point of actual construction, the self-help building was carried out individually with some collective assistance.

We are grateful to the members of the housing advisory team of the Associação Comunitária and to the residents of Vila Comunitária in São Bernardo do Campo for their kindness in sharing information and insights with us, as did the people of the Mutirão de Nova Aurora Association in Nova Iguaçu. Our thanks also go to the Centro de Estatística Religiosa e Investigações (Ceris) in Rio de Janeiro; the Swiss Catholic Lenten Fund; and the Dutch NGO for co-financing Cebemo. Without the hospitality and practical assistance of sister Maria Oderda in Nova Aurora and the family Ens in São Paulo, the field work would certainly not have been as fruitful as it was.

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Map 1.1  State map of Brazil and location of the metropolises São Paulo and Rio de Janeiro

Map 1.2  Location of the municipalities of São Bernardo do Campo in the State of São Paulo and Nova Iguaçu in the State of Rio de Janeiro
The aim of the present research is to increase our knowledge of the barriers constraining the informal housing sector in Brazil. More specifically, it deals with some promising housing initiatives undertaken collectively by lower-income people and the barriers they have to overcome in order to meet their goal: to provide themselves a house to live in. Collective initiatives as understood here are activities organized by groups of people with the aim to improve their housing conditions.

Housing is defined in the broad sense of habitat. It encompasses not only the physical dwelling but also its relation to infrastructure, services and the direct environment.

In the rapidly growing cities of the Third World, the majority of the urban poor try to satisfy their housing needs on a self-help basis. This does not necessarily mean that the users carry out all of the work by themselves, nor that housing provision takes place outside the sphere of market relations. Rather, it means that where governments fail to provide adequate housing, the users themselves make provisions for their own housing one way or another. The term self-management is perhaps a better term for this kind of housing provision. In Brazil the role of government in planning and structuring the neighborhoods emerging through self-help housing programs is limited. Its role in direct housing programs for lower-income groups is limited as well: these turnkey housing schemes are generally unaffordable for lower-income groups. Public-sector rental dwellings are non-existent. Cheaper alternatives - such as legalization and upgrading of squatter settlements and sites-and-services programs - have been adopted only on a very limited scale. The housing need of people in the lower income brackets has not been met anywhere near the level of demand. Since their numbers are growing rapidly, it is becoming increasingly difficult for the individual lower-income households to satisfy their housing needs by self-help. Land in the great urban centers is growing scarce. Even prices of unserviced land are rising beyond their reach. In the larger metropolises like São Paulo and Rio de Janeiro, the fringe of the cities, where affordable land may still be available, is becoming too distant from job opportunities and services. Average home-work travel time for workers in São Paulo has risen to 3 hours and 15 minutes (Taschner 1986:82). As a result, existing squatter settlements have become more densely populated, and more people are sharing the same
plot or house. The economic crisis of the early 1980s, which seriously affected the spending capacity of the poor, further restricted their range of alternatives to meet housing needs. The crisis also affected the government's capacity to invest in social housing.

In this context, the early 1980s witnessed the emergence of several collective initiatives in the field of low-income housing in Latin American cities. Basically, collective initiatives are undertaken for two reasons: first, because low-income people often lack opportunities to fulfil their basic housing needs through the market (formal as well as informal); second, because public housing policies by and large fail to meet the housing needs of the lower-income population, both quantitatively (in terms of number of houses, serviced sites, construction loans, etc.) and qualitatively (design, affordability, location, etc.). Collective action enables the poor to mobilize their own resources and to get access to resources which are generally out of reach for them. It can be a way to exert influence on the state for the provision of collective services, such as roads, water, sanitation and electricity. Collective action may also center upon access to housing resources that are allocated to individual households, such as land, financing, and building materials. Among the various forms of self-help initiatives, the most common approach is an individualistic one. As stated above, individual self-help housing construction has come more and more under pressure, due to the deteriorating living conditions prevalent among a rapidly growing share of the urban population. Therefore, we choose to focus this study on collective approaches to self-help housing.

The main question of this investigation is:
**Under which conditions can collective self-help initiatives by low-income households to improve their housing situation be successful? What role does the government play?**

The first question has been divided into the following research questions:
1. Why and by whom are self-help collective initiatives undertaken?
2. How are collective initiatives organized?
3. What barriers have to be overcome in order to meet the objectives?
4. What are the results of collective initiatives (such as the number of dwellings, their size and lay-out, their cost/quality relation)?

The shape of 'success' cannot be determined beforehand. It depends in the first place on the objectives of collective initiatives. Objectives differ and are subject to change in time. We will therefore focus on the process and the outcomes of collective initiatives. We will try to identify the most important variables involved, as well as their interrelations. We do this by describing and analyzing in detail two cases of collective initiatives in two Brazilian Metropolitan Areas. During the fieldwork period, priority was given to the housing initiative located in São Bernardo do Campo, an industrial town in the Metropolitan Area of São Paulo. This initiative was strictly collective in character. The other one turned out to be more mixed, with both collective and individual aspects. The latter is located
in the rapidly growing suburb of Nova Iguaçu, which is part of the Rio de Janeiro Metropolitan Area. (See Maps 1.1 and 1.2.) In different ways, both initiatives aimed to improve the housing situation of their participants. In the city of São Bernardo do Campo we analyzed a pilot project of fifty houses. This was a self-managed housing project undertaken in 1983 by an association of squatter residents. Within four years of that time, the association managed to mobilize the necessary resources (e.g., from the State and local governments) and to collectively build fifty houses using the labor provided by its members.

The second case study deals with an initiative that originated from a movement to organize a land invasion in the city of Nova Iguaçu in 1981. As the movement's claims to land became acknowledged by the local government, the movement was transformed into a residents' association. It then initiated a project for housing construction with financial aid from a non-governmental organization. When the time came to actually start building the houses, the materials were bought collectively, but the construction was mostly carried out on an individual basis.

Concerning the second question, about the role of government, we can be rather brief: Brazilian authorities in the field of housing have not seriously pursued the matter of low-income housing provision. Yet their influence through acts, regulations, and building institutions is not small. Precisely because of this conditional character of government's role, our second question is discussed in Chapter 2, along with the social and economic housing conditions of low-income households. Therefore this question will not be repeated in other chapters. Of course, wherever government institutions play a specific role in our two case studies, they will be mentioned in the respective chapters.

Collective initiatives do not take place in a socio-economic or in a political vacuum. It was no coincidence that Brazil had a boom in social movement activity in the early 1980s, also in the field of low-income housing. On the one hand, living conditions were rapidly deteriorating due to the economic crisis. At the same time, the gradual political liberalization of the military regime allowed civil interest groups to organize into public organizations. For a long time, government authorities did not provide sufficient housing for low-income households. Chapter 2 gives basic background information about the housing conditions of the urban poor (Section 2.2). Housing policies with respect to low-income households receive special attention in Section 2.3. Section 2.4 highlights the effects of the economic crisis on low-income housing. Conclusions in terms of the current housing-market trends are drawn in the final section of Chapter 2.

Chapter 3 outlines a theoretical and conceptual framework for the analysis of collective initiatives. This gives a more or less comprehensive view of conditions underlying the emergence, development, and results of collective initiatives. The following aspects of collective initiatives are dealt with in the third chapter:

a) the social and political context in which it takes place (Section 3.2)
b) the mobilization of resources and the structure of an organization (Sections 3.3 and 3.4)
c) the process of political decision-making and the ways in which collective
initiatives can influence it (Section 3.5)

d) factors associated with gender inequalities in housing attainment or access to resources in the housing process (Section 3.6)
e) the implementation of self-help housing strategies and the allocation of resources within the building process (Section 3.7)

This chapter is concluded (in Section 3.8) with a checklist to evaluate different self-help approaches of housing production. This checklist will be elaborated in Chapters 4 and 5 in relation to the two case studies involved. As far as possible, the analysis follows the conceptual framework outlined earlier. Data are presented on the social context in which each initiative took place, the ways in which necessary resources were mobilized and allocated, and the eventual results of the initiatives. In the concluding sections of these chapters, the main findings are related to the research questions.

The final chapter (6) gives a summary and an evaluation. In this chapter a comparison is made between the two cases. Again we first look at the context in which both initiatives took place and at the participants and their goals (in Section 6.1 and 6.2). Then we look more closely at the organizational process; in particular at mobilization and allocation of resources (Section 6.3). Finally we compare the barriers (Section 6.4) and the results of both initiatives (Section 6.5). The chapter is concluded with an evaluation of the potential and weakness of collective initiatives (Section 6.6).

This research report is based on our own empirical research and on a study of the relevant literature. Field work was carried out in São Bernardo do Campo and in Nova Iguaçu from March to October 1988. Information was gathered through open and structured interviews with people involved in the initiatives (both directly and indirectly), through direct observation, and by consulting the archives of the associations that carried out the initiatives. The records of local non-government organizations (NGOs) involved in both initiatives provided a source of information as well.
2

HOUSING CONDITIONS AND HOUSING POLICIES IN BRAZIL IN THE 1980s

2.1 Introduction

The world-wide economic crisis of the early eighties hit the urban poor in Brazil hard. Unemployment became widespread in the major industrial centers. Social and labor legislation hardly provided safeguards against loss of income due to unemployment. Wage increases didn't keep pace with inflation, which eroded the purchasing power of salaried workers\(^1\). The spending and investment capacity of the government also suffered from the economic recession. Apart from decreasing revenues, the burden of a rising foreign debt\(^2\) forced cuts in government expenditure, which reduced the already limited scope for social and housing policies.

At the political level, the country was also undergoing important shifts in the early 1980s. After more than two decades of military rule, a gradual abertura or opening up of the regime began. A multi-party system was introduced in 1979, labor unions reorganized, censorship of the media was lifted, and political exiles returned from abroad. In short, many sectors of civil society were reorganizing after a long period of repression.

The deteriorating living conditions of a large part of the population and the political liberalization set the stage for collective initiatives in the area of low-income housing.

The next section gives basic background information about the housing and income situation of Brazilian households, in particular those in the lower income brackets. The case studies of collective initiatives are described in their local contexts. As will be shown in Section 2.2, the social, economic, and political circumstances in São Bernardo differ in some respects from those of Nova Iguaçu. Where possible, the figures place both cities in their immediate context (the Metropolitan Areas of São Paulo and Rio de Janeiro) and in the wider context of the country as a whole. Section 2.3 gives a short review of government policies with respect to low-income

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\(^1\) See Appendix 1.

housing. First, we consider the period until 1964, when the National Housing Bank (Banco Nacional de Habitação, BNH) was established; then we turn to the BNH period, which coincides with military rule. Only eight months after a civil government came into office, the BNH went bankrupt and was taken over by the Caixa Economica Federal (CEF). Existing mortgages and loans were continued, but all building programs were halted abruptly. Due to a lack of data, we have to be brief on the period thereafter. In Section 2.4 we attempt to analyze the effect of the severe economic recession that started in 1980 and continued to influence low income housing conditions throughout the 1980s. In the final section (2.5), we draw some conclusions on current housing-market trends.

2.2 Housing conditions

Urbanization of Poverty
Brazil has undergone a rapid process of urbanization over the last forty years. About 75 percent of its population is estimated to be living in cities at present, compared to 67.7 percent in 1980 and 59.0 percent in 1970 (IBGE). Part of this urban population is concentrated in a small number of very large cities: 43 percent of the urban population lives in nine metropolitan areas (M.A.'s), ranging in size between one and sixteen million inhabitants. Although annual growth rates in the 1980s are not as high as in the previous decade, the absolute population increase is so great that major problems in infrastructure, urban planning, transportation, and housing will certainly persist in the near future (Table 2.1).

Over half (54.8 percent, or 29 million people) of those who live under the poverty line (see Appendix 1) live in urban areas. Some 9 million (or 17.8 percent of the

Table 2.1 Absolute population size and average annual increase 1980 - 1985

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>121,100</td>
<td>135,650</td>
<td>2.4</td>
</tr>
<tr>
<td>São Paulo MA</td>
<td>12,600</td>
<td>15,300</td>
<td>4.3</td>
</tr>
<tr>
<td>R. Janeiro MA</td>
<td>9,000</td>
<td>10,200</td>
<td>2.6</td>
</tr>
<tr>
<td>S. Bernardo MA</td>
<td>425</td>
<td>566</td>
<td>6.6</td>
</tr>
<tr>
<td>N. Iguaçu</td>
<td>1,100</td>
<td>1,300</td>
<td>3.6</td>
</tr>
</tbody>
</table>

Source: IBGE 1985, 1988
*thousands of inhabitants
**% average annual increase

According to IBGE census criteria, 'urban population' refers to people living in towns with over 2,000 inhabitants.
53 million) poor live in metropolitan areas. Of these the São Paulo MA has a total of 2.1 million and the Rio de Janeiro MA 2.4 million poor (Jaguaribe et al., 1989; 72-73).

The majority of the urban poor live in peripheral slums at a considerable distance from the city centers. Accurate data on the spatial distribution of the urban poor within the metropolitan areas are not readily available. In São Paulo city, a squatter census carried out in 1987 indicates that 7.7 percent of the city's population (over 800,000 people) live in inner-city squatter settlements, the so-called favelas, on land they do not own and from which they may be evicted anytime (Sehab 1988). Estimates of the population residing in rental slums called cortiços, which are built in very cramped situations on inner courtyards of middle-income residential areas, are much less accurate and range between 8 and 38 percent of the population (Taschner 1986: 80). In Rio de Janeiro City, official figures on the squatter population are divergent as well, and range between 11 and 32.2 percent of the population in 1980 (IBASE 1982: 4; Taschner 1988: 6). The 76 squatter settlements of São Bernardo house 16.5 percent of the city's population, or 91,000 people (official 1985 figures).

Public services
Striking differences exist between the metropolitan areas of São Paulo and Rio de Janeiro regarding the level of public services. The sanitary conditions in São Paulo MA and São Bernardo are better than in Rio de Janeiro MA and Nova Iguaçu (Table 2.2). The electricity network has been extended to almost all dwellings. Notwithstanding regional differences, there has been a strong improvement of the level of urban services for the country as a whole in the past thirty years (Table 2.3).

Tenure
The basic tenure alternatives in the housing market in Brazil are private ownership and private rental. There is no public rental housing sector. The federal housing policies to be analyzed in Section 2.3 have been directed at promoting homeownership since the turn of the century. The proportion of privately owned housing in the country increased to 63.4 percent in 1984 (Taschner 1988: 3).

Table 2.2 Level of urban services, 1980 (percentage of urban dwellings serviced)

<table>
<thead>
<tr>
<th></th>
<th>São Paulo MA</th>
<th>R. Janeiro MA</th>
<th>S. Bernardo</th>
<th>N. Iguaçu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water mains</td>
<td>89.7</td>
<td>78.0</td>
<td>93.0</td>
<td>42.8</td>
</tr>
<tr>
<td>Sewerage</td>
<td>48.6</td>
<td>56.4</td>
<td>79.4</td>
<td>30.3</td>
</tr>
<tr>
<td>Septic tank</td>
<td>15.9</td>
<td>15.2</td>
<td>1.7</td>
<td>39.1</td>
</tr>
<tr>
<td>Electric mains</td>
<td>97.0</td>
<td>95.7</td>
<td>95.5</td>
<td>94.2</td>
</tr>
</tbody>
</table>

Source: IBGE 1988
Table 2.3  Basic urban public services in Brazil, 1960 and 1984

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage of dwellings connected to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water mains</td>
<td>21.1 21.1 62.2</td>
</tr>
<tr>
<td>Sewerage/septic tank</td>
<td>23.8 47.9</td>
</tr>
<tr>
<td>Electric mains</td>
<td>38.5 79.4</td>
</tr>
</tbody>
</table>

Source: Taschner 1988: 9

The distribution of tenure conditions varies according to region and household income (Tables 2.4 and 2.5). Tenure conditions in São Bernardo and Nova Iguaçu differ from those in the metropolitan areas in which they are situated: relatively more households live in owner-occupied and 'ceded' dwellings than in rented dwellings. The tenure condition 'ceded' comprises households who live in a dwellings (or part of it) that is not their own and for which no rent is paid. This arrangement is often used to accommodate kin (e.g. young married couples sharing with parents).

Table 2.4  Tenure condition of the dwellings, 1980

<table>
<thead>
<tr>
<th>Tenure condition</th>
<th>Brazil</th>
<th>São Paulo MA</th>
<th>R. Janeiro MA</th>
<th>S. Bernardo</th>
<th>N. Iguaçu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner-occ.</td>
<td>61.7</td>
<td>52.7</td>
<td>52.6</td>
<td>60.9</td>
<td>58.5</td>
</tr>
<tr>
<td>Rented</td>
<td>22.5</td>
<td>37.6</td>
<td>37.6</td>
<td>30.2</td>
<td>30.6</td>
</tr>
<tr>
<td>Ceded</td>
<td>14.2</td>
<td>8.4</td>
<td>8.4</td>
<td>7.1</td>
<td>9.1</td>
</tr>
<tr>
<td>Unknown</td>
<td>1.6</td>
<td>1.3</td>
<td>1.4</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: IBGE census 1980

Table 2.5  Tenure condition and household income in São Paulo MA, 1985

<table>
<thead>
<tr>
<th>Percentage of stock</th>
<th>Household income (basic wages)*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;1</td>
</tr>
<tr>
<td>Owner-occ.</td>
<td>55.4</td>
</tr>
<tr>
<td>Rented</td>
<td>34.8</td>
</tr>
<tr>
<td>Ceded/other</td>
<td>9.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: IBGE 1985, SEADE 1986

*One basic wage was equivalent to US$ 60 in March 1988.
A monthly income of about three basic wages is regarded as the poverty line for a four-person household.
The distribution of housing tenure according to income for the São Paulo Metropolitan Area (Table 2.5) shows that the three basic tenure conditions are common for all income groups. However, relatively more middle- and higher-income households (monthly income of 5 basic wages and more) live in their own dwelling than do households with lower incomes. Although it is known that rental housing also exists in squatter areas, hardly any data about it are available.

The greatest difference between income groups concerns the proportion of households that relies on ceded accommodation: not less than 23.6 percent of the poorest households, in contrast to 5.0 percent of the middle- and higher-income households in the São Paulo MA! Clearly, with a monthly income that does not exceed one basic wage, people will sooner or later have to share accommodation with parents or other relatives.

Figure 2.1 shows the tenure conditions of those earning up to the equivalent of the minimum salary in 1940. This is between 6 and 7 basic wages at the present level. It corresponds with the World Bank poverty line or at least 65 percent of the Brazilian population (see Appendix 1). The high percentage of low-income households residing in ceded accommodation can partly be explained by the fact that lower incomes tend to coincide with early stages in the household cycle. Many young childless couples with low incomes tend to live in with their parents. In the outskirts of São Paulo, where urban expansion has predominantly taken place through self-help housing on illegal subdivisions, 45 percent of the plots have more than one building (Bonduki 1989). In the last stages of the household cycle (when the children become adults) there is another increase in the proportion of households relying on ceded housing (Figure 2.1). As households progress in their household cycle, a greater proportion of them become homeowners. This housing career is common to all income groups, but the lower-income households achieve homeownership at a later stage of their life cycle (Bonduki 1989). Figure 2.1 also shows that squatting as a housing solution is particularly important for poor expanding households.

Female-headed households in Brazil constitute 20.1 percent of all households in 1989 (IBGE 1989). Their housing situation is relatively worse than the average household, as more of them depend on squatting and on ceded accommodation. In addition, they are overrepresented among the poor, comprising about one fourth of the poor households (Jaguaribe et al. 1989: 76).

Rent levels and income inequality

Despite the fact that both in Nova Iguaçu and São Bernardo about 30 percent of the housing stock consists of rental housing, there are wide differences in the rent level between these cities (Table 2.6). The supply of cheap rental accommodation (monthly rent up to 1 basic wage) is much greater in Nova Iguaçu (66.5 percent of the rental housing stock) than in São Bernardo (21.6 percent). The opposite applies to dwellings with higher rents.
Figure 2.1  Tenure conditions of lower-income households* according to stage in the household cycle, São Paulo MA, 1981

* Defined by DIEESE as households earning less than the 1940 minimum salary
Source: Bonduki 1989:76

Table 2.6 Rent levels, 1980

<table>
<thead>
<tr>
<th>Monthly rent (in basic wages)</th>
<th>Brazil</th>
<th>São Paulo MA</th>
<th>R. Janeiro MA</th>
<th>S. Bernardo</th>
<th>N. Iguaçú</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 0.5</td>
<td>49.9</td>
<td>25.0</td>
<td>34.8</td>
<td>21.6</td>
<td>66.5</td>
</tr>
<tr>
<td>0.5 - 1</td>
<td>25.4</td>
<td>35.4</td>
<td>25.9</td>
<td>32.7</td>
<td>26.3</td>
</tr>
<tr>
<td>1 - 3</td>
<td>22.2</td>
<td>35.7</td>
<td>33.1</td>
<td>43.8</td>
<td>7.1</td>
</tr>
<tr>
<td>≥ 3</td>
<td>2.5</td>
<td>3.9</td>
<td>6.2</td>
<td>1.9</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: IBGE 1980
The income distribution in both cities sheds some light on these differences. The lowest and lower-middle incomes are more strongly represented in Nova Iguaçu than in São Bernardo (Table 2.7). One third of the households in Nova Iguaçu actually subsists at poverty level. São Bernardo emerges as a municipality with a relatively prosperous population, compared to other areas. São Bernardo owes this higher income profile to its position as the major industrial center of the country. More than half of its working population works in industry, compared to 19 percent for Nova Iguaçu. Due to the high concentration of industrial activities, the municipality has one of the highest revenues in the country. This has resulted in a relatively high level of urban services (Table 2.2).

Income inequality in Brazil worsened between 1960 and 1989. In 1960, the poorest 50 percent of the working population earned 17.4 percent of the national income. This share decreased to 12.6 percent in 1980 and to 10.4 percent in 1989. The richest 5 percent, on the other hand, increased their share of the national income from 28.3 to 37.9 and further to 39.4 percent in the same time span. (See Appendix 1.)

As may be expected, the household income distribution in squatter settlements shows a strong concentration on the lowest income brackets. Eighty-six percent of the households in the favelas of São Paulo City earn up to 3 basic wages (Table 2.8). Nevertheless, it should be noted that squatting is also a housing strategy for some households who are less poor (with more than 3 basic wages).

The densification of poverty

The slums of São Paulo are growing at an incredible rate, not only in area but especially in density. The population of the slum areas is growing substantially.

Table 2.7 Income distribution at household level, 1980

<table>
<thead>
<tr>
<th>Household income*</th>
<th>Brazil</th>
<th>São Paulo</th>
<th>R. Janeiro</th>
<th>S. Bernardo</th>
<th>N. Iguaçu</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 1</td>
<td>19.8</td>
<td>3.0</td>
<td>5.9</td>
<td>2.6</td>
<td>9.0</td>
</tr>
<tr>
<td>1 - 2</td>
<td>22.3</td>
<td>10.0</td>
<td>16.8</td>
<td>7.7</td>
<td>24.9</td>
</tr>
<tr>
<td>2 - 5</td>
<td>30.7</td>
<td>36.1</td>
<td>37.2</td>
<td>30.5</td>
<td>45.5</td>
</tr>
<tr>
<td>5 - 10</td>
<td>14.2</td>
<td>27.3</td>
<td>20.4</td>
<td>30.0</td>
<td>14.3</td>
</tr>
<tr>
<td>10 - 20</td>
<td>6.8</td>
<td>14.5</td>
<td>10.6</td>
<td>20.6</td>
<td>3.1</td>
</tr>
<tr>
<td>20 &gt;</td>
<td>3.3</td>
<td>7.3</td>
<td>6.4</td>
<td>7.4</td>
<td>0.7</td>
</tr>
<tr>
<td>no data</td>
<td>2.9</td>
<td>1.8</td>
<td>2.7</td>
<td>1.2</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: IBGE 1980

* in basic wages

4 This section is largely derived from Volbeda 1989.
faster than the population of the São Paulo metropolis as a whole. But this is not entirely caused by newcomers to the city.

Due to the recession, many families in the lower brackets of the middle-income categories, who previously could just afford to rent a small apartment, were forced out of this segment of the housing market and ended up in a favela. Between the 1970 and 1980 census the population of greater São Paulo grew by 44 percent, while the population of the poor neighborhoods increased by 446 percent (IBGE). The pauperization of the population and the natural urban growth have become more important factors in the urbanization process than the invasion of poor migrants from rural areas.

This pauperization trend is also called 'descending filtration' or 'downward filtering' (Taschner 1986:80-81; Valladares & Figueiredo 1983:73). In housing market terms it means that there is a large-scale trend of downward movement along the housing hierarchy, particularly in the rental sector and the cheaper market segments. Smolka (1986) and Taschner (1988:23) pointed out that this tendency was already apparent in housing market figures for 1976, years before the onset of the economic crisis. Except for the growing demand in the cheaper market segments, factors that diminish the supply in the rental sector may also influence the dynamics of the housing market. Smolka foresees a "systematic worsening of access conditions for the urban poor" in regard to land and credit. (See further Sections 2.3.2 and 2.4.) There is a general increase in the number of families that depend on lower incomes, and they have to spend more of their income on housing. What are the consequences with respect to the housing conditions of those concerned?

Invasion and illegal subdivision, in combination with the (individual) self-help concept, seemed "an architecture that worked" (Gilbert 1989). Until 1980 there was a post-war boom in this type of settlement throughout Latin America. There was

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5 Total annual urban growth rate of the São Paulo Metropolitan Area was 5.5% in the period 1960-1970 and 4.5% between 1970 and 1980. It was expected to drop further to 4.1% between 1980 and 1985 (Bolaffi 1983, using IBGE-Cogep data).
a general rise in quality and infrastructure in such neighbourhoods until the long post-war period of relative economic prosperity turned into an economic recession. The effects on housing are manifold. Research reveals that the cost of housing has not gone up as much as that of food (Gilbert 1989). Yet the recession causes a severe deterioration in economic and social circumstances, particularly for lower-income categories. Even though the cost of housing has not skyrocketed (except in some specific segments of the housing market), most slum dwellers were forced to economize on home expenditure in order to survive. The individual strategies that were developed can be summarized as follows:

1) It takes longer for young adults to move out of the parental home. They may even stay long after a new family has been started.
2) Often part of the house will be rented out.
3) Inner courtyards are often used as space to build extra rooms.
4) The construction of individual houses is often delayed.
5) In the case of new settlements, the call for lower standards for plot size and street size is stronger.
6) Often an extra floor is built to create an extra dwelling.

All of these individual responses lead to an increase in population densities in the established slum areas as well as in newly settled ones. Figures on almost any metropolis in Latin America corroborate this (e.g., Taschner 1986).

In addition to this extremely strong tendency toward higher density, more and more of the poor are forced out of the housing market to live on the streets. A recent survey of the Pastoral da Moradia (1990) among the São Paulo homeless indicated that two-thirds of them were forced out because of the higher rents.

2.3 Housing policies

2.3.1 Housing policies up to 1964

As a housing market is a stock market, it is highly sensitive to changes in demand. Therefore, we need to have a clear image of the composition of the stock and of the access to different supply sectors. One way to obtaining this information is to analyze the urban fabric of housing, starting from the first extensive city growth, which coincided in Brazil with the coffee boom of 1872-1890, and continuing through the peak in growth around 1935. It is necessary to go back that far because the existing stock is partly made up of structures that were erected long ago. But more importantly, the current supply is strongly influenced by policies, decrees, and acts of even older date. In this section, we take a longer view than in the rest of this report.

We confine our discussion to low-income housing. In the first period of extensive city growth in Rio de Janeiro, and a little later also in São Paulo, large-scale investments in housing was made predominantly by small investors in the rental
sector, with no social segregation. Similar situations were found in other Latin American cities. Inhabitants with a low income did not live spatially separated from more fortunate urbanites. Often they lived in low-cost housing in the very backyards of the well-to-do, in cortiços, or in large buildings converted into low-cost rental rooms, the casas de cómodos. Epidemics like the 1889 yellow fever that took 2,155 victims in Rio de Janeiro speeded up the end of this widespread investment in cortiços and casas de cómodos. In fact, the Building and Land Acts of 1903 not only prohibited further construction of such rental dwellings but also prescribed their demolition. This in its turn forced the rents up. It fueled speculation on the demolished sites and stimulated verticalization in the city centers. In 1907 the first rent strike was held (Ribeiro 1985:29). Workers’ villages (vilas operárias, avenidas and corredores de casa) were built by private initiative to alleviate the problems. However, this did not prevent a severe housing crisis around 1910-1930. By the time the first Liga dos Inquilinos (renters association) was founded in Rio de Janeiro (1920) and a rent strike called for, the first slums had already been built on the steep hillsides of Rio de Janeiro by self-help construction. These favelas still characterize the urban lay-out of Rio de Janeiro.

This process of favelização and autoconstrução that typified housing for the urban poor was not reversed during the Vargas administration, which lasted through most of the modernization period (1930-1945). Vargas, who liked to present himself as ‘father of the workers’, did the workers more harm than good by invoking a rent freeze in 1942 which lasted till 1964. The rent freeze was welcomed by the workers, who did not realize that he also halted almost all investment in rental and low-income housing. He not only stopped all new construction in this sector but even diminished the existing supply. With the freeze came slum clearance, a law to pave the way for large-scale investment in condomínios or high-rise apartment buildings in joint ownership by the occupants. These regulations were preceded by a prohibition on all housing investment by small investors in the city center in

---

8 Equivalents are the Mexican vecindad, the Argentine conveníllos, the Guatemalan palomeres and El Salvador’s mesones (Connolly 1982:173).
12 There have been previous rent regulations as early as 1921, but these had been undone after a lot of controversies on the issue in the Senate. See Ribeiro 1985:30.
1937\textsuperscript{13}. Besides the process of \textit{favelização} the ordinary workers now had no alternative but to build themselves a home on the outskirts. The new process of \textit{periferização} emerged first along the few lines of the electric streetcars and broadened later on along the bus lines, as these were the only means of public transport (Bonduki 1983:139,151-154).

In the welfare period of 1945-1964, an initial attempt was made to enact a social housing policy. The Fundação da Casa Popular was founded to ease the crisis in social welfare and the housing market. This institution was funded by an ineffectual tax on the transfer of property, compulsory savings from a pension fund (the Instituto de Aposentadoria e Pensões; IAP 1946-1951), and ad hoc budget resources. The populist and clientelistic style of the Vargas administration did not deal with the situation very well. Only about 76,000 dwellings were built, mainly in the new towns of Volta Redonda and Brasília, and further only in the capital Rio de Janeiro. These dwellings were distributed preferentially to reinforce clientelistic relations (see Farah 1985 on this period). To put an end to the continual land conflicts in the squatter settlements the \textit{Lei das favelas} was issued in 1956. This further aggravated the already insecure legal situation of the \textit{favelados} by making it easier to evict them.

2.3.2 Housing policies in the BNH period (1964-1986) and beyond

Shortly after the military coup of 1964 a National Housing Bank (BNH) was created. The aim was to improve the housing conditions of the poor. This was in line with World Bank and IMF policies at the time, which sought to establish some kind of welfare and social security. Other such banks were established in Mexico and Ecuador, for instance\textsuperscript{14}. The general aim of the bank was to promote homeownership (also among the poor) in combination with slum clearance. After 1967, when the funding of the bank was changed, improvement of urban infrastructure was added. A considerably long period of relatively prosperous economic growth followed, known as the 'Brazilian economic miracle', that lasted from 1968 till 1973. Nevertheless, BNH policies have been largely insufficient to cope with the housing needs of the urban households earning up to three basic wages (the poverty line, see Appendix 1). Although the original goal of the BNH was to improve their situation, the policies mostly benefited the middle- and higher-income groups.

\textbf{BNH funds}

The National Housing Bank was created as the hub of a national housing finance sector and as the main planning and implementing agent of a national housing policy. Funds to finance its ambitious housing program came from voluntary and compulsory savings, combined in the national Housing Finance System (SFH). Compulsory savings were generated by an official unemployment security fund (FGTIS), made up of deposits by employers of eight percent of all payrolls. Em-

\textsuperscript{13} Ribeiro 1985:30-31, and Bonduki 1983:156-162.

\textsuperscript{14} Connolly 1982: 150, 174; Glasser 1985.
employees have an individual account in the fund, which earn relatively low interest between three and six percent a year) and is corrected for inflation. The savings in the fund can be withdrawn in case of unemployment, invalidity, marriage, or purchase of a house with BNH financing. From 1967 on, more expensive funds have been added: voluntary savings by the Brazilian Savings and Loan System (SBPE), which included Savings and Loans Associations and Real Estate Credit Societies; and induced savings by government loans. Of these the SBPE funds gradually became more important: the share of these funds rose to 62.1 percent of all SFH money in 1984, which in 1967 consisted for 93.4 percent of FGTS funds (Taschner 1988:19). The SBPE deposits earned an annual interest of six percent and were also corrected to compensate for inflation. All loans were subject to interest payment and inflation correction, as the success of the financial formula of the BNH depended on its ability to comply with this model. Despite its initial social objectives, after 1967 the BNH gradually shifted to more profitable housing schemes and large-scale infrastructural works, like subway construction and a water system. High-risk target groups were generally avoided.

BNH performance
Between 1964 and 1986, some 4.4 million dwellings were financed by the SFH, that is, 24 percent of the increase in the housing stock. Of these, 1.5 million were targeted to the lower-income categories, among which the BNH included households with up to 5 basic wages (Sachs 1987). Apart from this, the BNH allocated some 30 percent of its total budget between 1967 and 1984 to infrastructure programs (Rzezinski & Schweizer 1986: 47). In 1986 the BNH went bankrupt and was taken over by the Caixa Econômica Federal (CEF).

An important BNH policy line had been the promotion of homeownership. The discouragement of investment in rental housing, which was official government policy long before the BNH period, was to be continued. The rental sector in all urban areas in Brazil declined further, from 49.0 percent in 1940 to 28.5 percent in 1984. In some metropolitan areas, for instance São Paulo, the share of rental units is (and was) larger: 78.6 percent in 1920 and 38.2 percent in 1970, because the city has a relatively high proportion of cortiços. Nonetheless, the share of rental units has declined there as well. Similarly, homeownership has increased in Brazil from 43.7 percent in 1940 to 63.4 percent in 1984 (Taschner 1988). Owner-occupancy has risen in the Municipality of São Paulo from 25.0 percent in 1940 to 53.8 percent in 1970 (Bonduki 1983: 146).

A second policy line had been remoção or slum clearance. The BNH performance has been less successful in this respect. Between 1970 and 1980 the favela population of the Municipality of São Paulo increased 446 percent, while in the Municipality of Rio the number of favelas increased 600 percent between 1950 and 1980 (Allen 1988: 6). The slum and squatter population taken together comprise 30 percent of the total population of the city of Rio. The squatter population of São Paulo is much lower: between 1.6 percent in 1970 and five percent in 1977 (Allen 1988: 39).
Evolution of BNH programs
As the general perceptions of squatter settlements changed over the years, so did government intervention. In Brazil the perceived solutions, or, more accurately, policy aims, differ slightly in content and more in periodization from the general body of Third World shelter policies. Table 2.9 gives an overview of both the Brazilian and the general policies to facilitate comparison with other countries and similar problems. We do not go into details here, because this report is confined to the Brazilian situation. More specifically, we focus on the situation in São Paulo and Rio de Janeiro, where our fieldwork was conducted. A summary of available facts and figures on federal programs is presented in Tables 2.10 and 2.11.

For middle- and higher-income categories, housing finance from SFH funds was made available through housing cooperatives and real estate developers. Programs for lower-income groups (up to five basic wages) were predominantly carried out by municipal and state housing companies: Companhias de Habitação Popular (COHABs). In 1971 the BNH became a second-line bank. From then on the COHABs were not only responsible for the implementation of projects but also for project development and the collection of repayments. The COHAB programs for lower-income groups are predominantly 'package type' housing estates on the outskirts of the cities, built by private contractors. In the sixties the slums, which had arisen since the turn of the century, were envisaged as a pathological problem that had to be removed from the urban structure. Its inhabitants were considered marginal, as neither socially nor economically integrated in urban society15. In this period, and through the early seventies, these programs were carried out in combination with the eviction of inner-city squatters16. The average loan in this program was 376 UPC for the 1,215,640 realized dwellings. In Rio de Janeiro, a city with relatively many squatter settlements, slum clearance was assigned a high priority. The reallocation of favelados in COHAB schemes was costly17. These schemes were not very successful because the mortgage repayments were unaffordable for the squatter population and travel distances to job locations were too long. A considerable portion of the residents were replaced by lower-middle-income families (Valladares 1984: 6), even though COHAB programs were targeted at households earning between three and five basic wages.

Alternative policies that made a meager start in 1971 were never given a considerable share in the BNH budget. Therefore such policies have only been adopted on a very modest scale. We will discuss the more important ones below, as these were more affordable for lower-income households.

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16 According to Lakshmanan, Chatterjee, and Roy, this type of policy was aimed at 'removing the poor themselves' instead of at eliminating poor housing conditions (in: Palmer & Patton 1988: 6-7).

17 Ward (1982: 5-6) points out that this is often the case in slum clearance and relocation programmes.
<table>
<thead>
<tr>
<th>Period</th>
<th>Brazil*</th>
<th>Policy aims</th>
<th>Third World**</th>
<th>Policy aims</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960-1970</td>
<td>Favela as pathological problem, source of crime Favelados as a marginal group.</td>
<td>Extermination of the phenomenon. Removal and reinstallation of the favelados in high-rise apartment buildings.</td>
<td>1945-1965 Squatter settlements as undesirable invasions; protection of the formally developed areas.</td>
<td>Discouragement of rural-urban migration; removal and replacement in high-rise apartment buildings.</td>
</tr>
<tr>
<td>1979-1985</td>
<td>Favela as the physical expression of urban contradictions; permanency of the Favela. Favelados as workers.</td>
<td>1. Large scale housing construction 2. Cooperation, self-help and self-construction 3. Tolerance toward invasions 4. Urban infrastructure, sanitation and anti-erosion 5. Efforts to resolve the land-conflict</td>
<td>1975-1985 Funds were inadequate compared to the problem; governments alone could not solve the problem.</td>
<td>Upgrading; ameliorative actions of existing programmes.</td>
</tr>
<tr>
<td>1986-now</td>
<td>Necessity to reclaim urbanized inner city areas for private real estate development. Favela as a too valuable piece of land. Favelados as poor to be segregated.</td>
<td>Removal/slum clearance; private construction of peripheral housing estates for the poor as a deal against public concessions</td>
<td>1985-now Continuing urbanization and concentration in megacities; increased demand for housing and urban services: middle-class squatting and unauthorized development (as a result of scarcity of land and higher population densities).</td>
<td>1. Middle class oriented programmes at the expense of the poor. 2. Comprehensive approaches to improve the competitive position of the poor (empowerment).</td>
</tr>
</tbody>
</table>

*free after Taschner 1986: 100 **based on Palmer and Patton 1988
<table>
<thead>
<tr>
<th>Program</th>
<th>Fundação da</th>
<th>remoção</th>
<th>Vilas de</th>
<th>PROFILURB</th>
<th>PROMORAR</th>
<th>JOAO DE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Casa Popular</td>
<td>+ COHAB'S</td>
<td>Habitação</td>
<td>PROFILURB</td>
<td>PROMORAR</td>
<td>BARRO</td>
</tr>
<tr>
<td>realized</td>
<td>76,000&lt;sup&gt;1&lt;/sup&gt;</td>
<td>1,215,640</td>
<td>44,000</td>
<td>161,608</td>
<td>6,971</td>
<td></td>
</tr>
<tr>
<td>number of dwellings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>plot size</td>
<td>75 sq.m.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>unit size</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>financing</td>
<td>376 UPC&lt;sup&gt;2&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>1</sup> i.e. 17,000 in Rio; the rest in Volta Redonda and Brasilia

<sup>2</sup> UPC = US$8
Under the influence of the idea of a squatter settlement as a 'trampoline', or a jumping board from which newly arrived migrants leave to find themselves a better place to live, the policy aim arose to shorten their stay in the despised favelas. This was the main objective of the Vilas de Habitação Provisória, or provisional neighborhoods. This program, launched in 1971, was carried out in a piecemeal fashion in 1973 and 1974 (Taschner 1986: 89). The provisional neighborhoods, made up of wooden barracks and some sanitary provisions, were erected on the land the participant had invaded (that is to say, only when this happened to be municipal property). Social and labor assistance was provided for one year. Afterwards, the participating families were expected to have moved up the socioeconomic ladder. The concept proved wrong: the participants stayed on.

In 1975 a new type of housing scheme was introduced: the (federal) site-and-service program PROFILURB. Once more, the military government attempted to increase homeownership, also among the urban poor. The goal was to turn the entire population earning between one and three basic wages into homeowners in ten years (Valladares 1983: 76). It aimed at those whose income was too low to apply for a fully serviced COHAB unit; the implementation of the site-and-service program was carried out by COHAB’s. Candidates received credit at subsidized interest rates for the purchase of a serviced plot with a core unit. Between 1975 and 1982 some 44,000 serviced sites were delivered through the program. Valladares (1984) attributes this 'poor performance' to the high financial risk involved for the implementing agencies in working with the lower-income population. She also blames the pressure exerted on the COHABs by private contractors, who had minor profits within the program and would rather build conventional housing. Anyhow, more and more SFH funds were allocated to urban infrastructure, like subway construction in Rio as well as in São Paulo. From the remaining budget for housing, larger shares were gradually directed to programs for middle- and higher-income groups (Valladares 1986: 77).

Meanwhile, the first United Nations Habitat Conference on Human Settlements was held in Vancouver in 1976. The magnitude of the housing conditions of the poor was emphasized. And the importance of self-help construction in almost any Third World country was propounded.

Brazilian research18 revealed that not all squatters were recent migrants and quite a few migrants had lived somewhere else in the city before moving to the favela. The squatter settlements grew excessively as a result of a process called pauperization in addition to the, officially acknowledged, process of rural-urban migration. Indeed the migration component in the annual urban growth figures was high. Yet it was not the sole reason for the growth of all low income neighborhoods. It became obvious that the favelados were part and parcel of the urban entity: the vision of a squatter settlement evolved into 'the expression of urban contradictions' and the inhabitants became part of the regular work force. In 1979, with the

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abertura or gradual opening up of the military regime, several upgrading programs were set up. Improvement of the existing favelas and even institutionalization of the self-help housing production was the parole in the years to come. The perception of a squatter settlement as a 'solution' rather than as a problem was internationally seen as a breakthrough (Perlman 1976: 196-197; Palmer & Patton 1988: 11).

The introduction of the federal upgrading program PROMORAR in 1979 marked the official recognition of the need to find solutions for the housing problems without resorting to eviction of squatters (Valladares 1981). The PROMORAR program aimed at improving existing squatter settlements by legalizing land tenure and extending basic services to the settlements. Financing was made available for the residents to pay for the purchase of a 75 sq. m. plot and a 25 sq. m. core unit. Further expansion and improvement of the dwelling was the residents' responsibility. Loans of 300 UPC could be obtained at subsidized interest rates of 1.7 percent per annum over a thirty year period. The average loan in this program was 227 UPC for the 161,608 units that were realized up to June 1985 (Sachs 1987). The subsidies in the program were funded by special federal resources, from outside BNH. However, significant additional subsidies by municipalities and states were necessary to implement PROMORAR in larger cities like São Paulo, due to the higher cost of land. A comparative study of seven

<table>
<thead>
<tr>
<th>Programs</th>
<th>average loan (UPC)</th>
<th>units (quantity)</th>
<th>% of BNH loans (quantity)</th>
<th>% of BNH loans (amount)</th>
<th>% of SFH loans (quantity)</th>
<th>% of SFH loans (amount)</th>
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<tbody>
<tr>
<td>COHAB estates</td>
<td>376</td>
<td>1,215,640</td>
<td>47.49</td>
<td>30.60</td>
<td>27.68</td>
<td>11.33</td>
</tr>
<tr>
<td>PROMORAR(1)</td>
<td>227</td>
<td>161,608</td>
<td>6.31</td>
<td>2.46</td>
<td>3.68</td>
<td>0.91</td>
</tr>
<tr>
<td>JOÃO DE BARRO(2)</td>
<td>113</td>
<td>6,971</td>
<td>0.27</td>
<td>0.05</td>
<td>0.16</td>
<td>0.02</td>
</tr>
<tr>
<td>FICAM(3)</td>
<td>309</td>
<td>82,042</td>
<td>3.21</td>
<td>1.70</td>
<td>1.87</td>
<td>0.63</td>
</tr>
<tr>
<td>total</td>
<td>355</td>
<td>1,466,261</td>
<td>57.30</td>
<td>34.80</td>
<td>33.4</td>
<td>12.90</td>
</tr>
</tbody>
</table>

(1) Core houses in favela-upgrading schemes
(2) Self-help constructions
(3) Financing scheme for purchase of building material

Source: After Sachs 1987

19 UPC: Standard Capital Unit. 1 UPC is worth about US$ 8.
projects in São Paulo yielded an average cost of 280 UPC for the construction of each core unit and 240 UPC for infrastructure, excluding the cost of land acquisition. Given the finance ceiling of 300 UPC, the amount of subsidy in the program was substantial (Reinach 1985). Between 1979 and 1985, more than 160 thousand units were financed under this program (Sachs 1987).

A high level of subsidization is also characteristic of the João de Barro program for the lowest-income groups. This program happened to be the last one financed with SFH. It was launched in 1984. This self-help program, targeted on households earning up to 1.5 basic wages per month, is meant to be implemented by local authorities of smaller cities in the interior. Priority is given to municipal authorities that provide a subsidy in the form of land. The BNH finances up to 250 UPC (per unit built) for infrastructure works and construction materials. No more than half of this amount (120 UPC) can be passed on to the beneficiaries in the form of a loan. The average loan was 113 UPC for the 6,971 realized dwellings (Sachs 1987). The monthly installments may not surpass the limit of 10 percent of the basic salary. The program stresses community participation in the form of individual or collective self-help construction. Table 2.11 presents an overview of federal programs for low-income housing as a proportion of the BNH and SFH performance. Although unfortunately the site-and-service program PROFILURB is not included here, the table shows clearly that only a small portion of the amount of all BNH and SFH funds were allocated to lower-income housing.

In addition to these national programs some municipalities and State governments carried out their own upgrading schemes in subsequent years. For instance, the municipality of São Paulo initiated the sectoral upgrading programs PRO-AGUA and PRO-LUZ. The former connected roughly 12,000 squatter dwellings to the water mains between 1979 and 1985, while the latter brought electricity to 110,000 homes of favelados (Taschner 1986: 91). Furthermore the São Paulo municipality carried out its own upgrading program PROFAVELA. In addition, it set up programs to connect favelas to basic infrastructure and to carry out anti-erosion and sanitation works. The implementation of the various upgrading activities was not coordinated; in total some 30,000 existing dwellings were involved. In addition to this, some 5,000 site-and-service units were delivered between 1979 and 1985 (Taschner 1986).

CEF
In 1986 the BNH went bankrupt and was taken over by a federal savings bank, the Caixa Econômica Federal (CEF). Then all these SFH-funded housing schemes were abruptly halted; all mortgages were to be continued. As yet, very little information is available on the funds the CEF has at its disposal. COHABs still exist, but they can no longer carry out their previous programs. Furthermore, the CEF channels funds directly to construction consortia and real estate developers. In the wake of these arrangements, a trust of some 50 firms has been formed in São Paulo. They are again requesting permission to demolish inner-city slums in order to 'renovate' these valuable sites. No slum clearance has taken place yet, but many
questions remain unanswered. In this respect, the new constitution, ratified in October 1988, is important. Land rights on urban land called *uso capiāo* imply that residential urban land can be transferred into ownership after 5 years of continual occupancy. Also this constitution prohibits leaving urban land unused by private owners and government agencies alike\(^\text{20}\). Furthermore, all local authorities with more than 25,000 inhabitants are obliged to make zoning regulations. As for now, no enforcement regulations have been issued. It is therefore unclear what the relation is to the different legal status of land in the following example, which is derived from Boran (1989: 96). In 1984, 53 percent of the São Paulo *favelas* were built on privately owned land; 44 percent were on public land set aside for common use (*uso comum*) for schools, parks, or hospitals. This public land cannot be transferred by the authorities into individual private use. And three percent of the *favelas* were on public land not for common use (*uso dominial*), which can be ceded for private use. Needless to say, the legal status of a squatter settlement is of direct importance to its inhabitants, as it affects their prospects.

**Critique**  
BNH housing policy has been criticized for the fact that funds obtained from compulsory savings from all workers were used to finance housing and infrastructure predominantly for the middle- and higher-income groups (Hardoy & Satterthwaite 1981: 143; Bolaffi 1986; Bolaffi & Cherkezian 1985; NEPP 1987; Azevedo & Andrade 1982; Allen 1988; Maricato 1987).

Apart from this mismanagement in distribution of resources, the current housing crisis was also attributed to the poorly designed finance system that could not withstand economic recession and high inflation. See the next section for a discussion of this issue.

It was known that the contribution of the programs for lower-income categories was modest. Still, the figures presented by Cavalcanti de Albuquerque are staggering: no more than 13 percent of all SFH funds between 1964 and 1985 had been allocated to 83 percent of the population. Thus, 87 percent of the funds were used to meet the needs of the remaining 17 percent of the population, i.e., the middle and upper classes (Taschner 1988: 21).

Even more serious critique was delivered by Smolka in 1986 in an unpublished article. According to him the economic crisis, mismanagement and the bad design of the housing finance system uncover deeper problems, which he identified as the *elitization* of the housing market. What happened? By 1982 there was already an accumulation of unsold stock, unemployment, and idle capacity in the construction industry, together with a substantial unmet but solvable (middle-class) demand. Analysis of housing costs and urban wages and of sale prices compared to

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construction costs led Smolka to conclude that access to housing was systematically worsening. In other words, the housing market was closing down from inside, independent of the recession. Further analysis of spatial variation of land and housing prices revealed 'orchestrated changes in neighborhoods to renew effective demand in the higher-income segment of the housing market'. This meant a systematic increase in real estate values, supported by a growing credit need, leaving less and less SFH funds available for others21. Further he emphasizes the fact that the property market is one of the least regulated markets in Brazil. It is protected by inflation correction, accompanied by a high concentration of firms and capital, and permits almost no control of the activities by local authorities. This situation has fostered the elitization of the housing market (Smolka 1986: 11-14).

Before coming to the conclusions of this chapter, we devote a short section to the economic crisis and its effects on low-income housing. So far we have dealt with government policies, also in times of recession. But we feel that the effects on the housing conditions of the urban poor is underexposed.

2.4 Economic crisis: effects on low-income housing

After almost twenty years of unprecedented economic growth, Brazil entered into economic recession in the early 1980s. Especially in the period between 1980 and 1983 there was widespread unemployment in the cities as a result of a general drop in economic activity. The level of employment in manufacturing industry decreased sharply (Table 2.12). In 1983, 17.4 percent of the working population in the São Paulo MA were unemployed. Real wages were rapidly eroded by high rates of inflation and by the official income policy that adjusted wages at levels below inflation.

The effects of economic recession on the housing situation and strategies of the urban poor in Latin America have been studied by Gilbert (1989). He shows that the response of self-help housing to crisis varies between and within countries. Recession may lead to the proliferation of poor-quality self-help construction on squatted land by tenants who were unable to keep up with rent increases. Whether this response prevails depends on the availability of vacant land and on the attitude of authorities towards land take-overs. In São Paulo and Rio de Janeiro a wave of collective and organized land invasions emerged during the worst period of crisis. In São Paulo City, 61 collective land invasions were recorded between June 1981 and May 1984, involving ten thousand families and an area of approximately 2 million square meters (Jacobi 1982; Bonduki 1986a: 43-44; FASE 1987). In Rio de Janeiro City, 14 land take-overs took place in the first half of 1983, about the time a newly elected governor (an opposition candidate) came into office (Valladares & Kayatt 1983). The official reactions to land invasions in Brazilian cities varied.

Squatters of private land were usually evicted; those on public land were often evicted as well. In a few cases, authorities entered into negotiations, and arrangements were made with squatters to provide alternative solutions. In Rio de Janeiro, the elected governor launched a new housing program to attenuate the social and political tension that became evident with the land invasions. In a situation where empty land is scarce and official policies towards squatters are less tolerant, in time of crisis lower-income households will have to rent or share accommodation. A growing demand for rental housing may force rent levels up. Because incomes are decreasing, families may be compelled to move into a worse rental accommodation or to share with kin (Gilbert 1989).

Economic recession came at a time when the housing alternatives for the lower-income households were already shrinking. In the São Paulo MA, the process of urban expansion based on illegal subdivision of land on fringe areas was reaching its limits for the poorer strata at the beginning of the eighties. During the 1960s and 1970s it still was possible to acquire an unserviced plot in the urban fringe and to build one's house by self-management. The supply of empty land at the urban fringe is diminishing. A new law on land subdivision issued in 1979 imposed heavier penalties on illegal subdivisions and further restricted the supply of cheap land. Moreover, increasing travelling distances and rising transportation costs mean an additional burden on the residents of the urban fringe (Trani 1986). The amount of vacant public land to be squatted had also steadily decreased. Figure 2.2 shows how real land prices in São Paulo increased, compared to the basic wage.

Economic recession squeezed incomes. If not actual unemployment and loss of income, recession brought at least the threat of it. Those with a place of their own to live, be it in squatter settlements or in their own houses, had more scope to control housing expenses than renters did. A 1981 survey in the São Paulo MA indicated that 41 percent of the households earning up to 2.2 basic salaries spent more than half of their income on rent (Bonduki 1986a: 40). It is not surprising, therefore, that a considerable proportion of the people participating in collective land invasions at the time were renters (FASE 1987: 16).

Housing policies were seriously affected by economic recession as well. The level of expenditure on public housing decreased by 12.1 percent in 1983, 37.3 percent in 1984, and 21.7 percent in 1985. The National Housing Bank ran into serious financial problems as a result of the following:

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Table 2.12 Level of employment in manufacturing, Brazil, 1979 - 1984 (percentage annual change)

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<tbody>
<tr>
<td>1.7</td>
<td>2.4</td>
<td>-12.7</td>
<td>-2.8</td>
<td>-8.8</td>
<td>1.7</td>
<td></td>
</tr>
</tbody>
</table>

Source: Banco Central, Annual Reports, in: EIU 1987: 16

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- the massive withdrawal of resources from the unemployment security fund accounts (FGTS), due to rising unemployment
- the declining level of voluntary savings
- a sharp increase in the default rates on mortgage payments. Default rates rose from 26.3 percent in December 1980 to 50.9 percent in June 1984. Government income policy contributed to this; since 1983 the salaries of middle-income groups were adjusted to levels significantly below the adjustments applied to the mortgage repayments.
- a widening gap between the contracted level of principal repayments and their actual book value, due to the mismatch between inflation and the applied index. Mortgage contracts prior to 1981 stipulated that the BNH would fund possible gaps at the end of the amortization period. This arrangement disproportionately benefited the mortgage contractors with higher loans. They already benefited from fiscal advantages such as the tax deduction of mortgage interest payments.
- the lack of repayment on infrastructural works by local authorities

In 1986 the BNH became insolvent and merged with the government savings bank (CEF) (NEPP 1987, EIU 1987).
2.5 Conclusions: current housing-market trends

The direction future housing policies will take remains unclear. In its first National Development Program, the civilian government that came to power in 1985 recognizes that previous housing policies failed to meet the needs of the poorer strata. Housing is acknowledged as part of the 'social debt' of the government towards the lower-income population. Future housing policies, it is said, should be explicitly targeted to their needs. The need is expressed for a profound reform of the housing finance system. An independent expert commission was instituted to formulate proposals for the coming policies (NEPP 1987).

In the meantime a few trends on the housing market have become clear.

1. The pauperization tendency: The relative as well as the absolute number of families living on/under the poverty line of 3 basic salaries and of those on/under the line of misery (less than 1 basic salary) is growing rapidly. As was argued in Section 2.3, this tendency cannot be accounted for by immigration into the metropolitan areas alone, nor solely by the economic recession of 1982, since the pauperization of the Brazilian population was already evident in 1976. It did worsen with the onset of recession, however. The result is an enormous relative (and absolute!) population increase in peripheral slums.

2. Connected with the tendency of deteriorating housing conditions of the majority of the Brazilians, there is a tendency toward elitization of the upper segments of the housing market. During 22 years of BNH housing policy, more and more funds were channeled to the upper strata of middle- and higher-income categories. In the meantime, this raised the sales prices faster than the increase in urban wages and therefore narrowed the market. This adds up to a systematic worsening of access conditions to housing (see also Sections 2.3 and 2.4).

3. Even though general housing prices did not increase as much as costs for food and transportation after the economic recession of 1982, the majority of the population had to economize on their housing expenditure. The overall effect is an enormous increase in density, in both the private rental sector and in the inner-city and peripheral slums (homeownership and backyard-room rentals).

4. Besides growing densities in certain sections of the housing market, the mentioned developments will lead to large-scale shifts of renters of the private rental sector (made up of high-rise apartment buildings) to inner-city and peripheral slums. Exact data on this process are not available yet.

5. Finally, there has recently been an alarming growth of homeless street-dwellers. No reliable data on their numbers are available yet.

In light of current trends in the housing market, we must ask what policy measures seem plausible to address the problems these tendencies imply. We see all too clearly that it has become increasingly difficult over the years for individual lower-income households to satisfy their own housing needs on a self-help basis. The shortage of land is a major obstacle. Our research goes into the problems, pros and
cons of collective initiatives. Yet we do not agree that a hands-off policy will serve the interests of the urban poor best; for general policy recommendations we refer the reader to studies that focus on this subject (e.g. Rodwin 1987; Rodwin & Sanyal 1987; and for more specific recommendations, Taschner 1988; and a recent study by a group of economists around Jaguaribe (Jaguaribe et al. 1989: 242-246). According to that group, with a yearly investment ranging between 0.90 percent of the GNP in 1990 to 1.33 percent in 1994 and 0.52 in 2000, a lot can be done to alleviate the housing deficit (7 million dwellings), the housing need (14 million), plus the replacement need (1.9 million in the year 2000).
3

COLLECTIVE ACTION AND SELF-HELP HOUSING: A THEORETICAL FRAMEWORK

3.1 Introduction

The following questions provide a guideline in formulating a conceptual framework for the analysis of collective initiatives:

1. Why and by whom are collective self-help initiatives undertaken?
2. How are collective initiatives organized?
3. What barriers have to be overcome in order to meet the objectives?
4. What are the results of collective initiatives?

We start our analysis in Section 3.2 with the social, economic, and political factors associated with the emergence of social movements. Collective initiatives rarely take place in isolation. They are usually part of a rising tide of similar initiatives to improve living conditions, such as basic food supply centers, communal kitchens, or improvement of infrastructure, the environment, or housing. These collectivities may to a greater or lesser extent coordinate their actions. These currents are called 'social movements'.

The first step in managing collective initiatives is to mobilize the participants. Leadership and networks of recruitment and communication are important resources in mobilization for collective action. In Section 3.3 we focus on the process of resource mobilization. In this stage an organizational structure is formed as the vehicle of collective initiative. Our analysis concentrates on this level. It will be referred to as the level of the social movement organization (SMO) or self-help organization. Section 3.4 deals with the organizational characteristics of such voluntary associations, as well as the implications of these features for the effectiveness of SMOs in bringing about the desired changes in their environment. Getting organized is only the first step in a long journey. The prospects that the social movement will achieve its objectives depend to a large extent on its ability to influence processes of public/political decision making. This question will be dealt with in Section 3.5, making use of Bachrach and Baratz' (1970) classic barrier model of the political process. This model provides a point of departure to identify the actors, interests, and strategies involved in the process of political decision-
making. It also draws attention to the many built-in barriers in the political process that have to be surmounted by any group that wants to bring about changes. In other words, the ability of an SMO to gain access to public resources is crucial. Where the demanded resources are infrastructural works, implementation tends to be under the control of public agencies, and community participation is usually limited. When it comes to the allocation of resources related to housing construction, however, many different arrangements between the public institutions, the community organization, and individual households are possible. Priemus developed a conceptual model of the housing construction process in which the basic participants, resources, and functions are identified. This model serves as a framework to analyze the outcome and implications of different strategies in the allocation of resources at the implementation stage (Priemus 1978: 62-63).

In Section 3.6 attention is devoted to the question why it is mainly women who make up the social movement organizations. What factors can be associated with gender differences in participation rates? What roles do specific gender interests play in collective initiatives? Although mobilization takes place around common needs and demands, it has been increasingly acknowledged that men and women participate on different grounds and in different ways. An effort is made to identify the interests of men and women in collective action and the extent to which these interests are met in the course of the initiative.

In Section 3.7 we turn first to the implementation phase of self-help housing strategies in general and then to those carried out by SMOs. Finally the chapter is concluded by a checklist to evaluate the different self-help strategies of housing production.

3.2 The emergence of social movement organizations

Collective initiatives have been extensively analyzed within the framework of social movement theory. However, there is little consensus on what exactly (urban) social movements entail. Schuurman and van Naerssen (1988: 11-12) present the following inventory of definitions, ranging from fairly specific to very general ones:

a) a form of collective action with a specific rationality, specific resources, and a specific collective identity

b) an organization trying to implement a set of opinions and beliefs in a population that expresses preferences for changing some elements of the social structure and/or reward structure of a society

c) a collective protest against existing social relations

d) a social entity working collectively to attain the following goals: raise the standard of collective consumption; further community culture; and reach political self-management

For Schuurman and van Naerssen, an urban social movement is "a social organization with a territorially based identity which strives for emancipation by way of collective action" (1988: 2-3).

Urban social movements staged by the lower-income population in Brazil are
characterized by Boschi and Valladares (1983: 73-74) as follows:

a) They place demands on the state for the redistribution of the means of collective consumption.

b) Their collective identity is primarily based on the needs shared by participants in their place of residence (rather than e.g. class-based).

c) They are not primarily devoted to bringing about radical changes in the sociopolitical system, but to gaining 'minimum rights of citizenship' for the constituents.

Two questions extensively debated in social movement theory concern the factors underlying their emergence and their potential to bring about social change. The discussion has concentrated on the macro-level, treating social movements as a general and an abstract response to broad processes, such as 'the expansion of the welfare state' or 'the generation of urban contradictions in capitalist society'. Within different approaches, scholars are becoming aware of the shortcomings of such broad explanatory frameworks to account for the emergence and the effects of specific movements at specific places and points in time:

"Collective action is usually seen as a reflection of a crisis created by an economically determined structural logic (...) As a result we are left with urban systems separated from personal experience; with structures without actors, and actors without structures" (Castells 1983: xvi)

"Explaining why an individual comes to participate in collective action does not suffice as an account of why a particular movement emerged when it did. By the same token, knowing what processes produced a movement tells us little about the factors that encouraged particular individuals to affiliate with that movement" (McAdam et al. 1988: 704-705).

Our choice in this study has been to focus on the meso-level, that is, on the organizations by means of which collective action is carried out. However, analysis should also take the context of collective initiatives into account, because the context in which a movement arises is at the same time the context it wants to alter in some way. There are two basic approaches to the inquiry about the forces underlying the emergence of social movements. The first stresses economic and political deprivation, which drives people together in collective action. The other approach gives more emphasis to 'opportunities' and 'resources' in the environment, facilitating movement emergence. Both approaches are valid indeed, as each accounts for a part of the story.

The argument that stresses constraints as the principal motor behind social movements emphasizes poverty and deprivation. Relative deprivation theory poses that collective action results from the discrepancy between what people have (or expect to have) and what they feel they are entitled to. At a more aggregate level, collective action is seen as a protest against the unequal access by marginalized
groups to the means of collective consumption. It is not surprising that these accounts are widely applied to movements in the field of housing in Third World cities. The fact that large sectors of society are deprived of the most elementary means of collective (and individual) consumption is hard to deny. The ideas of Castells, though not couched in terms of relative deprivation, have been widely adopted as a framework to analyze urban social movements in Latin America.

Castells conceives of social movements as a response to the 'urban contradictions' inherent to capitalist economies. These contradictions arise from the fact that the state is assigned a central role in the upkeep of the capitalist mode of production, while at the same time it has to maintain the reproduction of the labor force. Social movements provide a way for the deprived classes to demand a greater share of the means of collective consumption. The concept of urban contradictions, however, is difficult to operationalize, as is the notion of relative deprivation.

Contrary to what one would expect on the basis of relative deprivation theory, a growing social movement activity coincided with increased economic wealth in Europe and the USA in the 1970s (McAdam et al. 1988: 702; van Noort 1988: 28-31). This fostered a reconsideration of deprivation theories. The resource mobilization approach gained impetus in the USA. It holds that the level of deprivation and grievances in society is constant, and that the rise of movements should be explained by looking at activities of 'entrepreneurs of grievances', who succeed in mobilizing sufficient amounts of resources for collective action. Some aspects of economic prosperity that favor movement emergence are the expansion of intellectual classes, the increase of discretionary time (that is, the time people are free to allocate), and the growth of the channels of communication. Moreover, due to increased prosperity, people have more resources to support social movements. Up till now this framework has hardly influenced theorizing about social movements in the Third World. There, the context is one of increasing poverty and growing socio-economic polarization instead of prosperity. The resource mobilization approach is regarded as 'totally out of order' for application in this context (Schuurman & van Naerssen 1988: 15). Economic crisis and cutbacks on public expenditure prompted by the debt crisis are regarded as important factors leading to an increase in social movement activity (Valladares & Kayat 1983; Jacobi 1987; Bonduki 1986a).

It goes without saying that the living conditions of the urban poor play an important part in the emergence of social movements in the Third World. However, analysts are realizing that this relation is far from mechanical or linear. The argument needs to be elaborated (Kowarick 1987: 45; Cardoso 1983; Singer 1980; Durham 1984; Jacobi 1987). Other preconditions for collective action are being uncovered, such as the cognitive/ideological transformation of experienced needs into rights to be demanded. Social movements have also been analyzed as social settings in which new collective identities develop (Evers 1984).

The incidence of movements also bears relation with the ability of the political system to cope with political conflict. Whenever formal politics do not allow dissent
to be voiced, alternative channels are sought (Pickvance 1985: 42). This thesis was widely accepted as an explanation for the occurrence of social movements in the period 1964-1982 in Brazil, when the scope of formal politics was sharply reduced by the military regime. Political liberalization, however, showed an unexpected increase in social movement activity, casting doubts on this hypothesis.

Economic factors cannot be considered without their interrelations with the political and cultural environment of social movements. Public urban policies, for example, have material and political dimensions. Opinions about the impact of public policies on social movement activity are divergent as well. Boschi and Valladares, for instance, point out that 'the state is the motor behind social movements insofar as its failure to provide collective services and meet the minimum rights of citizenship make up the general conditions for the emergence of collective demands' (translated from Boschi & Valladares 1983: 140; cf. Jacobi & Nunes 1983). Schütz (1987: 149) holds a similar opinion regarding the emergence of urban social movements in Spanish speaking countries of Latin America.

Others, in turn, argue that not the state's inactivity but its intervention in collective services fosters movement emergence. Public policies generate expectations among the population. The demonstration effect of the implementation, coupled to the failure to meet (rising) expectations, provides a breeding ground for collective demands (Cardoso 1983: 229; Pickvance 1985).

On a more abstract level, this same line of argument is present in Castells' politicization thesis and in Habermas' theory of the legitimation crisis of the State. McAdam succinctly describes Habermas' thesis as follows:

"... the modern capitalist state is forced by the contradictions inherent in the system to engage in various forms of ideological socialization designed to legitimize the system in the eyes of the citizenry. One of the unintended consequences of these efforts is the generation of material expectations among many groups in society that the system will never be able to meet. Encoded in this failure to realize these expectations, then, is an ever greater likelihood of popular discontent and protest against the system." (McAdam et al. 1988: 700-701).

The intensity of social movement activity also seems to be influenced by the very response of the State to the demands made by movement organizations. Positive response acts as an incentive to the generation of new demands, while repression has an inhibiting effect (Pickvance 1985: 41; McAdam et al. 1988: 701). With the gradual opening up of the authoritarian regime in Brazil in the early 1980s, repression of so-called subversive collective activities gave way to more tolerant policies. This is seen as a factor that fostered social movement activity (Jacobi & Nunes 1983: 74; Gohn 1985: 172-173). According to Bonduki, the effect of these political transformations was strengthened by their coincidence with sharply deteriorating living conditions, due to the economic crisis in the same period (Bonduki 1986a: 29, 67). One can add to this the fact that in the same period newly elected state governments (many from the opposition parties) had created
expectations for radical social policies in their efforts to gain wide popular support. We are prone to conclude that taken in isolation, neither deprivation nor opportunities sufficiently explain why social movements arise at specific places and specific points in time. Both are indeed necessary: there ought to be a discrepancy between what people have - in this case, regarding their housing conditions - and what they feel they are entitled to. At the same time, though, people need to envisage opportunities to alter their situation before engaging in collective action. Expectations generated by government policies, successful instances of collective initiatives elsewhere, inherent tolerance for (or absence of repression towards) collective action: all these factors increase the opportunities for collective action. Where both ends meet, collective activities may be expected to arise. The subjective and organizational aspects of this process of resource mobilization are elaborated in the following section.

3.3 Mobilization of resources

In this section we focus on the process of mobilization of participants and other resources. The leading question here is: how does the process of organization of collective initiatives take place? This is an ongoing process in which participants and a wide variety of other resources are mobilized and allocated; the purpose is to exert influence on public decision-making.

To exist and exert influence, collective initiatives need participants. People have to become involved with and committed to the movement and its goals, devoting time, effort, and other resources to it. In addition to participants, a wide variety of resources can build up the strength of the organization. The most important of these are organizational and leadership skills; money; facilities; information; expertise in technical, legal and other fields; and support from other organizations.

The category of resources is very broad indeed. It has been extended so much as to encompass any element that could possibly be relevant to collective action. But the concept has thus lost its discriminatory power. In our analysis, the concept of resource mobilization is useful to the extent that it draws attention to the ways in which social movement organizations can increase their demand-making power and influence their environment.

Participants in collective initiatives are to a large extent recruited along established lines of interaction, which may be of a formal (recreational associations, labor unions, women's associations, churches, etc.) or informal nature (neighborhood and friendship relations). These social networks may be linked by direct contacts or by overlapping membership of participants. Especially in the incipient phase of mobilization, established contact networks are of great importance in recruitment. Participation in social movement activity means taking a chance in the allocation of scarce resources (time, effort, money) and, for many people, breaking with established behavioral routines. In convincing potential participants to get involved,
therefore, the reliability of the source of information is an important aspect (Klandermans 1987c: 43).

Collective initiatives are often undertaken by people who are in one way or another already involved in collective activities. Existing organizations not only provide a network of communication and recruitment; they are also the setting in which alternative explanatory frameworks develop, which legitimize collective action as a means to alter people's situations. These ideological transformations, by which activists seek to construct legitimating accounts of their activism, are called 'collective attribution' (McAdam et al. 1988); 'frame alignment'; 'consensus mobilization' (Klandermans 1987b); and for the Latin American context 'consciousness raising' (in Portuguese conscientização). The basic idea is that people are likely to engage in collective action only when it makes sense to them. This calls for alternative and shared interpretations of the experienced grievances. As long as people perceive their actual situation as a result of personal factors (bad luck, fate, poverty), collective action as a means to alter the situation falls outside their scope. When they start to relate their personal problems to broader political and economic processes, a base is laid for collective initiatives. In other words, a change occurs from 'personal attribution' to 'system attribution' (Ferree & Miller 1985; Klandermans 1987a: 245; McAdam et al. 1988: 713-714).

System attribution, however, does not cover the whole process of mobilization but only part of it. To engage in collective action people need to translate their needs and aspirations into concrete demands that can be directed to persons or institutions. They also have to be convinced - at least to some degree - of the effectiveness of proposed strategies to achieve the goals of the movement. In summary, the mobilization of people requires them to:

a) attribute their grievances to situational rather than personal factors
b) no longer accept as given, but challenge the legitimacy of the prevailing economic, political, and institutional arrangements held responsible for their situation
c) formulate demands
d) believe in the effectiveness of collective action as a strategy to achieve collective goals (Klandermans 1987b: 82-83)

The church base communities in Brazil and elsewhere in Latin America are a clear example of an organizational setting in which an alternative explanatory framework for personally experienced deprivation developed, and out of which many collective initiatives in the habitat field developed (Camargo et al. 1980; Cardoso 1987; Mainwaring 1986; Schütz 1987: 149; Vink 1985). Based on the principles of Liberation Theology, the participants in base communities relate personally experienced problems to broader social causes, and they learn that it is legitimate to strive for social justice. At the same time, base communities also provide group settings in which participants develop social skills that prove useful in undertaking new collective initiatives. Besides these base communities, Schütz (1987: 148-149) also points out the influence of other social associations; among these, the widespread clubes de madres/de mães are very active in starting new collective initiatives to improve living conditions.
Participation in collective action is not sufficiently explained by the organizational and ideological setting in which collective initiatives arise. We also need to have insight in the personal grounds on which people decide to participate in or to refrain from participation. People who become exposed to recruitment efforts to take part in collective initiatives can be expected to make a decision based on both rational and emotional considerations.

Theories of participation based on the assumed rationality of deciding actors have been developed. Olson (1965) was one of the first to develop a rationalist account of collective action. His assumption was that the individual weighs costs and benefits of participation and of non-participation before deciding whether to take part in collective action. This assumption is shared by Bryant and White (1982), who see participation as a function of costs and benefits, the probability that these costs and benefits will be realized, and the amount of risk someone can bear. This function is expressed as follows:

\[ P = [(B \times Pr) - (DC + OC)]R \]

where "Participation (P) is a function of the benefits (B) to be gained times the probability (Pr) of gaining them, minus two kinds of costs - direct costs (DC) and opportunity costs (OC) - all times the amount of risk they can afford to take" (Bryant & White 1982: 214-215).

According to the model, subjective perceptions about the probability that certain costs and benefits will be realized play an important role in individual decision making. On the other hand, the model does not specify the sorts of costs and benefits considered. One needs to take account of economic as well as non-economic (social) costs and benefits. People do, for instance, derive satisfaction from the process of participation in itself. As any group process, it offers the opportunity to exchange information, to extend one's personal relation network, to experience group solidarity, to build and share in a common identity, to increase one's self-awareness, and so on. The question is, however, to what extent such social incentives are consciously weighed against other social and economic costs. This would imply a more fundamental discussion on rationality and the realm of economics than we are able to deal with here. The social component of participation should in any case not be underestimated.

In addition to economic and social costs and benefits of participation and of non-participation, we can also differentiate between collective and selective costs and benefits. Collective benefits are those related to the goal of the movement, in which all participants share. Selective benefits are appropriated individually and are not wholly dependent on the realization of the common goal. Potential participants make not only a subjective assessment of the value of collective and selective costs and benefits for them, but also of the probability that these values will be realized. Both factors multiply. A major problem however arises here: whereas realizing selective costs and benefits depends mainly on one's own choice to participate or not, realizing collective benefits depends on the aggregation of many individual choices. This gives rise to the well-known 'free-rider' dilemma.
(Olson 1965): people make costs in advance, without knowing whether the collective goal will be realized or not. If the collective goal is achieved, however, even those who did not share in the costs will enjoy the benefits. In summary, the individual decision to participate, regarding collective benefits, depends on the following kinds of expectations:

a) about the behavior of others
b) about the probability of success if many people participate
c) about one's own contribution to the probability of success (Klandermans 1987b: 90-92).

Obviously, the decision to participate is at best a calculated risk, gambling on the outcomes of collective action. The outcomes are uncertain not only because of the inherent problems of individual decision-making in collective settings, but also for the factors lying outside the scope of influence of the movement organizations. As Bryant and White (1982) remind us, taking a chance in collective action has direct and opportunity costs. Hence, the amount of risk someone can take without jeopardizing his or her subsistence has to be discounted in the decision-making model as well. People living close to subsistence level can seldom afford to invest their meager resources in collective activities. Scott (1976) compared their situation to that of someone standing up to his lips in the water: one ripple suffices to drown this person. Participation and self-organization is particularly problematic for the very poor. This brings us to a factor (associated with gender differences) that has not been accounted for. Poverty, or more specifically extreme poverty, is often gender-specific. The very poor tend to be single elderly women and households headed by a single female. In these cases the burden of direct costs as well as of opportunity costs is relatively high.

Also under less miserable conditions we will have to accept gender differences in the process of mobilization of participants in social movements. Since many are poor women, either a single head of a household or a partner of the male head of the household, they have to combine a productive and a reproductive task, which makes their opportunity costs relatively high. Therefore, the model would suggest a rather low participation rate and cannot account for their abundant presence in almost all urban social movements and on all levels of the organizations, throughout Latin America (Schütz 1987: 152). Of course, we should acknowledge gender differences in the valuation of the benefits and the probability of gaining them. According to the model, this would imply that in comparison to men, women receive relatively larger benefits and/or perceive better results in achieving them by joining an urban social movement. Because of lack of evidence, the question whether or not this statement can be sustained has to remain unanswered here. It remains interesting that there are gender-specific outcomes of the mobilization process or, stated differently, overall higher female participation rates (see also Section 3.6).

Notwithstanding the restriction of the model outlined above, it is possible to identify some ways to foster participation on the basis of the same model (Bryant & White
- introduce or increase selective benefits of participation (both social and material)
- increase people's assessment of the prospects of achieving the collective goal
- lower the costs and risks of participation
- ensure that only those who contribute share in the benefits

Individual decision-making needs to be related to the collective setting in which it takes place. Interaction within established collective settings gives rise to solidarity incentives and mutual expectations; groups encourage individuals to take risk, and in this way influence individual choices in favor of participation.

Besides affecting people's perception of the prospects of success, the group interaction generates solidarity and a shared identity (a sense of belonging), which constitute benefits in themselves. Collective action, in this sense, is not only a means to an end but an end in itself.

Besides a committed constituency, a variety of other 'resources' are important in building a bargaining position for the movement organization. Facilities are needed, such as a room for meetings, money, office requisites, and equipment for oral and written communication. In order to effectively make demands, information about relevant matters is invaluable. This includes official policies and strategies as well as appropriate channels for making demands and for negotiation. Often special expertise will be required to get access to such information and to translate it into terms that are meaningful to the leaders and constituency of the movement.

In the field of habitat this kind of expertise involves knowledge of urban policy, laws, regulations, and procedures. Such 'resources' are necessary to understand the implications of official measures and to formulate and negotiate alternative proposals.

As movements of lower-income residents seldom have this expertise within their ranks, they often have to rely on the external support of committed professionals (social workers, architects, clergymen, etc.). Expert aid can also be received on an institutional basis from universities, 'housing advisory services' (Spohn 1972) and other non-government organizations (NGOs) (Verhagen 1987; Yap 1983; Harms 1972; Cardoso 1983). External aid is not necessarily 'expert' in the academic sense.

As a matter of fact, it often provides the movements with the most basic services, such as getting access to information, and writing letters and petitions.

To get access to external aid also requires some know how. Information about potential sponsors (e.g. NGOs) and their requirements and procedures is needed. Obtaining the financial support of NGOs also involves formal communication, such as writing proposals and giving regular written feedback.

As we see, the social movement organization mobilizes resources both from the constituency and from alliances with other organizations. A movement with a poor constituency may have difficulty in assuring a steady inflow of resources from its members; outside support in turn is often politically or ideologically conditioned. External support is assured as long as it is used in a way consistent with the interests of the sponsor (McAdam et al. 1988: 723-726).
The origin and amount of resources also has implications for the relation between leaders and members. In general, the greater the dependency on resources provided by members, the more the leaders will have to take the wishes of members into account in their decisions (Klandermans 1988).

3.4 The structure of an organization

The extent to which social movement organizations succeed in mobilizing resources was identified in the previous section as one of the relevant factors in explaining the outcomes of collective action. In this section, we will have a closer look at the organizational structure of SMOs and try to assess some of its implications for achieving proposed goals. Organizations, according to Etzioni, "are social units deliberately constructed and reconstructed to seek specific goals" (Etzioni 1964: 3). Goal-directed activities, division of labor into tasks, and the coordination of these tasks to achieve the goals are basic elements of any organizational process (Lammers 1983: 29). The structure of the organization in general can be defined as "the sum total of ways in which it divides its labor into distinct tasks and then achieves coordination among them" (Mintzberg 1983: 2).

Social movement organizations want to effect change of some kind in their environment. They are goal-oriented, and the organizations are instruments to achieve specific goals. But they are more than that: ideas about the way in which the organizational goals should be pursued often play an important part in shaping the organizational structure as well. Movement organizations are also (some would say primarily) a means to realize empowerment and to set new or alternative social values and identities, such as egalitarianism and democracy.

Analyzing the organization of workers' collectives, Rotschild-Whitt (1979) distinguishes between an instrumental-rational and a value-rational orientation to social action. This distinction was originally proposed by Weber. Organizations structured on instrumentally rational principles are seen as instruments to achieve goals. According to Weber, the ideal type of the bureaucratic organization, in which personal behavior is formalized in organizational procedures, corresponds to this orientation. A value-rational orientation, in turn, means that action is judged by its inherent value instead of its prospects for achieving certain results. Weber did not delineate an ideal-type of organization for the value-rational orientation - a gap for which Rotschild-Whitt (1979) proposes the ideal-type of the 'collectivist-democratic' organization.

Her analysis is a useful inventory of dimensions and dynamics within voluntary organizations. Although social movement organizations in the field of housing and collective consumption differ from workers' collectives in some aspects (e.g. regarding the scope of participation and of the 'output' of the organization), Rotschild-Whitt's conceptual model is useful in the analysis of SMOs. As our data about mutual-help housing associations in Brazil will show, social movement
organizations in the field of housing may actually develop into workers' collectives. This is the case, for instance, with collectively managed mutual-help schemes. The following characteristics are typical for the collectivist democratic organization, according to Rotschild-Whitt:

- **Authority** resides in the group as a whole instead of in individuals. People get along together on the basis of equality and cooperation; decisions are made on the basis of consensus.
- The use of rules and formal procedures is minimized. Issues requiring decisions are settled in an ad hoc manner.
- A shared set of basic values is the primary means of **social control**. Through a careful selection of members, the organization assures the needed homogeneity in terms of values.
- **Recruitment** takes place on the basis of friendship and socio-political values.
- **Social relations** are viewed as a value in themselves, and they are shaped according to the ideal of community.
- Egalitarianism as a norm prevents a system of **social stratification** from developing.
- **Differentiation** of roles and tasks is minimized.
- The incentive structure that motivates participation relies on purposive incentives (value fulfilment) in the first place, followed in importance by solidarity incentives (e.g., friendship). Material incentives come in the third place.

These characteristics are in contrast with those of bureaucratic organization. What are the consequences of this organizational structure for the collectivist type of organization in terms of effectiveness (the ability of the organization to achieve the desired effects) and efficiency (the amount of effort/resources spent to achieve results)? Rotschild-Whitt points out some important constraints and social costs associated with this mode of organization.

First, there is the fact that democratic decision-making is extremely time-consuming. This does not necessarily have bad effects on the effectiveness of the organization, for thorough debate may be a powerful instrument to reach broad commitment to organizational goals. Decision-making by consensus, however, is hardly an efficient procedure, since much time and energy is involved.

Second, decision-making by consensus makes it difficult to absorb conflict and tends to personalize ideas and the people who advocate them. Disagreement on ideas can easily become mixed up with personal dislike. This conception of authority and decision-making within SMOs results in an inherent tendency toward segmentation (Durham 1984).

A third drawback is that consensual decision making requires a substantial homogeneity of participants from the onset in terms of agreement on values, goals and processes. This may constrain the social base of the organization.

Fourth, collectivist-democratic organizations operate in an organizational environment that imposes a more rationalist-bureaucratic practice on them. A common illustration of this is that SMOs, if they want to be recognized as counterparts by the state, have to adopt a formal legal structure (usually of an association or foundation). The requirements to constitute an association include
formulating by-laws and regulations, the appointment of a president, treasurer, etc. Existing legislation thus imposes a formal and hierarchic blueprint on associations from the very onset.

As is usually the case with ideal-types, real-life SMOs are more of hybrids between the collectivist and the bureaucratic types of organization. Durham (1984) prefers to talk about a **formal** and a **community** model of organization coexisting in SMOs. The formal model is recognizable by the existence of formal and hierarchical positions within the organization (members, president, executive board, etc.) and the use of procedures of political representation (election of representatives). This model is partly enforced upon SMOs by the state through legislation and as a prerequisite for interaction. But according to Durham, this model is also an element of 'cultural inheritance'. Adoption of this formal element fosters the constitution of a formal leadership and hierarchy within the SMO.

The community model, on the other hand, comes close to Rothschild-Whitt's type of collectivist organization: high value is placed on equality and active participation of the constituency in decision-making. The notion and practices of equality are important for the constitution of a collective identity that centers on shared needs and demands. This fosters the idea among the members that their demands rest upon citizens rights. The constitution of a collective identity unifies a socially and politically heterogeneous constituency in pursuit of a common goal.

The formal and the community models coexisting within the SMO serve different purposes. The formal side is a prerequisite to be publicly acknowledged as a counterpart by the State, while the community model is relevant for the constitution of a collective identity within the organization.

The limitations of this organizational pattern according to Durham were already mentioned by Rothschild-Whitt: time and effort expended in decision-making; difficulty in absorbing dissent in the organization, resulting in a built-in tendency to split-off. Excessive preoccupation with the organizational process as a value in its own right can lead to an inversion of means and ends. The formulation of demands then becomes instrumental to the organizational process instead of the latter being a means to achieve the fulfillment of demands.

Talking about organizational structure should not lead to a static image of SMOs. Fluidity and continuous change are very characteristic for them. Growth, success, failure, internal conflict, external pressure, all have consequences for the organizational structure. The leadership style in the initial stage of mobilizing support for collective action, for instance, may be a militant one, while in the negotiation stage a more accommodative leadership may be required. Changes in the kind of challenge the organization has to meet certainly reflect on its structure (Klandermans 1988). Along the lines of a contingency theory, one could argue that the

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23 Durham recalls the fact that the formal organizational blueprints are also adopted by the lower-income strata in organizing collective activities that do not require interaction with state organizations (e.g. recreative associations).
extent to which the organization succeeds in responding to changing conditions of the environment is one of the main determinants of its prospects for success. Changes within SMOs follow certain patterns. Klandermans (1988) identifies four main trends:

a) Oligarchization: The extensively debated 'iron law of oligarchization', proposed by Michels, holds that in growing, originally democratic organizations, attention shifts to organizational maintenance, and power becomes increasingly concentrated in the hand of minorities. There is much evidence available, both to support and to refute the oligarchization thesis. Hence, Klandermans concludes that oligarchization is but one among other trends in change.

b) Professionalization: Some movement organizations that succeed in mobilizing sufficient amounts of financial resources can hire staff personnel, thereby reducing dependence on efforts of volunteers. This trend towards professionalization is more marked in the industrialized countries. A category of professional movement organizations, run by hired staff and supported by conscience constituents (sympathizers who lend financial support but who don't participate personally in the activities) has even been defined. The availability of resources outside the beneficiary group may reinforce the trend towards professionalization. Outside funding, however, may have as a result that the control of the members over the staff/leadership declines.

c) Structural differentiation: This trend is seen as the counterpart of organizational growth. It takes place through the merger of previously independent groups (formation of coalitions) or through the establishment of new branches. Organizational growth, Klandermans reminds us, brings along problems of socialization and integration of new members and is not by definition beneficial to the organization (Klandermans 1988).

d) A trend towards collectivist modes of organization: In this case, the prime goal of the movement organization shifts towards realization of alternative values or empowerment rather than adopting an instrumentally rational pattern of organization for a specific goal.

In our analysis of the SMOs in Vila Comunitária and Nova Aurora, we shall use the tools presented here to understand the alterations in the organizational structures and the changes in goals that were accompanied by these. In the next section we shall look more closely at the means: the strategies to mobilize public resources.

3.5 Social movement organizations and their political influence

3.5.1 A model of the political system

For social movement organizations trying to obtain access to housing resources that they cannot obtain themselves (such as land, infrastructure, and financing), the prospects for success depend to a great extent on their ability to exert influence on processes of political and bureaucratic decision-making. Hence, if we are concerned with the factors that affect the outcomes of social movement activity, it is necessary
to make clear how we perceive the political process. The realm of politics is defined here as "those interactions through which values are bindingly allocated for a society" (after Easton, 1965, in: van der Eijk & Kok 1975). The allocation of a wide range of values, from economic to cultural ones, is subject to political decision-making. The model of the political process presented in this section is not confined to politics in the narrow sense (parliamentary, legislative) but also encompasses the field of decision-making within public agencies, which are bureaucratic organizations. The realm of decision-making within bureaucratic, executive branches of government is especially important in the study of SMOs in the field of housing and collective consumption, as their demands are usually directed at and negotiated with these institutions.

According to Bachrach and Baratz (1970), persons and groups seeking a reallocation of values have to overcome a sequence of barriers in the political process, before any change is effected. On their way, they meet opposition by persons and groups committed to the maintenance of the status quo. These groups or persons have sources of power at their disposal. Resources include financial assets, ideology, number of members, the controllability of the organization, and strategy.

A central proposition in the model is that the power of these elite groups does not primarily rest in their ability to influence the outcomes of decision-making. Rather, it lies in their ability to prevent certain issues from reaching the decision-making arena. Bachrach and Baratz have called this non-decision-making. Non-decision-making takes place, for instance, when administrative procedures are activated in order to block "unsafe" issues from reaching the decision-making arena.

The non-decision concept has been criticized for the fact that it can hardly be operationalized. Non-decisions are 'non-events', so how can they be investigated? Van der Eijk and Kok (1975) propose to overcome this problem by introducing a distinction between wants, demands, and issues. "Wants are opinions, interests, ideologies and similar attitudes which are cognized in a non-political way, i.e. which are not perceived as ultimately dependent for their fulfilment on the political process" (van der Eijk & Kok 1975: 282). Wants become demands when a person or institution charged with responsibility to make binding decisions is called upon to fulfill these wants. Issues, in turn, "are demands which are recognized by the decision-makers as problems to be decided upon: they are demands which become part of the political agenda" (van der Eijk and Kok 1975: 283). Non-decisions are "all those instances where behaviors and/or social processes result in preventing a want from reaching issue-status, that is, agenda-status" (287).

The first barrier in the political process (see Figure 3.1) prevents wants from being converted into demands. Factors operating against this conversion consist of dominant values and beliefs, as well as actions that prevent the formation of organizational structures in which the want-demand conversion takes place. As we have seen in Section 3.3, the process of collective attribution plays a central part in the want-demand conversion.
A second barrier to be overcome consists of the procedures, customs, and organizational devices activated to select from a wide range of public demands on which decision-making will take place. Demands have to be acknowledged as issues for decision-making if they are to be effective at all. Activating time-consuming procedures in face of demands is a well-known way to dampen the enthusiasm of groups voicing demands. Bachrach and Baratz remark that "Devious roads of access and poor communication channels are not necessarily accidental or inefficient. Viewed from the standpoint of dominant status-quo oriented groups ( ...) disruption in the communication flow can serve a highly useful function" (1970: 60). It is possible that the demands pass this barrier with altered contents. They may be adopted only partially or joined with other demands, resulting in changes in their original character. Van der Eijk and Kok call this "demand perversion". A demand recognized as an issue is decided upon in the decision-making arena. The barrier to be passed in this stage is that of the defeat or modification of the issue. The model also includes the implementation stage of decisions. Once a decision in favor of an issue is made, barriers still have to be overcome in the bureaucratic process of implementation. Decisions may not be implemented at all, or only partially, or channeled away from the intended beneficiaries. A recent example of the way government agencies juggle the demands of an SMO is found in Boran (1989).

3.5.2 Strategies
When a movement organization is formed, the first barrier in the political process
(the barrier preventing want-demand conversion) has in fact already been overcome. To surmount the other barriers in the process of political decision-making, SMOs can use different strategies. Van Noort (1988: 53) cites the following strategies:

1) Persuade: Reward authorities for good behavior, e.g. in the form of political support.
2) Argue: Make efforts to convince the opponent(s) that you are right (expertise regarding content can play an important role). The power resides in the argument.
3) Demonstrate: In this case, the power resides primarily in the quantity of supporters. Marches, demonstrations, and petitions are means to show that many people support the goals of the organization.
4) Litigate: Achieve the goals of the movement through legal action. This alternative requires a de facto independent judiciary able to make judgements that are binding for the state institutions.
5) Protest: This is the opposite of persuasion. The movement tries to achieve its goals by causing damage to public authorities, or threatening to do so. Not only violent protest causes damage. Non-violent protest may also do so, for instance by negatively affecting the public image of the opponent.

These strategies are all carried out publicly (consistent with van Noort's definition of SMOs as entities that strive for social change by means of public activities). In our opinion, however, SMOs may well employ non-public activities to influence political decision-making, such as lobbying and other less overt forms of political bargaining.

Public authorities, in turn, may use different strategies towards SMOs:

1) Stimulate: Give financial aid, facilities, or access to information.
2) Give in to the demands.
3) Co-opt: Hedge-in the movement without making any real concession (for instance, by giving it an advisory function).
4) Ignore the demands and avoid confrontation, with the expectation that this will make the movement activity fade away.
5) Combat the SMOs directly (by declaring it illegal, using violence, etc.).

Of course, the strategies employed by both sides influence each other. Giving in to the demands of SMOs in Brazil is often the outcome of a bargaining process in which electoral support is given by the movement organization and its constituency in exchange for public services. In terms of the model of Bachrach and Baratz, describing the political process, strategies of co-optation, ignoring demands, and combating the movement organization are non-decision-making strategies, in the sense that they prevent demands from reaching the decision-making arena. Empirical evidence on the effectiveness of different strategies is inconclusive, as Klandermans notes (1988d). The political context in which they are employed is an important variable. Boran (1989: 107) interprets a description of the struggle of the Movement for the Defense of Favelados in São Paulo to mean that
autonomy in a popular movement is never a clear-cut issue but a finely balanced juggling act. She adds that it can end in disaster but victory is not impossible to achieve. In other words, the outcome or effectiveness may well not be clear at all during the process. The next section deals with this point.

3.5.3 Effectiveness
Empirical research on the influence of social movement organizations on political decision-making faces the methodological problems related to causality. It is not easy to assess how much of a given outcome favoring the movement demands is the result of pressure by the movement. The eventual output of decision-making processes develops out of many interactions and negotiations involving more than two actors. Each has only a partial knowledge of the situation. The outcome of social interaction processes therefore can seldom be traced to the will or actions of a specific actor.

Influence, as Everts defines it, is "a relationship between two actors that results in a situation in which one party, the influencee, acts according to the demands of another party, the influencer, after having taken notice of these demands, and when without these demands he would have acted differently." He acknowledges the methodological difficulties involved in influence relationships, adding that "in real life it is often virtually impossible to isolate the influence of one factor from many others" (van Noort 1988: 77).

Does this mean that empirical research on the effects of social movement activity on political decision-making is wasted effort? We think this is not the case. But at best our goal can be to make the effects of movement activity plausible by tracing the processes through which certain outcomes are achieved. This implies that any investigation should include the following steps. First, specify the actors (stake holders) involved in different stages of the decision-making process and the resources at their disposition. Second, make a detailed reconstruction of the decision process, both formal and informal. Different sources of information available (oral, written, observation) can be used for this purpose. A third step is to compare the outcomes with the demands originally stated (van Noort 1988: 80-81).

The effectiveness of movement activity need not be confined to goal-achievement. SMOs and people within them may have multiple goals, explicit and implicit. As already mentioned, realizing alternative values in the organizational process may be a goal in itself. Goals, moreover, are not static but subject to change in time. In general, we can speak of goal achievement when explicit demands/goals have been realized. Besides intended effects, social movement activity may have unintended or secondary effects such as putting certain issues on the political agenda, generating public discussion, and changing public opinion (whereby the media plays an important role). It is also possible that, despite failure in achieving objectives, the movement organization succeeds in mobilizing resources for future action (Klandermans 1988).

Outcomes of decision processes also affect existing institutions, values, and norms.
The feedback loops in Bachrach and Baratz' model (Figure 3.1) indicate this. Learning does take place, both inside public institutions and movement constituencies. Success or failure of movements has an impact on the intensity of social movement activity in general. For the organization directly involved, however, success may lead to its extinction or to a change in goals. Initial successes, leading to a massive influx of new members, may threaten the survival of the organization because of problems of socialization and manageability this entails. There is almost a paradoxical relation between success and movement growth and decline. "A movement organization needs a large membership to be successful, but it needs success to grow. If it is too successful, however, movement goals may lose their urgency, and, as a consequence, participation may become less necessary in the eyes of potential participants" (Klandermans 1988).

3.5.4 Conclusion
The strategies of social movements to mobilize public resources through influencing the political decision-making are highly diverse, as are those of the public agencies in answer to their demands. Insights in this process of juggling and struggling help us understand the following situations:
1) why these processes take so long
2) the importance of the political context
3) the importance of autonomy in the SMO
4) the perpetual alterations in goals
5) the continual changes in strategies
6) the foggy vision of effectiveness during the process

We do not know why it is mainly women who fulfil the task of organizing an SMO and carry out the lengthy struggle to achieve its goals, if any.

In Section 3.3, we touched upon the theme of gender specificity in the mobilization of participants; in the next section we will shed some light on the factors associated with these differences.

3.6 Gender inequalities and social movement organizations
Poor conditions of housing, infrastructure, and services have consequences which in general are more far-reaching for women than for men. Therefore, it is not surprising that mobilizing resources and people for collective initiatives is to a large extent women's work. Notwithstanding, both academic analysis and actual policy-making have long failed to acknowledge the fact that needs and aspirations related to the habitat are different (and sometimes even mutually conflicting) when viewed from a male or from a female perspective.

Besides their child-bearing role, women are - by virtue of a socially defined division of labor between the sexes - commonly assigned the role of maintaining the family in and around the household. This work consists of a wide variety of tasks, ranging from shopping, cooking, cleaning, and doing the laundry to the overall concern with housing, safety, education, and health of the children. Precarious habitat conditions pose serious constraints on women in performing these tasks. Perhaps even more important than that, is the impact of poor habitat conditions on the income-generating opportunities of women. A significant proportion of lower-income women face the need to combine income generation with childcare and household activities. This is true all the more for women who are sole income earners in the household (female-headed households). In other words, most women are engaged in a productive as well as a reproductive role. Moser (1987a: 15) discerns not only this double role for women but speaks of a triple role, adding a management responsibility. This is part and parcel of the productive and reproductive roles and the necessity to combine these. Volbeda (1989: 159-161) sees 'community management' as a third and theoretically separate role.

Although significant female participation in collective initiatives is a common pattern, the character of women's participation seems to differ from place to place. Thus Caldeira (1985: 24) reports that in the São Paulo area collective initiatives in the habitat field tend to develop as almost exclusively female organizations regarding leadership and constituency. In Peru, collective initiatives also have a significant female participation, but leadership positions are preferably occupied by men. Male leadership of the initiative is marked in collective action concerning the struggle for land, shelter, and infrastructure, whereas women's leadership role gradually increases to become prominent in the activism for social services. This differential participation is explained by men's predominant interest in getting access to property in the form of land and a dwelling and by their easier access to the public sphere, in which demand-making and negotiation takes place (Wesemael-Smit 1989).

Women's prominent role in collective action is usually explained by reference to their gender-ascribed responsibility for the reproductive tasks. A somewhat different explanation is that their greater amount of free time and flexibility in using it allows women to organize and take part in collective action (Caldeira 1985: 14). While men are usually out for work during the daytime, women are supposed to have more opportunity for mobilization activities. Moser discards this thesis as a convenient myth (Moser 1987b: 181). Although for daytime mobilization this may be true, she stresses that women spend time in mobilization much to the detriment of both domestic and productive activities.

Involving women in collective action is of vital importance because they have access to extensive networks for recruitment and mobilization in the neighborhood. Women in low-income neighborhoods face the same distress of precarious conditions of housing, infrastructure, and services, and bear similar uncertainties associated with the unreliable nature of the labor market and of conjugal relations. Under these living conditions, maintaining a personal network of relations with neighbors, friends, and relatives is a necessary and effective survival strategy.
Informal networks allow the reciprocal exchange of information as well as material and moral support (Plantenga 1987, Moser 1987b: 173). From an economic perspective, time, money, and effort spent in building and maintaining such networks can be regarded as a form of social insurance against unexpected hardship.

Women also participate in a great variety of more formal local associations, such as churches, base communities, mother's clubs, and recreational associations. By means of overlapping membership and of contacts between the organizations, a local inter-organizational network is formed, with a great potential for the mobilization of people and other resources for collective initiative. Such pre-existing organizations are also the repositories of women with organizational skills and leadership experience. The geographical proximity together with the communal interest in improving the direct living conditions makes these neighborhood-based organizations differ from labor unions or political parties in which men participate more than women.

Needs in the field of housing that, due to the socially determined sexual division of labor, are regarded as 'women's needs' have been called 'practical gender needs'. In fact, they are family or household needs. The participation of women in collective activities to meet these needs is justified, both by women themselves as by society at large, as a logical extension of woman's role as mother and caretaker. Feminist analysts contrast the concept of practical gender needs to that of 'strategic gender needs'. These are the needs related to desired changes in the prevailing division of roles and of power between the sexes in society. In the words of Moser (1987a: 29):

"...strategic needs are those needs identified from the analysis of women's subordination, and, deriving out of this, the formulation of an alternative more satisfactory organization of society to those which exist at present, in terms of the structure and nature of relationships between men and women."

Important strategic gender needs for women, besides changing the present pattern of role division, are security and safety (Moser & Peake 1987: 199). Security for women is enhanced by means of acquiring tenure or ownership rights to land and housing. Besides protecting them from unstable or violent domestic situations, ownership increases their economic independency (for instance, by using land and property as collateral or for income-generating purposes). Women's safety depends on "an environment free from fear of male abuse towards themselves and their dependants" (Moser & Peake 1987: 199). The authors do not explain how this aim could be fostered in concrete habitat terms. One could, however, imagine aspects as public illumination, public security services, and, last but not least, the sheer construction properties of the dwelling (e.g. walls, doors, windows, locks) against external physical threats. To bring about changes in the current division of labor, finally, women must expand their opportunities for economic independence. Basically, this means increasing income opportunities for them and changing traditional conceptions about the sexual division of labor (also within the
For our analysis of collective initiatives, the distinction between practical and strategic gender needs is a useful reminder to distinguish between needs and aspirations of men and women in the habitat field, and to assess the extent to which these coincide or conflict. This helps us to investigate how and how much men and women are able to meet both common needs and gender-related needs in the course of collective initiatives.

As stated before, practical women’s needs are in fact family or household needs for which women are assigned responsibility. Collective activities for improvements in the habitat sphere are therefore often regarded as women’s work. Whereas in general the practical needs of women coincide with family and male needs, this is less true of strategic needs, due to potentially conflicting interests. If women try to secure tenure and property rights to dwellings and land, gain greater economic independence, or change the prevailing role patterns, they are likely to meet male resistance.

The explicit agenda of collective initiatives usually centers upon practical needs. But by taking part in the struggle for improvements, women may be challenging the existing role pattern at the same time. To organize and take part in collective action, women often have to cross the boundaries of the domain traditionally assigned to them (the private sphere of the home and to some extent the neighborhood) and engage in a set of public activities, which is mostly a male-dominated sphere.

Cultural norms concerning the roles of men and women have implications for the organizational structure of collective initiatives. In Latin America the household (private sphere) is traditionally regarded as the female domain, whereas the outside world (public sphere) is the male domain par excellence. Ideally, men work outside the home to support their family, whereas women take care of reproductive tasks. Women who, pressed by need or otherwise, go outside the home for work tend to meet resistance from their husbands or companions. There are two main reasons for this. A woman working outside home is seen as a public acknowledgement that the husband fails to fulfil his role of supporting ‘his’ family. And working women place themselves outside the control of their husbands; by exposing themselves to the public (male) world, they affect the honor and reputation of their husbands. Where participation in collective initiatives is predominantly a female activity, this has both advantages and disadvantages for the initiatives. A positive aspect is that, given the prevailing norms, participation by women is accepted more easily by men (especially husbands and companions) than if this participation had to take place in mixed-gender settings (Caldeira 1985: 24). On the other hand, this pattern may prevent male participation because men will be reluctant to be engaged in women’s activities.

Collective initiatives usually have a mixed constituency. While on the one hand alternative patterns of gender relations can (and do) develop within these collectivities, prevailing norms about gender relations certainly influence the
organizational structure. According to prevailing norms, women (especially if they are married) are not expected to work in close contact with 'other' men. This poses a serious obstacle to their access to decision-making positions (such as the board) of movement organizations. Thus, women's opportunities to lead committees tend to be determined by the sex of the president (Moser 1987b: 178).

A factor promoting male predominance in leadership positions is the formal hierarchic structure imposed on movement organizations by official legislation. The formal blueprint prescribes the election of a board composed of a president, a treasurer, a secretary and so on. Once men are elected to the main formal leadership positions (which usually is the case), women's access to the main decision-making circuits of the movement organization becomes more difficult. Where women take over the leadership role, this is often a reaction to the unsatisfactory performance of male leaders (Moser 1987b: 176).

Regardless of the composition of the leadership, most of the day-to-day activities within the movement organization are usually carried out by women. It can be of tactical importance for a movement organization to stress its predominantly female constituency. When there is an open confrontation with the state (e.g. threat of eviction from squatted land) women and children often stand in the forefront. By justifying their activism as a 'natural duty' of mothers and caretakers (which is more altruistic and apolitical than 'male' activism), they enhance the legitimacy of the movement's aims.

As far as participation by women is seen as an extension of their gender-ascribed roles, it tends to underwrite the existing patterns of gender relations. At the same time, though, participation may challenge these same patterns. Women have to leave their neighborhood and enter the (male-dominated) public sphere, which includes politics. This fosters self-awareness and can lead women to take control in other areas of their lives. Collective initiatives undertaken to meet practical gender needs of women may thus indirectly enhance their prospects to meet more strategic needs, that is, to alter existing norms about gender relations.

In conclusion, we may state that precisely because community management is perceived by women as an extension of their gender-ascribed role, women take on this task more than men.

Furthermore, women in the SMO may effectively use their informal networks, for these coincide geographically as well as in terms of interest with the relevant SMO. This does not apply for men; they generally do not generate or participate in informal networks based on proximity and communal interest.

So far we have considered the emergence of social movement organizations, their resource mobilization, their intrinsic organizational structure, their political impact, and their neighborhood-based strength. In the next two sections we shall first look at the implementation of self-help housing policies in general and of those carried out by SMOs. Then we shall move on to a condensation of this chapter in the form of a list of criteria to evaluate the self-help approach of housing production.
3.7 Implementation of self-help housing strategies

3.7.1 A conceptual framework

The implementation of a self-help strategy to produce housing is a complex process involving a variety of resources and participants. It can therefore take a variety of forms. The concept of self-help is usually applied to forms of housing provision in which the user/owner to a greater or lesser extent provides the needed resources and controls the building process. However, the concept of self-help is too general and ill-defined. It applies to things as diverse as building a provisional shack on squatted land, and taking part in a mutual-help housing scheme organized by a public housing agency. Even within the realm of standard self-help approaches, such as site-and-services, variety in terms of participants, resources, and results is great (van der Linden 1986). The concept of self-help thus fails to take into account the different ways in which the user can be involved in the production of housing: as financer, contractor, designer, laborer, and so on. Therefore, a conceptual framework is needed that allows us to distinguish and compare different self-help housing approaches regarding their potential and weaknesses to improve the housing conditions of the urban poor. Such a framework should also enable comparison of self-help approaches with other approaches, such as public housing or laissez faire policies.

In this section we attempt to identify the essential aspects of self-help housing and to combine these into a conceptual framework.

Two dimensions of self-help are explicitly or implicitly present in most writings dedicated to the subject: labor and control (decision-making). Burgess, for instance, refers to self-help as a spectrum along which the degree of participation of wage labor in the construction process can be identified (Burgess 1985: 273). The division of decision-making power between the participants (public authorities, community and households) varies between different types of self-help projects (Burgess 1985: 303).

A more general definition is employed by Harms, who defines self-help housing as "... housing produced by the users, individually or collectively" (1982: 45). He elaborates this concept of self-help by analyzing its political, economic, technological, and ideological dimensions. Harms holds that it is necessary to differentiate between self-help initiated and controlled by workers, and self-help initiated and controlled by a government, external international agencies or by 'fractions of capital' (Harms 1982: 20). This distinction, according to him, is important mostly for its ideological implications (this will be discussed below).

The question of who makes the major decisions in the production of housing is crucial for Nientied and van der Linden (1985). They define self-help as "the practice of the users to autonomously take decisions on planning, building and maintaining their houses, irrespective whether they construct the houses themselves or not" (Nientied & van der Linden 1985: 311). This is also the major tenet of Turner's concept of self-help. He repeatedly stresses that the basic issue is authority, and not who does the work (Turner 1982: 105). Important areas of
decision-making are design, construction, and management (Turner & Fichter 1972: 241; Turner 1976: 37).

Housing projects initiated and controlled by public agencies may entail some measure of participation by the (future) users. The degree of their involvement in the planning, design, construction and management can range from informal advice to some measure of formal control (Wegge 1983).

As to the actors in the building process, a distinction can be made between the users (who may have organized themselves into a self-help organization), public agencies, private commercial enterprises, and non-governmental organizations (NGOs; other than the users' organization). The actors in the building process can be grouped into four major categories: households, the profit-oriented private sector, the public sector, and the 'associative' or non-profit sector.

Verhagen refers to the associative sector as "a complex of self-help organizations and their coordinating or federative bodies" (1987: 20). Examples of this fourth category are housing cooperatives and their federations. Actors from this sector play a recognized role in the housing provision in many industrialized countries.

Self-help organization (SHO) is a term used to designate "the institutional framework for individuals or households who have agreed to cooperate on a continuing basis to pursue one or more objectives" (Verhagen 1987: 22). These are goal-oriented voluntary associations in which the members ideally share risks, costs, and benefits on an equitable basis. Within the non-profit sector there is great diversity. Besides self-help organizations and their federations, we can also identify institutions that aim to promote self-help initiatives. These organizations are commonly designated non-governmental organizations. NGOs can support self-help organizations by providing them with legal, management, financial, and technical assistance.

Besides actors in the building process, we also need to identify resources and functions (Priemus 1978). Resources are the elements that, when combined, make the construction of dwellings possible. Resources may be both tangible (such as financing and construction materials) as well as non-tangible (initiative, project management, legal permits, etc.). To provide a specific resource in the process is to perform a function in it. Actors are organizations or persons taking part in the social structure within which the construction takes place.

Housing resources are combined in a process of negotiation between (potential) actors who temporarily form a building coalition. Each actor has a certain amount of bargaining power in relation to the other actors. The amount of power depends basically on the access to or control over the needed resources (Priemus 1978: 43-47), which may vary over time during the building process.

---

Figure 3.2 Functions and resources in the building process

Resources
1. Destination of land use
2. Initiative
3. Promotion
4. Land
5. Raw materials
6. Construction materials
7. Construction equipment
8. Construction labor
9. Urban lay-out plan
10. Building design
11. Construction calculations
12. Financing
13. Subsidization
14. Project management and coordination
15. Advice and research
16. Political and administrative decision-making
17. Building permits
18. Execution
19. Price setting (purchase price)
20. Initial allocation

Source: after Priemus 1978: 62
Table 3.1 Basic inventory of resources and actors in the self-help housing process

<table>
<thead>
<tr>
<th>RESOURCES</th>
<th>household</th>
<th>self-help organization</th>
<th>NGO</th>
<th>government agency</th>
<th>profit organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>land</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>urban development plan</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>design &amp; planning</td>
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<td></td>
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<tr>
<td>infrastructure &amp; services</td>
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<tr>
<td>credit facilities</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>building materials &amp; equipment</td>
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<tr>
<td>labor</td>
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<td></td>
<td></td>
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<tr>
<td>management &amp; coordination</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>authorization (permits)</td>
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</tr>
</tbody>
</table>

To summarize the list of above-mentioned actors and resources with respect to the self-help housing process, we combined them to create a basic inventory. When the form is filled for a specific building coalition, it provides a schematic overview. The particular cells can identify the role or functions of particular actors. These functions concern the actor's access to or bargaining power over each resource. Of course the inventory could be further extended with more resources and actors, but for our purposes this would make the scheme unnecessarily complicated.

3.7.2 Collective self-help initiatives
Collective initiatives in terms of the conceptual framework outlined in the previous section are those in which a group of users contributes resources to the housing process by means of a self-help organization (SHO). In the literature, the key characteristics of collective initiatives are the participation of households and their SHO in labor and decision-making. There is, however, little consensus about the benefits and drawbacks of this participation.
Collective labor participation of users is considered worthwhile mainly for two reasons: for the cost reductions it can bring about, and for the social benefits derived from it, in terms of enhanced solidarity and increased political awareness among participants. Both are controversial.

Mutual-help construction is regarded a means to reduce construction costs through unpaid labor and unpaid management (Sachs 1987: 274; Lewin 1981: 11, 134-135; OST! 1969, in Harms 1982: 29; Deneke & Silva 1982: 240). Unpaid labor is converted into capital, and this accrues to the future owner. Reducing construction costs enables one to reduce the amount of financing needed as well as the term of mortgage repayment. Cost reduction by unpaid labor contribution is said to amount to 15 or 20 percent of the total housing costs (Harms 1982: 34) or about 30 percent of the construction costs (Burgess 1985: 288). Figures on labor productivity vary: 2000-2500 hours for an average 100 sq. m. dwelling (Harms 1982: 34); 960 hours for a 38 sq. m. dwelling (Cohab MS/IPT 1986); 1620 hours for a 40 sq. m. dwelling (Reinach 1985). The ratio hours/square meters in these figures ranges from 20 to 40.

According to Sachs (1987: 275), mutual-aid construction mobilizes underutilized labor power. Other authors, however, stress that this labor is not underutilized at all, and that working on house construction in most cases is a heavy additional burden for low-income households. To participate in construction means to sacrifice income opportunities and leisure time (Reinach 1985, Bolaffi 1984, Schütz 1987, Vaz 1988). The potential cost reduction through unpaid labor participation is influenced not only by labor productivity, but also by the opportunity costs of the participant’s labor. If a participant would receive higher wages doing other work than current wages in the building industry, doing the construction work himself/herself is an uneconomic allocation of labor power (Harms 1982: 30-35, 51).

Compared to individual self-help, the costs of housing construction can be reduced through economies of scale in the purchase, storage, and distribution of construction materials; a more intensive use of construction equipment; and the standardization and rationalization of the construction process (IPT 1985, 1987, Salata and Kaupatez 1987, Harms 1982: 30). The standardization of the building process and the final product in mutual-help schemes has disadvantages as well. There is less scope for adaptation to the individual needs of the household than would be the case with individually managed self-help.

The organization and administration of mutual-help construction is a complex task. It requires considerable knowledge, not readily available among the lower-income participants. This means additional expenditure for training, technical assistance, and supervision (Skinner & Rodell 1983: 6-7; Wegge 1983). Project administration requires professional staff, which has relatively high costs, compared to the income level of the participants (Lewin 1981: 19-23). In many mutual-aid projects the cost of this technical and organizational assistance is not included, leading to a flattered representation of the actual costs.

Apart from the expert-costs of assisted mutual-help projects, the efficiency of this method compared to individual self-help has been questioned as well. Reflecting on his working experience in Peru, Turner confides:
"We spent enormous amounts of time and energy - working seven evenings a week for over a year on top of normal office hours - to organize people into groups quite unnecessarily, to buy and distribute materials they could get more cheaply themselves, and trying to get them to do building work by complicated rota when they preferred to hire their own laborers. (...) As I eventually learned, the economy of their own forms of self-help were based on the capacity and freedom of individuals and small groups to make their own decisions, more than on their capacity to do manual work" (Turner 1982: 102).

A less controversial aspect regards the benefits deriving from the collective participation of users in decision-making. User participation in defining the situation on which action is to be taken, in setting goals and establishing the measures of effectiveness can be an important contribution to make the final product meet their needs, expectations, and resources. In principle it is possible to separate participation in construction from participation in decision-making. In practice, though, the willingness of people to take part in construction is limited if this is not their choice. The success of mutual-help schemes depends on people's commitment to collectively established goals and procedures. Contrary to housing projects promoted by a government housing agency, the future owners/users are known from the onset. Their needs and possibilities can thus be taken into account in the design and planning stage. This has a positive effect both on the level of user satisfaction and on cost recovery. Cost reductions compared to standardized social housing may be achieved, for instance, by higher densities and more efficient layouts (Deneke & Silva 1982). In a housing program with intensive user involvement in El Salvador in the 1970s, the level of defaults and arrears among 7300 households in the first years after completion was as low as 1.3 percent (Deneke & Silva 1982: 245; Lewin 1981: 164-165).

The influence of the users in the planning and building process is greater when they are grouped into an organization with some measure of formal control. This is the case, for instance, with initiatives promoted by housing cooperatives. Lewin mentions the following advantages of cooperative housing:

- Internal control prevents speculation or illegal transfer of housing.
- Members can participate in the process of site planning and house design.
- Cost reductions are possible through collective savings accumulation and collective procurement, disbursement, and repayment of loans, land, and servicing costs.
- A reserve fund can be created, providing a system of mutual security, eliminating the danger of defaults.
- Management costs can be reduced when administration tasks are gradually taken over by members.
- Collective upkeep and maintenance of houses and the neighborhood, and mobilization of members to run community facilities are possible (Lewin 1981: 10-11).

In order to realize the potential of cooperatives, though, extensive technical and management assistance and, more importantly, a supportive legal and institutional
framework is needed. Given the need for outside assistance, the costs of planning and management probably have to be subsidized, if the housing is to be affordable for the lower-income households (Lewin 1981; Guhr 1983).

A successful example of lower-income housing cooperatives took place in Uruguay in the early 1970s. Under the 1971 Housing Act, legal conditions were created for cooperatives to procure financing and promote housing construction for their members. Technical and organizational assistance was given by independent agencies (Ugón 1981).

Apart from these economic and organizational aspects, collective initiatives also have been supported and criticized on ideological grounds. On the one hand, self-help strategies in general are criticized for the fact that they depoliticize the housing issue, shifting responsibilities away from the state to low-income households. The assumption underlying this criticism can be formulated as follows. As in the capitalist mode of production income from labor does not suffice to assure the reproduction of the poorer strata of the labor force, the government is assigned a role in meeting these needs. Self-help housing promoted by state agencies, critics say, integrates the poor into the very socio-economic system held responsible for their housing problems. Working on the construction of their own houses, means that the poor are doubly exploited: once at the work place and again in providing their own shelter. The point is that collective self-help strategies do not affect the underlying causes of the housing problems of the poor, such as the uneven distribution of economic and political power (Burgess 1985: 299-305; Harms 1982: 20-37; Taschner 1986: 90-93; Nientied & van der Linden 1985).

On the other hand, self-help strategies - especially those entailing a measure of self-organization - are valued for their potential to enhance solidarity among the urban poor and to contribute to their emancipation. There is evidence that when people who previously experienced poverty as a private shortcoming join forces to overcome their problems, their self-awareness and their capacity to act upon these problems is enhanced. This process usually implies increased insight in the social and economic forces that shape their daily experience, leading to a greater political consciousness and empowerment (Deneke & Silva 1982; Schütz 1987; Skinner & Rodell 1982; Verhagen 1987).

In a comprehensive review of self-help practices in housing, Harms (1982) shows that both views are valid. Self-help housing has been used on the one hand as a means to offset the danger of social unrest, integrating opposing forces into the prevailing socio-political order without structural changes. On the other hand it has been used as a vehicle for social transformation 'from below'. Self-help housing thus has a double-edged character (cf. van der Linden 1986). For different reasons, both governments and lower-income people are likely to engage in self-help housing. Both categories gain financial profits. The users receive the accumulated value when they sell the dwelling. Self-help promotion (or tolerance) allows the state to reduce public expenditure, while at the same time it functions as an 'ideal tool for the pacification of the work force' (Harms 1982: 37). By supporting self-help initiatives, the government may also raise expectations among the urban poor.
and stimulate demand for greater popular participation in other spheres of life. The failure of the state to meet rising expectations can be a source of popular discontent and political opposition, leading to the eventual abandonment of policies supporting self-help initiatives (Skinner & Rodell 1982).

3.8 Criteria for evaluation

As stated in the introduction, one of the main purposes of this study is to assess the merits and defects of collective self-help initiatives and to compare them to other approaches. In the previous sections of this chapter, a theoretical and conceptual framework was outlined to describe and analyze self-help housing approaches in general and collective initiatives in particular. To complete this framework, we will discuss the basic criteria according to which the evaluation of different experiences and approaches can take place.

The initiatives will be evaluated basically from two perspectives. First, from the point of view of the households directly involved, both individually and as participants in a self-help organization. The questions to be asked can be summarized as follows: What are their objectives? What benefits do they achieve, and at what cost? It is important to try to assess what the (explicit and implicit) objectives of the participants are. Only then will we be able to view the sacrifices made by them in a proper perspective. There is a fundamental difference between a burden which one consciously chooses to bear to meet self-established objectives, and a burden that is imposed upon one. In other words, pain should be measured against meaning (van der Linden 1986: 35-39). In doing this, attention also has to be paid to how pain and meaning are distributed within the households, especially between men and women. The same goes for the distribution between participating households.

The second perspective is that of the initiative as a whole. On which scale does the approach work? How are costs and benefits distributed among the participants in the building process? Which elements of an initiative are likely to be unique and which ones can be replicated elsewhere? This leads us to the field of government policies. The relevance of an initiative lies not only in the improvements it brings about in the lives of the people directly involved, but also for its potential for replication on a larger scale, at other places or under different circumstances.

It would also be possible to evaluate low-income housing initiatives from the point of view of other participants (such as NGOs and commercial enterprises). They have their own objectives, which may to a greater or lesser extent coincide with those of the households, and which may or may not be met by an initiative. As this falls outside the immediate scope of this study, attention will be paid to this side of the equation only insofar as it is relevant for the other two perspectives.

In our effort to assess costs and benefits we will not try to express all of them in money, as is usual in economic cost-benefit analysis. Only part of the input and output can be expressed in these terms. A distinction is made between intended and unintended costs and benefits on the one hand, and monetary and social costs
and benefits on the other. We should also keep in mind that an initiative may entail costs and benefits for persons or groups other than those participating in the initiative. The position of these stakeholders should be included in an evaluation. The main criteria for evaluation are summarized in the following overview.

Evaluation criteria for collective low-income housing initiatives

I household level and intra-household level (when gender-specific)

a) objectives
b) monetary costs related to the allocation of resources to the housing process (see Figure 3.3)
c) social costs related to the allocation of resources to the housing process, such as:
   - time and effort spent in the organization and execution of infrastructure and/or construction works
   - social opportunities foregone (leisure time, social contacts, etc.)
d) affordability: how well do the monetary and social costs match the objectives and the paying/bearing capacity of the participants?
e) equity: how are the costs and benefits distributed among the participants?
f) quality related to the habitat (dwelling and its immediate environment):
   - size, durability, design, flexibility of use (e.g. for income-generating purposes or for future expansion), maintenance
   - security of tenure (de facto and de jure)
   - level of servicing and infrastructure (connection to sewerage and to water and electricity mains, street lighting, garbage disposal, roads)
   - location and accessibility in relation to work place, shopping facilities, collective services (transportation, education, health care, recreation, etc.)
   - social environment, safety
g) other intended or unintended benefits (e.g. empowerment, strategic gender needs)

II Level of the initiative - policy implications

a) objectives of actors other than participants
b) costs related to the provision of resources in the housing process by actors other than participants (e.g. government agencies, NGOs)
c) benefits accruing to actors other than participants
d) scale of the initiative
e) positive and negative spillovers to third parties
f) distribution of costs and benefits among the participants
g) efficiency: how well are the resources used? (relation input/output)
h) effectiveness: how well does the approach achieve the objectives? (with special regard to the objectives of lower-income households)
i) flexibility: to what extent can the approach be adapted to changing circumstances?
Now that the conceptual framework and the analytical tools have been outlined for different levels of research we shall move on to the description of two different collective approaches to self-help housing that were the focus of fieldwork research in São Bernardo do Campo and Nova Iguaçu.

The theoretical framework was compiled from divergent disciplinary perspectives. As expected, this exercise did not result in a coherent and firm body of theory on collective action to provide for housing on a self-help basis. Therefore the fieldwork analysis is exploratory in character.
4

THE MUTUAL-HELP BUILDING ASSOCIATION OF VILA COMUNITARIA, SÃO BERNARDO DO CAMPO

4.1 Introduction

A previous chapter outlined recent and current trends in housing conditions and in the housing policies in Brazil, giving the actual context of our fieldwork analysis. At present, most urban housing in Brazil - as well as in many other Third World countries - is to be provided on a self-help basis, despite the creation of diverse government housing programs for low-income households. Most of the urban housing is constructed by individual self-help or self-managed initiatives. As the possibilities to do so are rapidly shrinking, we gave priority in our fieldwork to two collective self-help initiatives. One is a clear example of a collective self-help housing scheme, while the other combines the collective initiative with individual aspects. The first one is the subject of this chapter.

Collective initiatives in the field of housing have arisen in other Latin American cities as well. Schütz (1987) gives several examples. He calculated, for instance, that in the town of Arequipa, Peru over 4000 dwellings have already been built by self-help groups in recent years (1987: 149, 147). Such experiences confirm the value of the Vila Comunitária pilot project in Brazil. They also provide documentation to clarify what groups of people undertake such collective actions, how these are organized, and what management, institutional, legal, and financial barriers have to be overcome. Unfortunately the technical barriers fall outside the scope of this study.

The housing project of Vila Comunitária is a pioneering experience in the Brazilian context. Unlike common low-income housing projects involving public resources, the construction was undertaken and implemented by a civil association, not a government agency. The Mutual-HELP Building Association of Vila Comunitária26 (henceforth the Association) was formed by fifty households in 1983. It managed to buy land, to procure financing for building materials, to have infrastructural works executed by the authorities, and to build fifty dwellings, using mainly the labor and management skills of its members.

26 Associação de Construção Comunitária por Mutirão.
The realization of this housing project required much time, effort, and determination of the low-income participants, as they had to overcome several barriers. Our research focused on the process and the outcomes of the collective initiative. In the next sections, attention is devoted to the research questions formulated in the introduction. First, we review the previous history of the initiative and the context in which it was undertaken (Section 4.2). Next, we describe the process by which the most important resources were obtained: management and technical assistance, land, financing, building permits, infrastructure, urban lay-out plan, and house design (Section 4.3). Mobilizing these resources was certainly one of the most difficult parts of the process. The self-managed implementation of the project by mutual-help labor is the subject of Section 4.4. In the concluding section (4.5) we attempt to identify the conditions that made this project possible, and we assess the wider implications of this particular project for low-income housing policies. In order to compare it with the case study of Nova Aurora in Nova Iguaçu, we made use of the basic inventory that was compiled in Chapter 3. It proved to be useful, as was the set of evaluation criteria developed in the same chapter. Map 4.1 shows the location of the Municipality of São Bernardo do Campo in the southeastern part of the São Paulo Metropolitan Area. The shaded section is enlarged in Map 4.2 and shows the precise location of Vila Comunitária.

4.2 Previous history

The initiative for a self-managed housing project constructed for and by lower-income people did not come out of the blue. To the extent that it required people to organize themselves in their common interest - in this case, affordable housing - it built on previous experience with collective action in São Bernardo, especially that of labor and neighborhood movements. These movements helped generate and strengthen their organizational skills and networks. These achievements inspired people to undertake new collective initiatives during the economic crisis of the early 1980s. Experiments with mutual-help building elsewhere in the São Paulo Metropolitan Area, and even abroad, formed a frame of reference for the Association to formulate its proposals. This took place in a period of economic crisis, which heightened the need for action, both by the government and by the poor themselves. The poor acted to alleviate their immediate needs; the government acted to prevent the escalation of social unrest. It also was a period of political transformation, in which a government more receptive to collective initiatives came to power at state level. An important event preceding the creation of the Building Association was the metal workers' strike of April 1980 in the region of São Bernardo, the country's main industrial center. About 200,000 industrial workers went on strike for forty-one days demanding higher wages, compensation for inflation, job security, and a forty-hour week. The Labor Court declared the strike illegal. This led to
Map 4.1  Location of the municipality of São Bernardo do Campo in the São Paulo Metropolitan Area

Source: Sumário de dados da Grande São Paulo, 1985
Map 4.2 Location of Vila Comunitária in São Bernardo do Campo

Source: OTB Survey, 1988
the imprisonment of the union leaders and their substitution by government officials in the syndicates.

On previous occasions, official intervention in the syndicates had brought an end to the strikes. This time, however, an independent strike fund (Fundo de Greve) had been set up with the purpose of taking command of the strikers in case of official intervention. The strike thus continued after the intervention. Mass meetings had been prohibited, and the activities of the strikers shifted to the neighborhoods. In the neighborhoods, residents' associations and ecclesiastical base communities co-operated in the collection and distribution of food for the families of the strikers. Food supplies were bought in bulk directly from the producers. This support network also fulfilled an important role in terms of local organization and communication. The active support by neighborhood organizations and the Catholic Church was decisive for the continuation of the movement. Although eventually the strikers had to accept defeat, the movement has been regarded as a breakthrough for the labor union movement (Vink 1985; Kowarick 1985; Briton d.; Cebemo 1987).

The experience of empowerment through organization and solidarity remained vivid for many of the participants in the years that followed. Thriving on the organization established during the strike for the bulk purchase and distribution of food items, dozens of informal consumer associations were created in the poorer neighborhoods of São Bernardo. A group of union activists who had taken part in the strike fund founded the Community Consumers' Association\textsuperscript{27} (ACC). Together with the residents' association and the ecclesiastical base community of a major squatter settlement of the town (the favela Parque São Bernardo), the ACC took the initiative to create a large-scale consumer stock (sacola\~o), in which basic food products could be purchased in bulk and sold at cost to the poorer population. To carry out this project, the residents of the squatter settlement held regular meetings and manifestations with the aim of winning the commitment of the municipal and state authorities to the project. A Dutch and a Brazilian non-governmental organization (NGO) provided financial and organizational support to prepare project proposals and to mobilize popular support for the consumer stock project. The project established two markets: the fruit and vegetable market serves some 30,000 households each week; the supermarket serves some 5,000 households per week.

The initiative for a self-managed mutual-help housing project by low-income people arose in this organizational setting. Many of its participants were to some extent already organized and undertaking collective activities. It was a joint initiative of the leader and members of the residents' association of the squatter settlement and a leading person of the ACC. The residents' association had been active in the late 1970s to prevent eviction of the squatters by the municipal authorities and, later on, to bring about improvements in the

\textsuperscript{27} Associação de Compras Comunitárias, later Associação Comunitária (Community Association).
neighborhood. It organized mutual-help groups for building a first-aid center, paving footpaths and for digging open-air ditches. Electricity lines and piped water had been recently installed by the authorities upon demand of the residents.

The leading persons from the ACC (some of them, former political exiles) were of middle-class origin with a higher education. They had extensive experience in setting up projects and organizing collective activities, and they had access to a network of (potentially) supporting NGOs. The basic philosophy and line of action of this and other projects initiated by the ACC was to engender a demonstration effect. Eventually, this should lead to state support for autonomous initiatives in the areas of consumption, housing, child care, etc.

The aim of the housing project was to demonstrate that a civil organization was able to build better and bigger houses at lower cost than the worst house delivered in housing schemes of the National Housing Bank, BNH (Brito n.d.: 40). Initial talks with NGOs and recently elected government officials started early in 1983. Participants were recruited through established lines of interaction, from the ranks of the ACC, and from the residents’ association. People were not only selected on the basis of formal criteria (see 4.4.1) but above all by their motivation to join an experimental project with very uncertain results. Previous experience in collective activities was regarded as highly
desirable. In July 1983 the Association was officially registered, with the legal aid of the National Lawyers' Order (see 4.3.2).

The political and economic context in which the initiative was undertaken was turbulent. It was a period of economic crisis, with a high rate of unemployment in the industrial sector and rising cost of living. In the major cities of the country, land takeovers were occurring at an unprecedented rate. The fact that supermarkets in the largest cities were pillaged every now and then was a clear indication of the tense social situation of the time. In the field of housing, the National Housing Bank (BNH) was the target of strong opposition by the National Movement of BNH-debtors, which protested against the correction of the monthly installments (and of the remaining debt) by indices above inflation. Important political shifts were going on as well. In November 1982, municipal and state elections were held in an atmosphere of a gradual opening up of the military regime. The elections brought an overwhelming victory for the biggest opposition party, the PMDB. These were the first elections for governor in twenty years, and a PMDB candidate was elected governor in the State of São Paulo. A PMDB mayor was brought to power in São Bernardo as well. The new governor, Montoro, had been elected on a platform of 'participation and decentralization'. People from outside the political establishment (including former political exiles and leaders of social movement organizations) assumed some important positions in the government apparatus. Apart from this 'new elan' in government of the State of São Paulo, the call for alternative policies in the social area also was prompted by budget cuts on government expenses. The State budget was under pressure due to the economic crisis. Pressure was also due to the antagonistic relation between the State and the Federal government, still headed by general Figueiredo. Indirect elections for president had been scheduled for 1985. The governor of São Paulo was one of the main supporters of a nationwide movement pressing for direct elections, and he was a potential candidate for presidency. The candidate of the ruling party (PDS), who had open support from president Figueiredo, happened to be the Minister of Home Affairs, Mario Andreazza. As such, he was responsible for the "spending departments", including housing. As usual in cases of political antagonism between different levels of administration (federal, state, and municipal), the State of São Paulo had difficulty in obtaining money transfers from the federal level. This motivated the new administration to look for low-cost policy alternatives, in order to meet the (expanded) expectations raised by the electoral campaign promising changes. Against this backdrop, an innovative housing program was launched by the State administration in 1983.

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28 Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement), the only official opposition party allowed under military rule.

29 Partido Democrático Social (Social Democratic Party).
And the Building Association of Vila Comunitária was one of the first beneficiaries (see further Section 4.3.3).

4.3 Mobilizing resources for the project

Although the social and political context can be regarded as favorable for collective initiatives, it took two and a half years from the initial talks with government officials in January 1983 until the housing project was implemented in June 1985. The Association needed this time to get access to essential resources for the project: land at an affordable price, technical and organizational know-how, financing, legal permits, and so on.

4.3.1 General goals and set up of the project

The housing project was conceived as a pilot experiment in which a community association formed by low-income families would autonomously plan and manage housing construction. Underlying this experiment was the idea that, with due support by the government, users' associations are able to plan and build affordable and suitable housing. The idea was worked out by neighborhood leaders and representatives of the Community Consumers' Association (ACC). A target was set at fifty participating households, who were to participate in all stages of decision-making. The formal structure of an association entailed electing a board, formed by a president, secretary, treasurer, and their respective substitutes.

What exactly the Association understood as suitable and affordable housing was not made explicit. The housing estates produced by the State Housing Companies, COHABs, formed a negative frame of reference for the participants. In their opinion, COHAB housing stood for high-rise estates and 'interminable indebtedness' (twenty to thirty years), not to mention the fact that, regardless of these disadvantages, COHAB housing was out of reach for them. Income criteria, the location of the estates and the immense waiting list placed COHAB housing out of reach for most of the favela residents. It should be kept in mind that at the time the Association got underway, the BNH and public housing in general was undergoing a severe crisis and had become the object of severe criticism. This led the Association to proclaim its goal as building 'bigger and cheaper' dwellings than the usual COHAB housing.

In fact, as the whole project had to start from almost nothing, there was no more than a broad outline of plans and intentions. The guiding principles of action were: autonomy and self-management by the Association; participation of the members in all stages of the project from planning to implementation; construction by mutual-help (mutirão); and the necessity of and right to subsidies from local and state governments. As will become clear from the following account, the Association succeeded in implementing its project according to these principles, although many obstacles had to be surmounted.
4.3.2 Management and technical assistance

Given their limited financial and technical resources, the participants soon acknowledged that they would need assistance in the form of financing, land, infrastructure and technical advice. To obtain outside support, a well-founded proposal was needed. One of the first measures of the Association was to seek outside expert help in formulating the project in all its aspects.

The existing contacts with the ACC and other NGOs developed for the food stock project were useful to obtain the initial financial aid (195 UPC\(^{30}\), US$ 1600), to officially register the Association\(^{31}\), and to formulate an initial project proposal. Contacts were made with a formerly exiled Uruguayan architect living in Rio de Janeiro (400 km from São Bernardo) who had extensive experience with low-income housing cooperatives in Uruguay. Once every two weeks he would come to São Bernardo in order to work on the project proposal with the Association. During the first one and a half years, he did not

Photo 2. Office of the housing advisory team of the ACC (Community Association)

\(^{30}\) Standard Capital Unit, 1 UPC is worth about US $ 8.

\(^{31}\) Legal advice was given by the National Lawyers' Order (Ordem dos Advogados do Brasil - OAB).
charge for this work. His travel expenses were funded by voluntary contributions of Association members and by gifts from recently elected members of the Municipal Council of a neighboring town, who belonged to the Labor Party (PT)\textsuperscript{32}.

This expert assistance covered technical as well as social aspects of the project: from drawing up the Association by-laws to the house design itself, and later on the organization of the construction works. It was also important in procuring resources in negotiations with third parties. When access to finance and land were assured (see 4.3.3 and 4.3.4), the Association requested financial aid from a foreign NGO\textsuperscript{33} in order to pay the salary of the advisor. A gift of 2750 UPC (US$ 22,560) was granted, for which a second part-time architect was additionally employed during the implementation of the project. The first architect was eventually employed by the State agency that provided financing, whereby he assumed a double role.

The committed expert assistance proved invaluable for the Association. It provided the knowledge necessary to get access to relevant information, and to formulate and negotiate well-founded proposals. This contributed to the acceptance of the requests for land, financing, and infrastructure.

The set-up of the project, the urban lay-out plan, and the house design were discussed at length with the Association members. This was not only very time-consuming, but it also required the willingness and ability of the professionals to share their knowledge with the people they were working with. For a fruitful cooperation between these parties, barriers of a different class-origin and a different level of formal education and knowledge had to be overcome. For instance, it was noticed that blueprints, maps, and other written documents were often difficult for the members to understand. Needless to say, this sometimes prevented their effective participation in the decision-making. A scale model and a prototype of the house had better results. However, this could not prevent that in the stage of construction the members disagreed with aspects of the house design they had not been acquainted with (see 4.3.6)\textsuperscript{34}.

4.3.3 Land

In January 1983, even before he came to office, the recently elected mayor of São Bernardo was approached by the Association for support for its initiative. The Association had found a vacant site belonging to the municipal

\textsuperscript{32} Partido dos Trabalhadores.

\textsuperscript{33} A gift of 1000 UPC (US$ 8,200) was also granted for the construction of a community building in Vila Comunitária. This center has not been built yet.

\textsuperscript{34} Something else contributed to this as well. Due to the uncertainty and delays that affected the project in its initial stage, about one third of the members had left the Association by the time construction eventually started. The new members recruited to replace the drop-outs, therefore, could not participate any more in the process of design.
development agency PROSBcJS nearby the squatter settlement of Parque São Bernardo. The mayor promised to cede or sell the area, provided that the Association could obtain financing for the construction of housing. This informal concession was useful to the Association in obtaining support for its request for finance at state level.

One year later, though, when an agreement on financing was reached with the State Housing Company (CDH), the concession was withdrawn, much to the surprise and disappointment of the Association. The land in question had been mortgaged and could not be ceded or sold.

This was a serious blow to the Association. It obtained a new promise from the mayor: the municipality would execute the necessary infrastructural works without charge to the Association, provided that the Association could obtain land and financing. The acquisition of land at market prices was out of the question for the Association, as its members had no savings, and the price of land was beyond their purchasing power. Opportunities to obtain financing for land acquisition were non-existent. Commercial banks did not consider the Association and its members creditworthy, and the amount the State Housing Company (CDH) was prepared to finance hardly sufficed for the construction materials.

A solution came when the local Diocese of the Catholic Church was found prepared to sell a 10,000 sq.m. piece of land on favorable conditions. The site (Map 4.3) was sold to the Association for a price stipulated in basic wages (equivalent of 3540 UPC or US$ 29,000 in 1988). This was approximately half its market value at the time. The land is being paid for by members of the Association in monthly installments amounting to nine percent of the value of the basic wage over a period of eight years, starting upon completion of the construction. The Association is responsible for the collection of the money and for transferring it to the Diocese. No interest or administration costs are charged. The cost of land per plot amounts to 71 UPC (US$ 580).

4.3.4 Financing

The Association managed to obtain financing for the construction from the State Housing Company (CDH) through a new housing policy issued by the newly elected governor, Montoro. The first request for financing was made via an acquaintance of a leader of the ACC at the Office of the State Secretary of Planning, in the first months of 1983. At the time, a new housing policy was being formulated. The request of the Association was thought to fit the plans,

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35 Progresso de São Bernardo do Campo S/A.

36 Companhia de Desenvolvimento Habitacional do Estado de São Paulo.

37 Later on, in November 1985, the State Secretary of Housing (Secretaria Estadual de Habitação, SEH) was to be created.
which were to be made official in the Municipal Housing Program. An informal concession with regard to the requested financing (270 UPC, US$ 2214 per dwelling) was made to the Association on this occasion.

The Municipal Housing Program of the CDH was a decentralized, small scale (maximum of 80 dwellings per project) housing program, with the aim of benefitting households earning up to three basic wages. It was explicitly acknowledged that this group had not benefitted from state housing policies. The program proposed to bring about a partnership between the state, municipalities, and the beneficiaries. Initiative and implementation were left to the municipal authorities, which had to provide land and infrastructure for the housing projects. The State (CDH) would provide technical and organizational assistance and finance the building materials up to 160 UPC (US$ 1312) per dwelling. The beneficiaries would provide their labor for the construction, at an estimated value of 100 UPC (US$ 820) per dwelling. The dwellings of about 40 sq.m. were built by mutual-help. A considerable level of subsidy was involved in the program, as costs of land and infrastructure were not be repassed on to the beneficiaries beyond the value of 30 UPC, and interest rates of the loan were subsidized. The costs of management and technical assistance of the CDH were not charged either (Branco 1985; CDH n.d.).

When the program was implemented, the Association was granted financing at 160 UPC (US$ 1312) per dwelling for construction materials. The Association was the only non-governmental organization included in the program; all other promoting agents were municipal authorities. The Association fulfilled function in the housing process normally performed by the municipality (initiative, land provision and project implementation), and by the CDH (technical assistance). An additional subsidy of 110 UPC (US$ 902) per dwelling was granted one year later by the CDH, totalling the 270 UPC (US$ 2215) per dwelling requested by the Association.

It was agreed that the monthly installments should keep pace with the income of the members of the association, as measured by the basic wage, instead of being corrected by inflation or other indices. The interest-free loan of 160 UPC is repaid in monthly installments of 23 percent of the value of the basic wage, over a ten-year amortization period, starting one year after delivery of the houses. Correction of the installments and of the remaining debt takes place every six months, and the members have the option to choose between the correction based on the basic wage index or on OTNs (Indexed Treasury Bond Bills). Anticipated redemption of the debt as well as extension of the repayment period due to temporary invalidity or unemployment are possible. The house and the land serve as collateral for the loan. The parties to the mortgage contract are the individual member and the CDH, with the Association as intermediary. In case of selling the property, the contract stipulates that the CDH and the Asso-

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38 Programa Municipal de Habitação, PMH.

39 Obrigações do Tesouro Nacional.
Map 4.3 Vila Comunitária, urban lay-out plan

Source: OTB Survey 1988
4.3.5 Land subdivision and building permits; infrastructure
The greatest obstacles were obtaining the required municipal permits for the housing construction and the urban lay-out plan, and having the Municipality put in the basic infrastructure. These are distinct issues, but they formed a single struggle for the Association. Both resources had to be provided by a reluctant municipal administration.

In order to build at higher density, the Association wanted exemption from specific municipal building regulations. The desired plot size was 100 sq.m., instead of the required minimum size of 125 sq.m.; the desired street width was 10 meters, whereas legal codes stipulate at least 14 meters. Exemption from these rules is normally given for social housing projects implemented by government agencies. In the case of the Association, however, a special bill had to be approved by the municipal council (legislative power). A special bill was also required to authorize the municipal administration (the executive power) to execute works of landfill, paving, drainage, and sewerage for the housing project. To have the bill prepared by the municipal administration, approved by the council, and eventually implemented required a great deal of perseverance by the Association in lobbying and putting pressure on officials and politicians. A
serious delay occurred when the mayor, who supported the bill, withdrew from office because of illness and was temporarily replaced by the vice-mayor. The vice-mayor regarded the initiative as a political project of the PT, a rival of his party, the PMDB. To support the initiative, in his opinion, would be to strengthen the PT.

Indeed, the chairman of the Association had run for the council in the municipal elections of November 1982 as a PT candidate. Other participants were active supporters of the PT as well. By virtue of ideological as well as practical reasons, however, the Association had avoided being linked with a particular political party or politician. It is common practice that neighborhood associations become co-opted by political 'brokers', to whom they lend political support in exchange for help, for instance having public works executed in the neighborhood. Contrary to this, the Association intended to achieve its objectives without relinquishing its autonomy. Any support would be welcome, as long as it did not affect the autonomy of the Association. Ironically, this autonomous line of action also met with resistance from the PT itself: painstaking efforts were necessary to obtain the support of its council members for the bill. Because it emphasized autonomy, the Association apparently had to go it alone.

In the same period, the site was invaded by a small group of families, allegedly upon instigation of municipal civil servants, and they had to be persuaded to leave. One of the members of the Association moved her residence to a provisional shack on the site in order to prevent invasion by outsiders. The vice-mayor engaged in what Bachrach and Baratz (1970) have called 'mobilization of bias' (see 3.5.1). Administrative procedures were activated to prevent the bill from reaching the decision-making arena, the municipal council. The bill was given low priority, and the maximum procedural time limits were used in preparing it. When eventually, after several months, only the signature of the vice-mayor was needed for the bill to be voted upon in the council, he bluntly refused to sign it, creating an impasse.

To break the deadlock, the Association used a remarkable publicity stunt. It contacted the mayor of Campos do Jordão, located 230 kilometers from São Bernardo, who provided the machinery and personnel to execute the landfill. A loan of 115 UPC (US$ 943) was obtained from a local NGO to pay for fuel and accommodation expenses of the personnel. After some days of work, the local newspaper was informed, and the news reached even the national press. Although the works were immediately halted by the vice-mayor, the Association got publicity and could vent its grievances in the media. Shortly after that, the

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40 The Mayor of Campos do Jordão was a personal acquaintance of the Association leaders. He had been met at the CDH headquarters, as Campos do Jordão was also developing a housing project as part of the Municipal Housing Program.

41 Fundo Samuel, from São Paulo City.
mayor recovered and the bill was put to a vote in the council. The members of the Association were mobilized *en masse* to lobby the members of the council and to follow the voting from the public gallery. Having approved the special bill, the Municipality executed works of landfill, paving, drainage, water mains, and sewerage, without charging the Association. Where necessary, the Association contributed with labor. The costs of these works were estimated by the Association at 1700 UPC (US$ 13,940)\textsuperscript{42}.

4.3.6 Urban lay-out plan and house design

As stated earlier, the urban lay-out and house design were discussed at length by the architect and the members of the Association. Economies were achieved by reducing the plot size to 100 sq.m. and building terraced houses, which were delivered unfinished (Figures 4.1 and 4.2). The Technological Research Institute of São Paulo (IPT)\textsuperscript{43}, gave free advice on the construction calculations and on the rationalization of the mutual-help construction process. The houses consist of a ground floor of 35 sq.m. containing a living room, a kitchen, and a toilet/bathroom; there is an upper floor of equal space. The upper floor was not finished at all. It has no inner walls, no ceiling and no electricity. These are to be installed at a later stage by the resident himself. The total built space amounts to 70 sq.m., (over two stories of which one in habitable condition). This is significantly bigger than the (usually one-story) houses built in the Municipal Housing Program of the CDH (40 sq.m.), or by the Municipal Housing Agency (COHAB) of São Paulo in the period 1983-1987 (25 sq.m.). The latter are popularly called "the mayor's dog kennels"). Finishing work inside and outside the house, as well as purchasing and installing sanitary equipment was left to the resident. It had been the choice of the members to build relatively bigger but unfinished houses instead of smaller houses in a finished state. The cost of construction material and paid labor (one foreman) was covered by the loan of 160 UPC (US$ 1,312) and the additional subsidy of 110 UPC (US$ 902) per house, totalling 270 UPC (US$ 2,214)\textsuperscript{44}. Despite thorough discussion of the design, to many participants it came as an unpleasant surprise that the entrance to the wc/bathroom was located in the living room. They would rather have the bathroom located in a more discreet place. People realized this when the construction was underway, but it was too expensive to change the floorplan. A prototype house had actually been built.

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\textsuperscript{42} It was not possible to ascertain the real expenses, but they were probably higher than that.

\textsuperscript{43} Instituto de Pesquisas Tecnológicas de São Paulo. This institute also was advising the CDH on the set-up of its mutual-help housing program.

\textsuperscript{44} After completion of construction in 1987, a cost estimation of the built houses by an external consultant contracted by the CDH yielded higher costs: about 400 UPC (US$ 3,250) per dwelling, when constructed by mutual-help, and 630 UPC (US$ 5,140) when constructed by a contractor. At least part of the difference is explained by increases in the price of building materials in the period 1985-1987.
Figure 4.1  Vila Comunitária dwelling: ground floor and upper story

Source: OTB Survey, 1988
Figure 4.2  Vila Comunitária dwelling, façade and cross section

Source: OTB Survey, 1988
before, but due to lack of resources only the ground floor, without inner subdivisions, had been built.

4.4 Implementation of the housing project

4.4.1 Recruitment and selection: the participants

From the very beginning it was clear to those who took the initiative for the self-managed housing project, that, in view of its experimental nature, it had to be small-scale. Yet to have the desired demonstration effect, it should not be too small. Therefore, the target was set at fifty households.

The Association by-laws stipulated that candidates had to meet the following admission criteria:
1) Household income should not exceed three basic wages (US$ 120).
2) The household should be residing in São Bernardo for at least two years.
3) No member of the household should own any real estate.

Recruitment of the participants took place predominantly along informal lines of communication: members of the residents' association of the favela Parque São Bernardo, members of the ACC and activists of the consumer stock-project, colleagues at the place of work, relatives, and so on. Initially, recruitment efforts concentrated on people residing in the Parque São Bernardo squatter settlement, where the initiators of the Association lived. The favela residents, however, were in general not very receptive to the initiative. According to one of the leaders of the Association residing in the favela, this was due to a general scepticism with regard to its prospects of success. There were no precedents, people could hardly imagine things to work out. According to this leader, squatters "tend to resign themselves to their situation."

The period of negotiation preceding the actual construction took two full years from the date of official registration of the Association. It was a period of uncertainty and waiting, countless meetings, and mobilizing to exert pressure on decision-makers every now and then. When it became clear that the mayor would not keep his promise to cede land for the project, things seemed to return to the starting point. One year later, when land had been acquired and the contract for financing had been signed with the CDH, a new delay occurred due to the resistance of the Municipality to approve the special bill. This lengthy and highly uncertain process of mobilizing the resources needed for the housing project subjected the members of the Association to a severe trial. Many members left the Association during this period. By the time construction could start in June 1985, 22 families (of the initial 50) had left. The construction started with the remaining 28 families, and gradually new participants completed
the ranks after renewed recruitment efforts. The number of drop-outs during construction was insignificant.\footnote{Two or three families are reported to have withdrawn in the construction stage. These were cases of newly recruited members, who gave up after a short period of work (from one day to a few weeks).}

Unfortunately, no systematic membership records were kept by the Association in its initial stage. Therefore it is difficult to determine the basic social and demographic characteristics of the members at the time they joined the Association, and to trace those who left the Association for one reason or another. A survey was carried out in August 1988 (16 months after completion of the construction) to assess the former housing situation and the present demographic and economic characteristics of the households.\footnote{Part of this survey was executed in cooperation with S. Lang from the Fundação Getúlio Vargas, São Paulo. Of the 50 households of Vila Comunitária, 42 could be approached for an oral, structured interview. This information was completed with data from the work cards that had been kept during the construction period. These cards registered the labor contribution of each participant/household.}

**Former housing situation**

The participants had different backgrounds regarding their housing situation. We have followed the typology normally employed by people themselves to characterize their housing situation:

a) dwellings in squatter settlements
b) autonomous dwellings in 'normal' residential neighborhoods (that is, in serviced areas, with legal tenure of the site and the dwelling)
c) 'backyard rooms' (casa de quintal). These are secondary dwellings on one plot, usually for subletting or for relatives, located in legal, serviced neighborhoods.

About half of the member households had lived previously in the squatter settlement Parque São Bernardo; about one-fifth had left an autonomous dwelling, while the remaining part formerly occupied backyard rooms. As Table 4.1 shows, most of the squatters had owned their dwelling (there were no renters among the squatters). People residing in autonomous dwellings or backyard rooms had been renters or had relied on sharing. Especially among people living in autonomous dwellings, there is a high percentage in the category of ceded accommodation.

Data on the actual size of the previous dwellings were unfortunately not available. Therefore we will have to settle with the number of rooms as an indicator of dwelling size. It is noteworthy that very few dwellings had only one room, indicating that most households preferred to divide their living space into at least two compartments. Almost three-quarters (73.8 percent) of the households had occupied a dwelling with two or three rooms (Table 4.2).
Table 4.1  Vila Comunitária, former housing situation of the households according to tenure situation, 1988

<table>
<thead>
<tr>
<th>dwelling type</th>
<th>owner-occ.</th>
<th>ceded</th>
<th>rented</th>
<th>no data</th>
<th>total</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>squatter-settlement dwelling</td>
<td>86.4</td>
<td>9.1</td>
<td>0.0</td>
<td>4.5</td>
<td>100.0</td>
<td>52.4</td>
</tr>
<tr>
<td>autonomous dwelling</td>
<td>0.0</td>
<td>44.4</td>
<td>55.6</td>
<td>0.0</td>
<td>100.0</td>
<td>21.4</td>
</tr>
<tr>
<td>backyard room</td>
<td>0.0</td>
<td>18.2</td>
<td>72.7</td>
<td>9.1</td>
<td>100.0</td>
<td>26.2</td>
</tr>
</tbody>
</table>

% of total 45.2 19.0 31.0 4.8 100.0 100.0

n=42
Source: OTB survey, 1988

Compared to others, the squatter dwellings were on average slightly bigger, according to the number of rooms. Although information on backyard rooms is highly unreliable on that point, it seems that especially those occupants had to cope with very limited living space (see Table 4.3).

Those who had been residing in the squatter settlement had piped water in their homes (self-made extensions from collective water-taps) and electricity as well (official individual connection). Pit latrines and open air ditches were the means of waste disposal.

Residents of autonomous dwellings in legal areas tended to join the Association in a later stage than the squatters and the residents of backyard rooms. As explained earlier, this is because the focus of recruitment efforts gradually shifted. Initially, priority was given to the squatters. But as there were difficulties in mobilizing them for the initiative, renters and people sharing accommodation were recruited as well.

**Household characteristics**

No information is available about the size, composition, or income of the households at the time of admission to the Association (between 1983 and 1985). Data from the 1988 survey, however, may give some indication. These data show that 88.1 percent of the members are nuclear or extended nuclear families with children (Tables 4.4, 4.5, and 4.6). Almost all households have children who are minors; all exceptions consist of households with adult children. Almost 85 percent have two or more children to care for. This corresponds with 85.7 percent of all households consisting of four or more persons.
Table 4.2  Former housing, number of rooms, 1988

<table>
<thead>
<tr>
<th>no. of rooms*</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 room</td>
<td>2</td>
<td>4.8</td>
</tr>
<tr>
<td>2 rooms</td>
<td>16</td>
<td>38.1</td>
</tr>
<tr>
<td>3 rooms</td>
<td>15</td>
<td>35.7</td>
</tr>
<tr>
<td>4 and 5 rooms</td>
<td>5</td>
<td>11.9</td>
</tr>
<tr>
<td>no data</td>
<td>4</td>
<td>9.5</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*includes kitchen/room used for cooking

Source: OTB survey, 1988

Table 4.3  Former housing situation according to number of rooms, 1988

<table>
<thead>
<tr>
<th>dwelling type</th>
<th>1-2 rooms</th>
<th>3-5 rooms</th>
<th>no data</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>squatter settlement</td>
<td>40.9</td>
<td>54.5</td>
<td>4.5</td>
<td>100.0</td>
</tr>
<tr>
<td>autonomous dwelling</td>
<td>55.6</td>
<td>44.4</td>
<td>0.0</td>
<td>100.0</td>
</tr>
<tr>
<td>backyard room</td>
<td>36.4</td>
<td>0.0</td>
<td>27.3</td>
<td>100.0</td>
</tr>
</tbody>
</table>

n=42

Source: OTB Survey, 1988

Table 4.4  Vila Comunitária, household structure, 1988

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>nuclear family</td>
<td>30</td>
<td>71.4</td>
</tr>
<tr>
<td>extended nuclear family</td>
<td>7</td>
<td>16.7</td>
</tr>
<tr>
<td>female-headed</td>
<td>2</td>
<td>4.8</td>
</tr>
<tr>
<td>other</td>
<td>2</td>
<td>4.8</td>
</tr>
<tr>
<td>no data</td>
<td>1</td>
<td>2.4</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988
### Table 4.5  Vila Comunitária, household size, 1988

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 persons</td>
<td>2</td>
<td>4.8</td>
</tr>
<tr>
<td>3 persons</td>
<td>4</td>
<td>9.5</td>
</tr>
<tr>
<td>4 persons</td>
<td>11</td>
<td>26.2</td>
</tr>
<tr>
<td>5 persons</td>
<td>12</td>
<td>28.6</td>
</tr>
<tr>
<td>6 persons</td>
<td>8</td>
<td>19.0</td>
</tr>
<tr>
<td>7 and more</td>
<td>5</td>
<td>11.9</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>42</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

### Table 4.6  Vila Comunitária, number of children per household, 1988

<table>
<thead>
<tr>
<th>no. of children</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>no children</td>
<td>2</td>
<td>4.8</td>
</tr>
<tr>
<td>1 child</td>
<td>5</td>
<td>11.9</td>
</tr>
<tr>
<td>2 children</td>
<td>13</td>
<td>31.0</td>
</tr>
<tr>
<td>3 children</td>
<td>10</td>
<td>23.8</td>
</tr>
<tr>
<td>4 children</td>
<td>7</td>
<td>16.7</td>
</tr>
<tr>
<td>5 children</td>
<td>4</td>
<td>9.5</td>
</tr>
<tr>
<td>6 children</td>
<td>1</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>42</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

### Table 4.7  Vila Comunitária, nuclear families, age of men and women participating in construction*, 1988

<table>
<thead>
<tr>
<th>age</th>
<th>men</th>
<th></th>
<th>women</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>n</td>
<td>%</td>
<td>n</td>
<td>%</td>
</tr>
<tr>
<td>20-29 years</td>
<td>7</td>
<td>18.9</td>
<td>22</td>
<td>59.5</td>
</tr>
<tr>
<td>30-39 years</td>
<td>24</td>
<td>64.9</td>
<td>13</td>
<td>35.1</td>
</tr>
<tr>
<td>40 + years</td>
<td>6</td>
<td>16.2</td>
<td>2</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>37</strong></td>
<td><strong>100.0</strong></td>
<td><strong>37</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Age as measured in the middle of the construction period (July 1986)

Source: OTB Survey, 1988
The average age of the adult men is 34 years, whereas the average age of the adult women is 29.3 years (Table 4.7).

In almost two-thirds of the households the income is earned by two or more people, while in one fifth of the cases the family income is raised by three or four of its members (see Table 4.8). According to the level of income, principal and other income earners were categorized47. In 76.2 percent of the households, the father is the principal income earner, more often than not sustained by at least a second earner, as 64.3 percent of all households have at least two income earners (Table 4.8 and 4.9). Relatively many mothers with under-age children work, as do teenagers. The age distribution of the principal and other income earners (Table 4.10) shows a concentration in the age-group from 30 to 39 years.

The industrial sector provides a source of income for 57.1 percent of the principal income earners. Of the principal income earners, 85.7 percent are

47 Interpretation of this variable is tricky, though. According to Table 4.12, one principal income earner is unemployed, whereas none of the second or third income earners claim to be unemployed.
formally employed, compared to 69.2 percent of the other income earners (Table 4.11 and 4.12). People who are formally employed are entitled to medical care, unemployment and illness insurance, and legal assistance from the labor union. They also have formal means to demonstrate their income, which is a condition to apply for official housing programs.

The present income distribution of the households (Table 4.13) yields a surprising picture: only a minority (19 percent) falls in the income category that the initiative aimed to achieve (up to three basic wages). A large group (59.5 percent) earns between three and ten basic wages, and 21.4 percent earns even more than 10 basic wages (Table 4.13). Households earning 5 basic wages and more would in principle qualify for public housing programs of the type promoted by COHAB (see 2.3.2).

Table 4.8 | Vila Comunitária, number of income earners per household, 1988 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>n</td>
<td>%</td>
</tr>
<tr>
<td>one</td>
<td>15</td>
<td>35.7</td>
</tr>
<tr>
<td>two</td>
<td>18</td>
<td>42.9</td>
</tr>
<tr>
<td>three</td>
<td>5</td>
<td>11.9</td>
</tr>
<tr>
<td>four</td>
<td>4</td>
<td>9.5</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

Table 4.9 | Vila Comunitária, principal and other income earners in the household, 1988 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>age cohorts</td>
<td>n</td>
<td>principal</td>
<td>other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>father</td>
<td>32</td>
<td>76.2</td>
<td>2</td>
</tr>
<tr>
<td>mother</td>
<td>4</td>
<td>9.5</td>
<td>14</td>
</tr>
<tr>
<td>son/daughter</td>
<td>4</td>
<td>9.5</td>
<td>5</td>
</tr>
<tr>
<td>other</td>
<td>2</td>
<td>4.8</td>
<td>5</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
<td>26</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

87
### Table 4.10  Vila Comunitária, age of the principal and other income earners, 1988

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Principal n</th>
<th>Principal %</th>
<th>Other n</th>
<th>Other %</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 to 19 years</td>
<td>0</td>
<td>0.0</td>
<td>6</td>
<td>23.1</td>
</tr>
<tr>
<td>20 to 29 years</td>
<td>8</td>
<td>19.0</td>
<td>5</td>
<td>19.2</td>
</tr>
<tr>
<td>30 to 39 years</td>
<td>25</td>
<td>39.5</td>
<td>11</td>
<td>42.3</td>
</tr>
<tr>
<td>40 to 49 years</td>
<td>9</td>
<td>21.4</td>
<td>3</td>
<td>11.6</td>
</tr>
<tr>
<td>50 and more</td>
<td>0</td>
<td>0.0</td>
<td>1</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>42</td>
<td>100.0</td>
<td>26</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

### Table 4.11  Vila Comunitária, sector of activity of the principal and other income earners per household, 1988

<table>
<thead>
<tr>
<th>Sector of Activity</th>
<th>Principal n</th>
<th>Principal %</th>
<th>Other n</th>
<th>Other %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry and construction</td>
<td>24</td>
<td>57.1</td>
<td>9</td>
<td>34.6</td>
</tr>
<tr>
<td>Commerce and services</td>
<td>18</td>
<td>42.9</td>
<td>17</td>
<td>65.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>42</td>
<td>100.0</td>
<td>26</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

### Table 4.12  Vila Comunitária, employment status of the principal and second income earners per household, 1988

<table>
<thead>
<tr>
<th>Employment Status</th>
<th>Principal n</th>
<th>Principal %</th>
<th>Other n</th>
<th>Other %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployed</td>
<td>1</td>
<td>2.4</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Formal wage relation</td>
<td>36</td>
<td>85.7</td>
<td>18</td>
<td>69.3</td>
</tr>
<tr>
<td>Informal wage relation</td>
<td>3</td>
<td>7.1</td>
<td>7</td>
<td>26.9</td>
</tr>
<tr>
<td>Self-employed</td>
<td>2</td>
<td>4.8</td>
<td>1</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>42</td>
<td>100.0</td>
<td>26</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988
Table 4.13  Vila Comunitária, monthly household income, 1988

<table>
<thead>
<tr>
<th>monthly income*</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 3 basic wages</td>
<td>8</td>
<td>19.0</td>
</tr>
<tr>
<td>3 to 5 basic wages</td>
<td>11</td>
<td>26.2</td>
</tr>
<tr>
<td>5 to 10 basic wages</td>
<td>14</td>
<td>33.4</td>
</tr>
<tr>
<td>10 basic wages</td>
<td>9</td>
<td>21.4</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* One basic wage is about US$ 60

Source: OTB Survey, 1988

These income figures should be interpreted with due caution, as they mirror the present income situation of the households. All sources of income within the household have been computed. At the time the Association started, many of its members were unemployed or doing odd jobs. With the economic recovery and the growth of employment opportunities in industry after the worst period of recession, they found better paid jobs. It is, however, hard to say why 81 percent of the households belonging to the Association presently have an income above the formal income criterion of three basic wages. This may seem to confirm what has been said about the formal criteria not being rigorously applied to the candidates. Affinity of the candidate to the underlying cooperative principles of the initiative as well as personal relations with members were given priority in the selection.

One could hypothesize that these income differences within the Association bear some relation with the fact that the recruitment of members shifted from the squatter settlement (supposedly poorer) to people living in rental or ceded housing (supposedly better-off). Table 4.14 shows that there is hardly a relation between (present) household income and (former) housing situation. So this hypothesis cannot be maintained.

Another hypothesis is that through the process of collective building, household members acquired skills and training that enabled them to find a job or to find a better-paid one. This hypothesis is sustained by other evidence from the same project (Vaz 1988; Volbeda 1989). In addition, it is possible that after completion of the construction period more household members applied for jobs, particularly mothers and teenage children. It is also possible that those who held a job decided to work more hours a week or add jobs in construction work to their daily task. Anyhow, there has apparently been a general rise in income after completion of the housing (Vaz 1988; Volbeda 1989).
Table 4.14 Vila Comunitária, present monthly household income (1988) according to former housing type

<table>
<thead>
<tr>
<th>Former housing type</th>
<th>Monthly income (basic wages)</th>
<th>Squatter settlement</th>
<th>Urbanized area</th>
<th>Backyard room</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 3</td>
<td>27.3</td>
<td>22.2</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>3 to 5</td>
<td>27.3</td>
<td>22.2</td>
<td>27.3</td>
<td></td>
</tr>
<tr>
<td>5 to 10</td>
<td>27.3</td>
<td>33.4</td>
<td>45.4</td>
<td></td>
</tr>
<tr>
<td>10+</td>
<td>18.1</td>
<td>22.2</td>
<td>27.3</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>% of total</td>
<td>52.4</td>
<td>21.4</td>
<td>26.2</td>
<td></td>
</tr>
</tbody>
</table>

n=42

Source: OTB Survey, 1988

4.4.2 Mutual-help construction
Construction works started in June 1985 and lasted until April 1987, taking 22 months. The organization of the work was guided by the following basic principles:

1) The members should participate as much as possible in the planning, administration, execution, and control of the work.
2) As construction would be done by the members, mostly in their 'leisure' time, attempts were made to allocate their labor as efficiently as possible.

Members of the association took an active part in drawing up the work regulations. These regulations stipulated how much and under which conditions the work was to be done. They determined that:
- Each household would work 80 hours a month.
- All members of the household, from the age of fourteen onwards, could contribute labor.
- In the beginning of the month, each household should submit a working plan for household members, so that they could be scheduled into the construction program.
- The only paid labor allowed would be that required for specialized tasks (the foreman).
- The required labor hours could not be substituted by people (whether for payment or for free) not belonging to the household. Casual labor contributions by outsiders would be credited to a common fund, as well as labor contributions by those who dropped out.
- Sanctions were stipulated for arrears or non-compliance with the norms, varying from fines to exclusion from the project.
Elected committees of three or four members were responsible for different aspects of the building process, in cooperation with the foreman and the architects. A committee made work schedules and kept account of the working hours of each household. A purchase committee took care of the acquisition of building materials. A committee organized child-care facilities at the work site, and so on. Every weekend a one-hour general meeting was held in order to discuss the progress of the work and to consult the members on important matters. The time spent at this meeting was counted as work.

Photo 5. Each household worked an average of 1607 hours on construction
Construction took place from Tuesday to Sunday, during the day, with peaks of participation in the weekends. The foreman distributed tasks and gave instructions to the laborers. The work was a heavier burden than most participants expected. To work 80 hours a month on top of regular working hours and travelling time was not easy. Those with regular jobs would usually work only in the weekends, sacrificing their scarce leisure time. Housewives participated in construction at the expense of their housekeeping and child-rearing activities. Child-care was supplied at the construction site, in order to enable women to work on the construction. For women working outside the home, the situation was even more difficult, as they had to combine income-earning, house-keeping and construction tasks. To worsen things, the building site was difficult to reach by public transportation, which increased the travelling time required. In the course of time, the spirit and enthusiasm of the first months gave way to increasing fatigue.

To depict the mutual-help construction only in terms of hardship endured by the participants, however, would be to give a one-sided picture. Working together on the basis of cooperation, equality, and mutual responsibility was regarded by many as an experience that enhanced their sense of self-esteem. In their daily life outside the home, people had a low social status and experienced little control over their lives. They are used to be treated as 'the poor', 'the squatters', etc. The Association and its building site were new social environments in which people could relate to each other not on the basis of anonymity and hierarchy but in terms of equality, common interest, and a common identity. Most people experienced the Association as a 'community' in which their opinion was taken into account. Such intensive social relations also entailed a certain potential for conflicts. Personal dislike and differences of opinion sometimes got mixed up, preventing efficient decision-making and cooperation. On average, though, the social atmosphere at the building site was regarded as friendly. On Sunday evenings, the works often ended with a common meal, drinks, and the traditional dancing of the samba.

For women, the participation in construction implied even greater changes than for men. The female participation in the construction meant breaking with the prevailing sexual division of labor to a certain degree. In Brazil construction work is regarded as an almost exclusively male activity. Some male members of the Association initially did not allow their wives to take part in the construction, arguing that this was not a proper role for a housewife. Their wives would be 'on the street', in contact with other men, allegedly damaging the reputation of their husbands and themselves. This position proved difficult to maintain in view of the monthly quota of 80 hours that had to be dedicated to the construction. Women did a significant share of the work and did not confine themselves to light jobs. As a series of interviews held with the women in 1987 illustrates (Vaz 1988), the experience of getting out of the confinement of the household, meeting other women and men, and doing types of work traditionally regarded as male had a positive influence on how these women perceive themselves and their social position. The general impression arising out of their personal
Photo 6. View from the backyard

Photo 7. A resident plastering the outer walls of his dwelling
accounts is that they grew more conscious of their strength and capabilities during their participation in the housing project.

Mutual-help construction requires safeguards for an equitable distribution of efforts among the participants. A formal safeguard was the practice of recording the amount of hours worked by each household during the construction period. The labor time spent on the building site was the only formal measure of participation. Sanctions on not meeting the target varied from the obligation to recover arrears in the next month, to fines, and eventual exclusion from the project.

In day-to-day practice, however, sanctions were not used. Due to the scale of the project, there was a built-in social control. This was also due to the fact that recruitment had largely taken place on basis of the candidates' affinity with cooperative principles and on the basis of their personal relations with members. However, social control was not sufficient to assure equal dedication by the households to the work. As will be demonstrated below, the labor contribution of the households is not as egalitarian was officially propagated. But problems of inability or unwillingness to meet targets were not made into a major issue. There are some explanations for this:

a) The target of 80 hours a month per household proved to be unrealistically high. The majority of the households had difficulty meeting this target and were in arrears. A strict application of the regulations would affect most of the participants. Therefore, there was no broad support for sanctions. A more realistic target (64 hours) was only set in the last months of construction.

b) Recourse to sanctions was at odds with the prevailing ideal of equality and 'community', and with the fact that everyone was either a friend or a relative.

c) The board of the Association was reluctant to use its formal power. Its members were among those with arrears. This undermined its will and legitimacy to apply sanctions.

A survey of the labor records gives unique insight in how mutual help functions in practice, from a quantitative point of view. It should be noted beforehand, though, that these records underestimate the real amount of effort and time spent by the association members on behalf of the housing project. The time spent in the negotiation stage (more than two years) was not included. Other items not computed were: clearing and cleaning the site, building a prototype house, guarding the site against invasions, and the travelling time to and from the building site. In addition, measuring hours, in addition, says nothing about the qualitative aspects of the work.

Originally, it was thought that with a work load of 80 hours a month per household, construction could be finished within one year time. This would yield a labor input of 960 hours per dwelling. However, labor productivity was not that high. It took the Association 22 months to build the dwellings, at an
average of 1607 hours per dwelling, that is, 67.2 percent more than estimated. In the last months of construction it was decided to diminish the required labor contribution to 64 hours, due to the increased fatigue and decreasing spirit of the participants. It was then agreed that up to a maximum of 16 monthly hours could be provided by paid labor. As far as we know, little or no use was made of this possibility.

Of the 42 households surveyed, 29 (69.0 percent) participated completely in the work execution (22 months) and 31.0 percent partially (between 15 and 21 months) (Table 4.15). Those who worked only partially were the last to be recruited. The majority of the households (97.6 percent) took part in the works with two or three members (Table 4.16).

Table 4.15  Vila Comunitária, hours worked per household, according to length of participation, 1988

<table>
<thead>
<tr>
<th>labor hours*</th>
<th>partial 15-21 months</th>
<th>partial 22 months</th>
<th>total participation (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1607 and less</td>
<td>92.3</td>
<td>41.4</td>
<td>(57.1)</td>
</tr>
<tr>
<td>1608 and more</td>
<td>7.7</td>
<td>58.6</td>
<td>(42.9)</td>
</tr>
<tr>
<td>subtotal</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>(% of total)</td>
<td>(31.0)</td>
<td>(69.0)</td>
<td>(100.0)</td>
</tr>
</tbody>
</table>

*1607 is the average amount of hours worked per household
Source: OTB Survey, 1988

Table 4.16  Vila Comunitária, number of people participating in construction, per household, 1988

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>one</td>
<td>1</td>
<td>2.4</td>
</tr>
<tr>
<td>two</td>
<td>29</td>
<td>69.0</td>
</tr>
<tr>
<td>three</td>
<td>9</td>
<td>21.4</td>
</tr>
<tr>
<td>four</td>
<td>3</td>
<td>7.1</td>
</tr>
<tr>
<td>total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey 1988
The average amount of work done by each household was 1607 hours. The group that contributed less than average is larger than the group contributing more than average. There were relatively fewer above-average households and more below-average households. The fact that some households participated only partially in the construction explains this difference in labor contribution: 92.3 percent of the households that participated partially worked less than average, whereas 41.4 percent of those with total participation worked less than average (Table 4.15). These figures indicate that total participation was a necessary, albeit insufficient condition to achieve an average labor contribution of the household.

The working cards show to what degree the distribution of labor efforts among the households varied (Table 4.17). Over three-quarters (78.6 percent) of the households falls within a range of the average of 1607 hours plus or minus 25 percent, that is to say, between 1205 and 2010 hours. Of the remaining households with extreme low or extreme high contributions, more made a labor contribution 50% above the average of 1607 hours, and relatively few worked 50% below average! The poor performance of some was to a large extent offset by the dedication of others. There were no material incentives to work more than the norm. It was known beforehand that the houses would be allocated by lottery after completion of the fifty units. The high labor dedication of some of the members indicates that social incentives (solidarity, friendship, etc.) were important to motivate people.

So far we have analyzed the distribution of efforts between households. An analysis was also made of the labor distribution within nuclear families, consisting of couples with or without (dependent) children. In all cases, both man and woman participated in the work. Men worked 843.5 hours on average, whereas women worked on average 650.2 hours (Table 4.18). If the amount of 800 hours (half of the household average) is taken as a dividing line for the individual contribution, Table 4.18 indicates that 51.3 percent of the men are above this line, as compared to 27.1 percent of the women. The interviews with the women revealed that it was particularly hard for them to meet the required working hours in addition to their productive and reproductive tasks. The outcomes shown in Table 4.18 indicate that in a household situation with under-age children, men were considerably freer to use their time for participation in the project.

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48 The smallest contribution was 1153 hours (34.4% less than average), the maximum was 2486 hours (47.5% more than average) and the standard deviation 332 hours. These figures apply to the 42 households surveyed. For all 50 households, the average is 1590 hours.

49 Of the 42 households surveyed, 5 (12 percent) had a composition other than a nuclear family. Of these, one was a single mother, and 4 consisted of adult, unmarried people with one or both their parents living in. As these cases are somewhat a-typical, they are excluded from the following analysis.
**Table 4.17** Vila Comunitària, distribution of household labor contribution, 1988

<table>
<thead>
<tr>
<th>Labor hours</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>802-1204</td>
<td>3</td>
<td>7.1</td>
</tr>
<tr>
<td>1205-1607</td>
<td>21</td>
<td>50.0</td>
</tr>
<tr>
<td>1608-2010</td>
<td>12</td>
<td>28.6</td>
</tr>
<tr>
<td>2011-2823</td>
<td>5</td>
<td>11.9</td>
</tr>
<tr>
<td>2824+</td>
<td>1</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*The average (x) is 1607 hours.*

Source: DTB Survey, 1988

**Table 4.18** Vila Comunitària, nuclear families, labor contribution according to gender, 1988

<table>
<thead>
<tr>
<th>Labor hours</th>
<th>Men</th>
<th>%</th>
<th>Women</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-400</td>
<td>4</td>
<td>10.8</td>
<td>9</td>
<td>24.3</td>
</tr>
<tr>
<td>401-800</td>
<td>14</td>
<td>37.9</td>
<td>18</td>
<td>48.7</td>
</tr>
<tr>
<td>801-1200</td>
<td>12</td>
<td>32.4</td>
<td>8</td>
<td>21.6</td>
</tr>
<tr>
<td>1200+</td>
<td>7</td>
<td>18.9</td>
<td>2</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>37</td>
<td>100.0</td>
<td>37</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988

Furthermore, it seems that the help of teenage children in the construction increases the probability that the household will put in the average amount of hours. In 21.6 percent of the nuclear households, children above 14 years aided their parents in the construction. Table 4.19 compares this group with the households in which only the couple participated. A greater portion of the group of 'children-aided' households worked more than average, whereas the 'unaided' households show an opposite trend: 65.5 percent of them worked less than average.

The boundaries are established by adding or subtracting one-quarter to one-half from the average (x):

- 802-1204 hours: (x-50%) to (x-25%)
- 1205-1607 hours: (x-25%) to x
- 1608-2010 hours: x to (x+25%)
- 2011-2413 hours: (x+25%) to (x+50%)
- 2824+ hours: (x+50%) and more

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4.5 Analysis and evaluation

For an analysis and evaluation of the housing initiative of the Vila Comunitária Building Association we repeat the questions underlying this research, which were stated in the introduction:

1. Why and by whom are collective self-help initiatives undertaken?
2. How are collective initiatives organized?
3. What barriers have to be overcome in order to meet the objectives?
4. What are the results of collective initiatives?

On the basis of the data presented in the preceding sections, we will treat each of these questions in turn. We conclude with an evaluation of the initiative according to the criteria outlined in Section 3.8.

**Question 1: Why and by whom are collective self-help initiatives undertaken?**

The people living in the squatter settlement of Parque São Bernardo undertook or joined the initiative because they envisaged it as a way to improve their housing situation. Generally speaking, this meant moving from a shack in the favela or from rental or shared housing into a (better) house of their own. Although the squatters were de facto owners of their dwellings, there were no prospects in the short and medium term for a legalization of tenure. People had several reasons for wanting to leave the favela: the lack of security of tenure (which posed limits on their investments in the improvement of their dwellings); the precarious conditions of infrastructure and sanitation; the lack of personal security in the neighborhood due to criminality, and the social stigma of being a squatter resident. Especially women were strongly motivated and remained with the project, concerned as they were with providing a safer and healthier environment for their children to grow up in. As was already pointed out, though, the shortcomings of the favela as a habitat were not sufficient to ensure...
Photo 8. Vila Comunitária; finishing the houses is done individually by each household

Photo 9. Vila Comunitária shortly after completion
continued participation by those participants who lived in a squatter settlement. We turn to this in the next question. As we have seen, 31 percent of the eventual participants in the project were renters (Table 4.1). Especially in the period of economic crisis, marked by a rising cost of living and decreasing buying power, rent payments had become a heavy burden to many renters. It is therefore not surprising that renters joined the Association.

For the 19 percent of the members who were living in ceded accommodation, sharing with relatives was a provisional solution. The initiative of the Association offered a way out for this group as well.

There is no doubt about the need experienced by participants in their housing situation, or, for that matter, 'push-factors' leading to such initiatives. The demand for affordable housing was, and still is, enormous. But the initiatives did not arise out of deprivation alone. People also envisaged opportunities to bring about desired improvements. Recent participation in labor and neighborhood movements and in the organization of a food-stock project had provided experience in successful organization for collective goals. A group of people had become more aware of the possibilities to improve their situation through collective action, and they had access to a network of contacts with potentially supportive organizations. These people were also sensitive to the political opportunities brought about by the electoral victory of the opposition at state and municipal level in the beginning of 1983.

Recalling the theories reviewed in Section 3.2 about the conditions that give rise to social movements, we could say that the answer to the 'why' question has both a 'deprivation side' (the housing needs of the lower-income people, and their decreased capacity to pay in times of economic crisis) and an 'opportunity side' (experience with collective action and changing political opportunities). The government plays a role in the emergence of this initiative. This role can be interpreted in terms of the two perspectives introduced in the theoretical chapter. The initiative can be perceived as a result of government's failure to meet the housing needs of the poor. Indeed, it is clear that the policies are falling short of the demand, and this may always be the case. On the other hand, it is also true that government intervention (or the prospect of it) may foster the emergence of initiatives as studied here. The case of Vila Comunitária shows that the advent of a new policy at State level helped trigger the initiative and raised its chances of winning official support. The squatters' association of Parque São Bernardo used collective mobilization to prevent eviction by municipal authorities. This was followed by the improvement of collective services (piped water and electricity) in the neighborhood. Expectations may have been raised by this intervention as well. In addition to these factors, the insight, contacts, organizational skills, and material support of NGOs were important to identify and take advantage of these opportunities.
Question 2: How are collective initiatives organized?

An existing organizational setting has proved important in structuring the Association, which was to become the vehicle for the initiative. The leaders and many of the participants were already participating in the food-stock project of the ACC (the Community Consumers' Association); in the neighborhood association of the squatter settlement; in the ecclesiastical base community; or in the labor union. There was already a common frame of reference, which made that collective action a sensible thing to do. There was already - to use Klandermans' terminology - a process of consensus mobilization going on. People identified their needs and agreed on the fact that it was legitimate to request support from the government. From the participants' point of view, their expectations were reasonable, as many promises had been made during the preceding electoral campaign. This organizational setting also provided contacts and information, which opened up possibilities to procure support from NGOs. NGO support, in turn, was highly instrumental in obtaining participation of government agencies in the project.

However, it proved difficult to keep a sufficient number of participants in the squatter settlement mobilized. Some ideas put forward in Section 3.3 help to explain this. For people to engage in collective action, they have to believe it will be effective. As there were no precedents in their immediate environment for the initiative, many people, both inside and outside the squatter settlement, doubted that the Association would ever achieve its goals. In terms of the model outlined by Bryant and White (1982) we can state that, although the potential benefits were high, people's assessment of the probability of achieving them was rather low. Moreover, as the many drop-outs during the lengthy stage of negotiation show, the cost of participation (attending meetings, foregone income and leisure opportunities) was a negative factor as well. The cost of participation may have been unaffordably high for female-headed households. Indeed, our survey and additional inquiries indicate that out of fifty households, only one (0.2 percent) was headed by a woman at the time it joined the Association. This household joined the Association when construction was underway, and therefore did not participate in the initial stage. Taking into consideration the average proportion of female-headed households for the country as a whole (20.1 percent), the conclusion is clear that this category is heavily underrepresented in the initiative. The very poorest of the poor tend to be excluded from collective initiatives, as they lack even the minimal resources to commit themselves to solidary action. Their fate is a full-time struggle for survival (cf. Plantenga 1987; Volbeda 1989).

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51 Note that Table 4.4 mentions 2 out of 42 households in 1988: one of the households became female-headed after the construction period.

52 IBGE, PNAD 1989
Against these costs, there were also immaterial benefits of participation. The fact that some households worked much more than average indicates that the prospects of utilitarian benefits are not the sole force behind participation. Social incentives like a sense of belonging and solidarity have to be acknowledged as well. This intense interaction and sense of community were especially felt during the implementation of the works, that is to say, during housing construction by *mutirão* (mutual-aid).

Regarding the principles of organization, a distinction can be made between the period of struggle and that of implementation. During the first period, which lasted for two years, activities aimed mainly to achieve government support for the initiative (land, finance, infrastructure, adapted building regulations). Most of the work was carried out by a small group of leaders, mainly board members, in close cooperation with the external advisor. They reported regularly to the others, who nevertheless had a more passive role. From time to time they had to show up in public demonstrations to exert pressure on municipal authorities. To keep people involved in this lengthy and yet uncertain stage, much effort was devoted to discussing and working out the building and urban lay-out plans, and to reaching agreement on the principles of organization during construction works.

The internal organization of the Association during the construction period bears a closer resemblance with the collectivist-democratic type of organization outlined by Rotchild-Whitt in Section 3.4. The ideal of equality and community was an implicit guideline in the social relations within the Association; emphasis was put on consensual decision-making; little use was made of formal rules; interpersonal relations were not confined to cooperation in construction, but had a more holistic character. While on the one hand the sense of community and strong interpersonal relations prompted a noted resistance to the application of formal rules (in particular sanctions on non-compliance with the established norm of working hours), on the other hand it ensured that such deviations were kept within acceptable limits. Social control and a sense of common purpose were more effective in assuring participation than were formal rules. Shortcomings of some members were offset by over-commitment by others, as the figures of the labor hours show.

In sum, for those involved, the way of doing things was as important as the stated objectives of these activities. These values were to some extent pursued in their own right. Sometimes, however, the desire to do things in a communitarian way (value rationality) was at odds with the goal of building the houses most efficiently (instrumental rationality). To preserve the social cohesiveness of the group, for instance, the regulations posed a disincentive to labor participation of non-members. Labor hours of non-members could not be credited to a specific member but were credited to a common fund. This measure was a disincentive for the members to mobilize support from friends,
relatives, or even to hire paid labor. They were left no choice but to work the 80 hours themselves. On the other hand, opening up the scheme to outsiders could have undermined the social cohesiveness of the group.

Question 3: What barriers have to be overcome in order to meet the objectives?
To realize the project of the Association, resources would have to be contributed by the government. Therefore, it was essential for the Association to influence processes of political decision-making on its behalf. Financing and subsidies on building materials were obtained from the state government. The Municipal Council issued a special bill to allow exemptions from regulations on land subdivision and building codes. This bill authorized the Municipality to execute the necessary infrastructural works without charging the Association.

The Association used several strategies to influence the political decision-making. To obtain financing from the State government, it entered into discussion with the new Montoro government, which was then formulating a new housing policy. The policy-makers proved receptive to the proposal submitted by the Association. No demonstrations or protests by the membership of the Association were necessary to assure this resource. Two factors contributed to the support of the State. First, the request for finance by a mutual-help association fit into government plans to promote decentralized and participatory housing policies. Second, the request of the Association was well-researched. Technical support by the architect contracted with donated NGO funds was essential in writing these proposals.

Demonstrations, in addition to lobbying activities, were tactics to influence decision-making at municipal level. Although the newly elected mayor sympathized with the initiative, this was not sufficient to guarantee the active support of the municipal administration. Land had been informally promised by him, but he could not fulfil this promise. In the terms of Bachrach and Baratz' model of the political system (see Section 3.5), the demand of the Association got stuck at the second barrier, before reaching the decision-making arena. Though the mayor had committed himself in advance to obtain land for the Association, his possibilities were limited by legal institutions (mortgage on the site). Whether this barrier was really unsurmountable, as the Association was told, or whether opposing fractions within the local administration had engaged in the 'mobilization of bias' to prevent the issue from reaching the decision-making arena, remains unanswered.

Matters were clearer when the Municipal Council voted on the special bill regarding the exemption from specific building regulations and the implementation of infrastructure by the municipality. The vice-mayor, a declared opponent of the initiative, managed to postpone the voting for months. In spite of this delay, the issue ended up by reaching and successfully passing the decision-making arena. The endurance and creativity of the members of the Association as well as outside support in pressing for a special bill was decisive in achieving the desired results.
At a more general level, the obstacles encountered by the Association to obtain the needed resources are rooted in:

- the absence of a housing policy framework enabling private, non-profit organizations like the Association to promote and execute low-income housing projects. To obtain financing the Association had to rely on an exceptional arrangement within the Municipal Housing Program of the State government;
- the high costs of land, and the absence of channels of finance to purchase and develop land. This problem could only be overcome by an exceptional arrangement with the Diocese of the Catholic Church, which sold land at a price affordable to the Association;
- the 'elitist' municipal regulations of land subdivision. These regulations initially prevented the Association to cut costs by building at higher density. Although exemption from these regulations could be obtained, this proved to be a time-consuming effort. Much depended on the political will within the administrative and legislative bodies of the local government.

It is clear that the absence of a favorable policy framework made the project dependent on a series of extraordinary arrangements, which were in turn vulnerable to the lack of political will among politicians and government officials.
Question 4: What are the results of collective initiatives?
Before evaluating the results from the points of view of the beneficiaries and the housing policy, we will first present three tables. The first one (4.20) gives an overview of what resources were provided by which actors. The second and third tables (4.21 and 4.22) summarize the price tags of the different parts of and contributions to the project.

Table 4.20 Resources and actors in the Vila Comunitária housing project, 1983-1987

<table>
<thead>
<tr>
<th>RESOURCES</th>
<th>household</th>
<th>Association organization</th>
<th>NGO</th>
<th>government agency</th>
<th>profit organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>land</td>
<td>3</td>
<td>1, 3</td>
<td>4, 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>urban development plan</td>
<td>1, 5, 6</td>
<td>3, 4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>design &amp; planning</td>
<td>1, 5, 6</td>
<td>3, 4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>infrastructure &amp; services</td>
<td>1</td>
<td>3, 4, 5, 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>credit facilities</td>
<td>3</td>
<td>1, 3</td>
<td>4, 5, 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>building materials &amp; equipment</td>
<td>3</td>
<td>1, 3, 6</td>
<td>2, 4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>labor</td>
<td>3, 5</td>
<td>1, 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>management &amp; coordination</td>
<td></td>
<td>1, 5, 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>authorization (permits)</td>
<td>1</td>
<td>4, 5, 6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Function of the participant with regard to the resource:
1 = procurement 4 = subsidization
2 = financing 5 = provision
3 = payment 6 = control

This overview shows that the Association played a key role in carrying out the project as a whole. It managed to mobilize resources from its membership and from NGOs, and to channel a considerable amount of public resources towards its housing project. The monetary value of each of these resources is summarized in Table 4.21.

As Table 4.21 shows, the total cost of each dwelling is estimated at 648 UPC. Part of this amount is paid for or contributed in kind by the participants; part is subsidized (see Table 4.22).

### Table 4.21 Costs of the Vila Comunitária housing project, 1988

<table>
<thead>
<tr>
<th>Item</th>
<th>UPC</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) land</td>
<td>71</td>
<td>582</td>
</tr>
<tr>
<td>b) expert assistance</td>
<td>55</td>
<td>451</td>
</tr>
<tr>
<td>c) building materials, equipment и specialized labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.1. (loan)</td>
<td>160</td>
<td>1312</td>
</tr>
<tr>
<td>c.2. (subsidy)</td>
<td>110</td>
<td>902</td>
</tr>
<tr>
<td>d) labor</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td>e) infrastructure</td>
<td>34</td>
<td>279</td>
</tr>
<tr>
<td>f) administration*</td>
<td>125</td>
<td>1025</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>648</td>
<td>5314</td>
</tr>
</tbody>
</table>

*estimated as 30% of b+c+d
marked figures: financial costs accruing to the beneficiaries.

Source: OTB Survey 1988

### Table 4.22 Vila Comunitária housing project: percentage and estimated unit cost of contributions and subsidies, 1988

<table>
<thead>
<tr>
<th>Financial contribution of participants (a+c1)</th>
<th>231 UPC</th>
<th>(35.6%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor and management contribution of participants (d+f)</td>
<td>218 UPC</td>
<td>(33.6%)</td>
</tr>
<tr>
<td>Subsidies (b+c2+e)</td>
<td>199 UPC</td>
<td>(30.8%)</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td>148 UPC</td>
<td>(100.0%)</td>
</tr>
</tbody>
</table>

Source: OTB Survey, 1988
Evaluating the project from the point of view of the beneficiaries (see Section 3.8), we can regard the initiative as successful:

1) Their objectives (affordable housing) were met.
2) The monetary costs are affordable. At present, the equivalent of 30 percent of the basic wage is being paid in monthly installments to repay the loan for building materials and land acquisition. Considering the income levels of the households (Table 4.13.), this is not a heavy burden on the household budget (3 to 10 percent, depending on the household income).
3) The human costs in terms of time and effort spent in organizing and implementing the project cannot be ascertained objectively. On the basis of the assessment expressed by the participants, it is clear that 22 months of construction work was a heavy burden. But people regarded this as a worthwhile sacrifice to obtain their own home. The sacrifice was also meaningful to them because it was their choice to do things the way they did.
4) Our quantitative analysis of the work cards indicates that the distribution of work among the Association members was not very equitable (see Table 4.17). Some households worked considerably more than others in the construction stage.
5) The benefits in terms of improved housing conditions are clear: the houses are almost twice as big as houses built by the State Housing Company CDH in the same period. The site is integrated into the urban structure, at reasonable distance from employment opportunities and public services. The 'social quality' of the neighborhood is regarded very positively by the inhabitants, who know each other and get along well. People have become legal owners of their houses and plots.

There are some favorable secondary effects of the project for the participants:
6) An enhanced sense of self-awareness was generated through intensive mutual cooperation and political activism. In the course of the project, people expanded their horizons and acquired new skills and training. For the women, one could argue that, apart from practical gender needs, a strategic gender need (see Section 3.6) has been met as well. By participating in the meetings, the decision-making and the construction, they extended their action radius into the public realm. They struggled to be accepted by their male colleagues as equal partners. By participating in the construction work, they demonstrated that women are perfectly able to perform 'men's work' (Vaz 1988).
7) The intense cooperation during construction laid a social basis for the new neighborhood. People know each other, exchange services of mutual interest (e.g. looking after each other's children), and meet for activities of leisure, trade, and gospel services.
8) Participants acquired construction skills. These skills will be helpful in finishing the dwellings and perhaps for further income-generating activities.
Apart from the secondary effects for the people directly involved, it should be mentioned that the project had a great demonstration effect in São Bernardo. Using the experience acquired with this pilot project, and with financial support from a Dutch NGO, a housing advisory department was formed by the Community Association. A group of four professionals and one remunerated local leader assists groups of people in many neighborhoods to found similar mutual-help associations and to try to replicate the experience of Vila Comunitária. Fifteen associations, with about 100 households each, were formed between 1985 and 1988. Some originate in squatter settlements, but the majority are formed by renters. Six associations have been formed upon the initiative of people who then asked for assistance from the Community Association. Other associations have been formed upon initiative of the Community Association itself, by combining individual applications. Together, these associations form the Housing Movement of São Bernardo. The Movement seeks to obtain government financing and subsidies for the purchase of land and implementation of similar projects. Their attempts thus far show the long series of barriers that have to be overcome. At State level, the new government that came to power in March 1987 abandoned the principles of participation and decentralization underlying the Municipal Housing Program.

Photo 11. Public demonstration of the Housing Movement of São Bernardo demanding access to housing finance
Then it launched a new, top-down and large-scale housing program, in which there is no room for collective initiatives. Requests for financing have been made to the Federal government, with little success yet. The Housing Movement has links with similar movements in other parts of the São Paulo region. Joint activities to exert political pressure (demonstrations, public debates, seminars, etc.) have been held over the past few years.

One association in São Bernardo managed to buy a site from a private owner with their own resources. The team that provided management and technical support to the Vila Comunitária project became an independent NGO in 1990. It now supports several building associations with a total of some 1000 households. These of course are in different stages of the process.

From the point of view of housing policy, the following evaluation can be made:

1) The project demonstrated that an association of lower-income people is able to initiate and implement a housing scheme. Provided that committed expert assistance is available, management of the project by the Association is feasible.

2) An advantage of a self-administered housing project is that the beneficiaries are known from the onset. They can participate in decisions concerning their future housing situation. The project can be tailored to local needs and resources.

3) A considerable contribution from the participants in terms of labor requires broad commitment to the goals and procedures of the project. This, in turn, means involving beneficiaries in the decision-making.

4) Subsidies in the form of management and technical assistance, financing for the acquisition of land, building materials, and infrastructure are necessary if the housing produced is to be affordable for lower-income households.

5) Subsidies on the initiative enable people to harness and productively employ their own resources (labor and organizational skills).

6) For practical reasons, the scale of each participatory mutual-help initiative is necessarily limited. This has to be borne in mind when considering implementation of such projects on a wider scale.

In short, the experience of the Vila Comunitária project indicates that low-income people are capable of initiating, managing, and executing a small-scale housing project. For this to be feasible, subsidies are necessary in the form of technical assistance, affordable land, infrastructure, and financing. At present, however, government housing policies at the state and federal level still maintain the role of initiator as the exclusive prerogative of the governmental housing agencies. The user has little or no say in decisions affecting his future habitat. The Vila Comunitária project relied heavily on exceptional legal, financial, and institutional arrangements and simultaneously on long organizational experience. Yet it is conceivable that a government could come to power that is more receptive to collective initiatives like those described in this chapter. In that case, it is evident that the replication of such initiatives would be greatly
stimulated by dismantling the various legal, financial, and institutional barriers that have been mentioned here. Even in the present discouraging political atmosphere many associations have been formed and are ready to start. Also it may be noteworthy that from a governmental point of view, such initiatives shed light on the shortcomings of governmental efforts to arrange affordable and highly valued houses for income categories that were previously rarely reached. Care should be exercised, however, in assuming that the benefits actually accrue to the poorer strata. In our case we know that 16 months later general household incomes were considerably higher than those originally targeted. Yet we have no reliable information on their levels at or before the start of the project. Nevertheless, even for the income levels at the time of our survey, government programs did not get anywhere near matching even this feasible demand.

Furthermore, it is important to note that this collective initiative did not have a negative income effect or precipitate a high population turnover after completion of the project, as many a top-down initiated housing scheme does. The amount of effort invested by the participants could hardly be organized effectively over such a long period for housing that they did not want. The administration and involvement by the beneficiaries in all stages of the process seems to be an essential asset.
5

THE MUTIRÃO DE NOVA AURORA
ASSOCIATION, NOVA IGUAÇÚ

5.1 Introduction

Much of what has been said in the introduction to Chapter 4 about the case study of Vila Comunitária in São Bernardo do Campo applies equally to our second case, the Mutirão de Nova Aurora in Nova Iguaçú. To avoid repetition, we chose to concentrate on the differences rather than on the similarities between these two projects. Also, as we have given priority in our research to the first case, the written account of the second, which is the subject of this chapter, will be somewhat more brief than the previous chapter. Nevertheless, the very same research questions, as formulated in the introductory chapter, are raised here as well.

The second case study also concentrated on the process and the outcomes of a collective self-help initiative. The difference lies in the fact that the phase of implementation included several aspects of individual self-help. Actually, these aspects were 'slipped' into the project, as this was not intended by either the mutirão. Details on the implementation are given in Section 5.4. But first a short overview of the previous history is sketched in Section 5.2, followed by a section that deals with the mobilization of the resources needed for the project. This chapter, which has more or less the same set-up as the previous one, is concluded with a preliminary evaluation (Section 5.5). Here too, we used the basic inventory as well as the set of evaluation criteria that were developed in Chapter 3. Comparisons between the two case studies are not made here but are presented in Chapter 6.

Map 5.1 shows the location of Nova Aurora in the Municipality of Nova Iguaçú, north of Rio de Janeiro City.
Map 5.1  Location of the Municipality of Nova Iguaçu in the Rio de Janeiro Metropolitan Area

Photo 12  1981: Members of the Mutirão Association prepare to take possession of the vacant land in Nova Aurora. In their hands, the number of the plot assigned to each of them (photo: IBASE)
5.2 Previous history

5.2.1 The quest for land
The social movement organization Mutirão de Nova Aurora (MNA) originated in early 1981. It was started by a small group of people living in a squatter settlement on the banks of a river cutting through the city. They began to meet in order to find a way to improve their housing situation. Every year, during the rainy season, their dwellings were more or less severely flooded. This not only caused considerable physical damage, but often cost lives as well. Feeling the need for a safer place to live, they contacted a local leader who had led collective rural land invasions in the area in the sixties. He had been imprisoned and prosecuted after the military takeover of 1964, and was now returning to political activism thanks to the gradual opening-up of the regime. This charismatic leader was to play a central role in the mobilization of participants for the collective land invasion, as well as in the subsequent negotiations with the government authorities.

The conditions of sanitation, basic infrastructure and housing in Nova Iguaçu are notoriously precarious. This is largely due to the extremely fast growth of the city in the last decades: its population doubled from 145,000 in 1950 to 359,000 in 1960, doubling again to 727,000 in 1970! With a population of 1.3 million (1985), Nova Iguaçu is the seventh biggest city in Brazil. In 1980, less than half (42.8 percent) of its dwellings were connected to the water mains, and only 30.3 percent had sewerage. The level of services, particularly public health, education, and public security, is very low as well (Mainwaring 1986). The main center of employment for the residents of Nova Iguaçu is Rio de Janeiro City, at a distance of 30 kilometers (see Map 5.1). The income situation of the population further characterizes Nova Iguaçu as a poor city: 34 percent of the households earn up to 2 basic wages (see Table 2.7). This contrasts sharply with the whole of the Rio de Janeiro Metropolitan Area, where no more than 10.3 percent of the households fall into this income bracket.

After some months of preparatory meetings, in which a few hundred people joined the movement, it was decided to invade a large site of about 2 million square meters in the neighborhood of Nova Aurora. The site belonged to the municipal development agency, Codeni\textsuperscript{33} This site, at that time only used for extensive cattle-breeding, had a regular plot partition dating from the early 1950s that had never been implemented.

In the last week of April 1981, a group of 3000 people held their first public meeting on the site. It was decided to return in the first week of May to build a provisional headquarters for their association and to start partitioning the plots among the participants. However, the police was sent to the site on that day and

\textsuperscript{33} Companhia de Desenvolvimento de Nova Iguaçu.
Housing construction often starts before the implementation of basic services, such as electricity and piped water.

Provisional shelter on the newly acquired land.
prevented the occupation of the area. The Association sought institutional and legal support from the local Catholic parish and from the influential Diocesan Committee of Justice and Peace. Through the personal mediation of the Bishop of Nova Iguaçu, the Association entered negotiations with the mayor of the city in June 1981. After several meetings, an informal agreement was reached: the municipality would sell 430 plots (of 360 sq.m. each) at a symbolic price of 16 UPC (about US$ 130) to the participants of the Mutirão movement. The municipality would also present a proposal for a housing project for this area to the National Housing Bank, BNH, and execute infrastructural works. The Catholic Diocese, in turn, agreed to sell 300 plots owned by the church at a neighboring site on similar conditions. Three months later (January 1982) an interdepartmental working group was instituted by the municipality to formulate concrete proposals for a housing project in Nova Aurora. About the same time, the movement was officially registered as the Mutirão de Nova Aurora Association (MNA).

One year later, however, no concrete measures had yet been taken. To put it in terms of the model of political decision-making outlined in Section 3.5.1: the issue brought to the fore by the Association was being blocked at the last barrier in the decision-making process - that of implementation. The Association had successfully converted the wants of its constituency into demands for land. By its concrete attempts to invade the site, these demands became an issue upon which a decision had had to be made by the mayor. This decision was favorable to the Association, but its implementation got bogged down.

A new round of demands ensued. The Association held two public manifestations in front of the city hall in May 1982 to demand official confirmation of the informal concessions made by the mayor one year earlier. After the second manifestation, the mayor signed an agreement to sell 430 plots to the Association. This time, the Mutirão had received an official document that acknowledged its claims to the land. Using the existing plans for partition, the plots were immediately staked out and allocated to the members of the MNA. The original plots, measuring 15m by 30m, were subdivided into two equal plots of 225 sq.m. each. As the demand for plots was high, a few thousand candidates had to be put on a waiting list.

Due to the total lack of infrastructure in the area, most of the people nevertheless restricted themselves to marking their plots and waiting for better conditions to start building their houses. In order to foster the occupation of the site, the Association asked for financial support from a foreign donor agency to construct a housing project (see 5.3.1).

In subsequent years, surrounding (rural) vacant areas were incorporated by the Mutirão as well. Most of these areas had a contested legal tenure situation. The annexations of land were previously organized and took place collectively. People mobilized by the Association built provisional shacks on the vacant land and received legal and material assistance from the Association and from the Catholic Church organizations. In this initial stage the active participation of
women was crucial, as they were the ones to bear the heavy burdens of the situation. They needed to take care of their households in the absence of all basic infrastructure like water, electricity, and no nearby road or bus connection. Also it was mostly women who, during the day when most men were off to work, had to fight off attacks by armed gangs hired by the alleged owners of the land. In some instances, help from the police had to be called upon in order to protect the participants from these gangs. Besides the active participation of women, the material and moral support of the Catholic Church has been decisive in securing a hold on the land in this initial stage of occupation. In some cases, the continuous presence of Church representatives was required to ward off the threat of hired gunmen, until enough residents settled in the area. 

Map 5.2 shows the Nova Aurora area and the location of the headquarters of the Association within it. It is not known for sure how many plots there are in Nova Aurora, nor how many people have permanent residence in the area. The old partition plans comprise 2790 plots, which divided into two yield 5580 plots (Veiga 1984). Taking into account the annexed areas, the number of plots probably exceeds 6000, of which perhaps half are effectively occupied. The pattern of occupation is scattered, as is usual in such an unsafe and harsh situation. The more suitable sites are generally occupied first; most of the vacant plots are subject to flooding or heavy erosion (hill slopes).

The procedure to get access to a plot is simple. One has to become a member of the MNA, pay a regular (symbolic) contribution, and attend at least three monthly general assemblies at the Association headquarters. Having done this, a plot is chosen in agreement with one of the regional representatives of the Association. To prevent speculation with plots, one has to start construction works within three months. If nothing is done within this period, the plot may be allocated to someone else.

5.2.2 The Association and politics
In the years following the recognition of its claims to the land, the Association succeeded to a certain extent in mobilizing government support for the implementation of infrastructure, housing, and public services. To understand how this took place, the relation between the Association and the wider political scene has to be taken into account. 
In November 1982 elections were scheduled for a new state and municipal government. As mentioned in the previous chapter, these were to be the first direct elections for governor since 1964, reflecting the gradual democratization of the political system. The informal leader of the movement, who had been elected as president of the Association, was running as a candidate for the municipal council for the opposition party PMDB54. Shortly before the Novem-

54 Partido do Movimento Democrático Brasileiro (Party of the Brazilian Democratic Movement), the only official opposition party allowed under military rule.
ber elections, the PMDB candidate for governor held an electoral meeting at Nova Aurora. On this occasion, the Association demonstrated its political support to him. He had arranged that the sitting State administration carried out some landfill works in Nova Aurora. The November elections, however, were won by candidates of another opposition party, PDT\textsuperscript{55} both for the state and municipal governments.

Map 5.2 Nova Aurora

Source: after Veiga 1984

\textsuperscript{55} Partido Democrático Trabalhista - Democratic Labour Party.
The new governor, Leonel Brizola, was a left-populist politician who made his political reappearance after having been in exile for more than twenty years under the military regime. His electoral campaign and his coming to office aroused the expectations about State policies for the social programs. As mentioned in the previous chapter, 1983 was also marked by economic recession, massive unemployment, and high inflation. These factors prompted a wave of collective land invasions in the Rio de Janeiro Metropolitan Area in 1983 (Valladares & Kayat 1983). To halt the wave of invasions and to offset the criticism of his political opponents (the Governor was being accused of inciting the land invasions), the Governor launched an ambitious new site-and-services housing program. This program was announced in May 1983, two months after entering office, and was to be implemented by the State Secretary for Labor and Housing. According to the program, within one year, 100,000 households would have access to serviced plots and a small amount of financing for the (self-managed) construction of dwellings.

Photo 15  General assembly of the Mutirão de Nova Aurora Association

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56 Cada Familia um Lote: "A Plot for Each Family".

57 Secretaria do Estado de Trabalho e Habitação.
No more than two weeks after the program was announced, the MNA mobilized three thousand people for a demonstration in front of the Governor's seat in Rio de Janeiro, demanding financing for housing construction and the implementation of infrastructure in Nova Aurora. Based on its experience with the housing scheme financed by a foreign NGO (see next section), the Association had formulated a proposal for the financing of building materials to be transferred via the Association to the residents. The Governor received representatives of the Association personally, and he promised that Nova Aurora would be the first to benefit from his new housing program. One month later, the State Secretary of Labor and Housing visited Nova Aurora; three months later the first load of building materials was symbolically handed over to the Association.

In the subsequent months, apparently nothing was done about the implementation of the program in Nova Aurora. Half a year later, in November 1983, a new massive demonstration was held in front of the Governor's palace, this time to demand implementation of the promises made earlier. The Governor was absent at the time, but the leaders of the MNA initially refused to talk with lower placed representatives of the government. They remained a whole evening, and only withdrew after having been assured that the governor would pay a personal visit to Nova Aurora. One week later the Governor made his appearance in front of thousands of people in Nova Aurora. He flew in by helicopter and signed an agreement with the Mayor of Nova Iguaçu about the transfer of the 430 plots owned by the municipality to the State Housing Company CEHAB\textsuperscript{58}, which was to implement the project. Actually, it was the same land that had previously been promised to the Association and effectively occupied by its members!

During the term of office of Governor Brizola, a new housing project was launched, to be implemented jointly by the State Housing Company and the Mutirão de Nova Aurora Association. This public-private partnership is the focus of our attention in the next subsection. In the years that followed, part of the necessary infrastructure and two public schools were also implemented in Nova Aurora by the State government. Nova Aurora became a privileged site in terms of public investment during the Brizola period. The leaders of the Association were co-opted into the political camp of the governor, the PDT. Both the president of the Association and his successor ran for election as PDT candidates in 1986 and 1988. After a new State government came to power in March 1987 (not PDT), public works in Nova Aurora stagnated.

\textsuperscript{58} Companhia Estadual de Habitação
5.2.3 The public-private housing project

By now the MNA was involved in two housing projects, of which only one could be comprised in our field research. The first one, on which we made a case study, was started on their instigation, with additional financing by a foreign donor organization, is the subject of the next sections. The second project is dealt with (only very briefly) in this section, as it took place more or less simultaneously in the same area. This latter project is a joint venture with the State Housing Company (CEHAB) and was launched by Governor Brizola of the PDT.

This public-private project consisted of 1690 dwellings of 24 sq.m. each. The design that was adopted had been proposed by the Association, and was based on the Association’s own housing project (see Figure 5.1). It took until September 1985 before the first 35 houses were ready. By the end of the term of the Governor (March 1987), 130 out of the 1690 planned houses were built. When his successor came to office, the project was interrupted.

The dwellings were built by the partnership with locally contracted labor and had an estimated cost of 500 UPC (about US$ 4098), excluding the cost of land. This figure was composed of the following costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>UPC</th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) building materials</td>
<td>166</td>
<td>1360</td>
</tr>
<tr>
<td>b) construction labor</td>
<td>110</td>
<td>902</td>
</tr>
<tr>
<td>c) infrastructure</td>
<td>124</td>
<td>1016</td>
</tr>
<tr>
<td>d) administration</td>
<td>100</td>
<td>820</td>
</tr>
</tbody>
</table>

The conditions of financing were very favorable: 50 monthly installments of 15 percent of one basic wage. An amount of 70 UPC is repaid this way, which is 14 percent of the cost of the investment, excluding the cost of land! In 1988, the procedures for paying the installments and issuing the official title deeds had not been established yet.

The direct benefits included access to housing for a ‘happy few’. Yet far more important was the fact that the project implied an official acknowledgement of the Association and of the claims of the residents to the land. In addition, the housing project brought about infrastructural improvements for the settlement as a whole. Most of the plots in the area had been assigned to members of the Association, many of whom had already constructed their houses on their own account. Therefore, the plots on which the project could be implemented were more or less dispersed. To offset the danger of inundation, many streets and plots needed landfill works. As was the case with the extension of electricity and water mains to the houses of the project, the other residents benefited from these infrastructural works as well.
Photo 16. Nova Aurora 1988. In the front, the public school (left) and the Association offices (right)

Photo 17. Public housing in Nova Aurora. No more than 130 out of 1690 planned units were built
Figure 5.1 House design of the CEHAB housing project, Nova Aurora

Source: OTB Survey, 1988
5.3 Mobilizing resources for the building project of the Association

5.3.1 General goals and set-up of the project
Facing the imminent occupation of the vacant land in Nova Aurora by the Mutirão movement in 1981, the Mayor of Nova Iguaçu had promised to sell 430 plots owned by Codeni to the participants of the MNA. As no concrete measures were taken in subsequent months, the MNA decided not to wait any longer, and started to stake out and allocate plots to its participants in the beginning of 1982. Some people started to build their houses immediately; others settled into provisional shacks; still others did no more than build a fence around their plot, waiting for the basic infrastructure to be implemented or for better financial conditions to start building their houses.

In order to foster the 'de facto' occupation of the area, the Association requested financial aid (of about US$ 150,000) for housing construction from a Swiss NGO, by the end of 1982. This aid would be used by the MNA to issue loans in kind (building materials) to its members. That would finance 300 houses at a unit cost of US$ 500. The financed amount would enable the partial construction of a 37.2 sq.m. dwelling. Labor power, roof tiles, doors, and sanitary equipment would have to be supplied by the resident. The reimbursement of the loans would form a revolving fund, which would be used to issue new housing construction loans. A local counterpart NGO of the donor agency, with headquarters in Rio de Janeiro, assisted the MNA in formulating the initial and the definitive project proposal. After approval of the project by the donor agency, the regular monitoring and evaluation of the project was delegated to this local counterpart.

As is usual for development agencies, they do not merely invest in housing as such but are mainly interested in bringing about some kind of development. That may take the form of sustaining a group of poor farmers in their efforts to establish an agricultural cooperative or a group of poor urbanites who want to start an income-generating project like a small-scale industrial coop. In the case of housing, like other forms, the 'end product' itself is not the final target but an instrument to the social development of the community. This development vision stems from the experience that failures arise particularly in situations where little or no attention has been given to the community into which the aid project was dropped (Schütz 1987: 4.3). In the words of the local NGO, the strengthening of the social organization of the residents in the area was central to the project. As the Association states in the project proposal: "our movement is aimed at forming a human community, and not just building houses." In its advice to the donor agency, the counterpart states: "the success of the project does not depend solely on its financial performance. The crucial aspect is to develop solidarity within the group, that is, to believe that they can meet the task of housing construction as a collective initiative, instead of the search for an individual solution."
The initial project proposal was still very general, and did not go into detail beyond the broad set-up and goals. In order to work out the proposal further and to assess the viability of the proposed scheme, a pilot project of 12 dwellings, financed by the local NGO, was initiated by the end of 1982. Some important findings of the pilot project are presented below.

1) The rate of participation in the mutual-help construction was very low. People preferred to execute the works on their own account. This may be attributed to the following factors: the spatial dispersal of the plots (this also was seen as a problem in the adjacent public-private projects); the lack of experience in mutual-help work; and the general fear among the participants of 'being taken advantage of' by the other participants, that is, of contributing labor to others without receiving an equal share.

2) There were additional, not computed costs: preparing the site for construction (landfill or levelling); building fences to guard against cattle and theft; and the transportation of building material within the area.

3) Participants had difficulty in finishing their houses, especially due to the relatively high cost of sanitary equipment and corrugated iron sheets used for roofing. This led to delays in finishing the house and exposure of the building site to erosion and theft.

Photo 18 In spite of the original purpose to build houses by mutual-help, most participants of the project built their houses individually
In our opinion, though, the analysis overlooked a major obstacle to successful mutual-help housing construction works: the simple fact that the participants already knew which plot was theirs, as the plots had already been assigned to them before their admission to the pilot project. For further analysis we will call this 'premature' ownership. In similar cases (see for instance Schütz 1987: 4.3), it is not unusual to arrange collective ownership during the construction period and to transfer - by drawing lots - the newly built dwellings to their respective owners only after completion of the project. This seems harder to effectuate than may be the case when the plots are cleared in order to be able to do landfill or levelling works before the start of the construction. The participants’ fear of being taken advantage of during the mutual construction was envisaged as a major cause for the low participation rate. As we see it, this fear was justified in conditions of ‘premature’ ownership! Additional problems in the implementation phase are described in Section 5.4.

Based on the experience of the pilot project, as it was perceived by the local NGO, an adapted project proposal was drawn up and then accepted by the donor agency in April 1983. It was decided to finance all construction materials so that finished structures could be built instead of unfinished ones, as proposed in the pilot project. In addition, the size of the dwellings was diminished from 37 sq.m. to 24 sq.m., which is very small indeed. Figure 5.2 shows the final floorplan of the proposed dwellings. Also it was agreed to implement the project gradually so that not to overburden the organizational and administrative capacity of the Association. Every trimester 24 houses would be built by six groups of four households, over a period of three years. 'Premature' ownership of the construction sites was not perceived as a real danger. Accordingly, no adjustments were made to deal with the attendant problems. Likewise, each participating family knew before the start of the project which dwelling would be theirs. This gave way to antagonistic feelings within the groups of families that were supposed to build each others’ houses simultaneously on an equal and mutual basis. Despite the observed reluctance of participants to build their houses together, the proposal insisted on construction by mutual help, and it made no allowance for dissent. The remittance of the project funds, and the continuation of the project would depend on the previous construction results and on further evaluation reports by the local NGO. In October 1983, the construction of the first group of 24 houses was started. By the end of 1987, 223 dwellings had been completed, and 77 were scheduled for 1988.

The MNA, the donor agency, and the individual households are the three main actors in the housing project. The MNA has taken the initiative and procured financing for building materials. It provides access to land, a standard house design, and arranges bulk purchase and retail distribution of building materials. The overall management of the project is the responsibility of the MNA. Financing is provided by the donor agency, but the responsibility for the allocation and recovery of funds rests with the Association. The individual
households take care of the planning and execution of the construction works. It should be noted that, unlike the housing project of São Bernardo described in Chapter 4, not all resources needed for housing are provided within the scope of the housing project. Access to land, for instance, is ensured by membership in the MNA and does not depend on participation in the project. The allocation of plots within the area and the street pattern roughly follow the urban development plan as outlined in the original subdivision plans, which date from the early
1950s. Also the project does not include the provision of infrastructure and services. Depending on the location of the plots of participants in the settlement, they may have or may well not have access to piped water and electricity. As a matter of fact, the project aimed at encouraging people to occupy the empty and unserviced land, thereby consolidating the settlement and increasing the demand-making power of the residents for the provision of services. All houses were built without legal permits.

5.3.2 Management and coordination
The MNA bears overall responsibility for the housing project. It receives and allocates funds, selects participants, is responsible for the recovery, and is answerable to the donor agency. In the actual construction work the Association plays a limited role, as construction is delegated to the beneficiaries themselves.
The recruitment and selection of participants is a task of the Association. No formal selection criteria were stipulated in the project proposal; informal criteria prevail in selecting the participants. Among the criteria used are length of membership in the MNA, intensity of participation, and necessity. Selection does not follow a formal procedure; instead, it is based mainly on a subjective assessment by the members of the board and on informal agreement. The procedure, therefore, is not subject to control by 'outsiders', nor by individual MNA members. Candidates applying for participation usually address the president of the Association or one of the other members of the board. This is a source of power and prestige for the members of the board, and does not keep the selection process free of personal favoritism. It is illustrative that half of the board (six out of twelve persons) was included in the pilot project and in the first group of 24 houses.

The decisions at project-level are formally made by the elected Board of the Association, consisting of the President, a treasurer, a secretary, and a number of department directors (sports, works, women's affairs, culture, etc.). To withdraw money from the bank account of the MNA housing project, the signatures of the president and the treasurer are necessary. A foreman has been contracted to take care of bulk purchase of materials and technical assistance in the building works. Many day-to-day decisions are made by him.

A reserve fund was created by the Association by changing the foreign currency received from the donor agency on the 'black' market. With these extra funds a 'building materials bank' was created. Participants can obtain small loans (up to 25 UPC, about US$ 205) for the purchase of building materials from it. As is the case with the loans from the project, these loans are issued 'in kind'; that is, people do not receive cash but building materials from the Association's storage place.

Building materials are purchased in bulk and stored at the central building of the Association. Participants in the project withdraw (in parcels) the building material assigned to them on the basis of the standard house design. A foreman, whose salary is included in the budget for the project, is responsible for the administration of the storage place, and for supervision of the building works. In principle, participants can only withdraw an additional parcel of construction material after the foreman verifies that the works are being executed in accordance with the standard design. This check, however, is not done systematically, due to the wide dispersal of the sites, the lack of personnel, and the inadequate transportation facilities in Nova Aurora. The participants themselves have to provide for transportation of materials to their plots, which is usually done by rental vans or donkey carts.

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59 This is a common practice in Brazil. In 1988 the exchange rate in the 'black' or 'parallel' market yielded between 30 and 100 percent more than the official exchange rate.
Photo 20. Candidates applying for a plot at the Association Office

Photo 21. Building material being transported from the building materials bank of the Association to the construction site
5.3.3 Design, technical assistance, and financing

Initially, the project was intended to finance the partial construction of a standard 37 sq.m. dwelling, leaving acquisition of building materials for the roof, doors, windows, and sanitary installations to the beneficiary. However, the pilot project showed that people had difficulty in finishing their homes without substantial delays or recourse to additional financing. A new design of a 24 sq.m. core house was drawn up, comprising two rooms and a toilet/bathroom without internal or external finishing (plastering), but including roof, doors, windows, and sanitary and electrical installations (see Figures 5.1 and 5.2). The cost was estimated at US$ 505 (61 UPC) in 1983.

The initial as well as the final design was made by an architect contracted by the local counterpart NGO, who also assisted in the first year of implementation of the project. The idea of a standard house design was part of the original purpose of having the houses built by mutual-help groups, with technical and organizational assistance of the Association. Mutual-help building, a standard house design, and technical assistance are intimately linked concepts. They are based on the principle of standardization of process and product: mutual-help building requires equal labor participation and a product that is equal for all. In order to execute the standard house design and organize the mutual-help labor, technical advice would be provided by the Association.

In practice the construction did not take place by mutual help but by individual self-management. As the participants individually assumed the responsibility for the building process, the standard design was abandoned as well. Each participant is entitled to a standard quantity of building materials. People frequently add materials purchased on their own account, altering the standard design to their own priorities and possibilities.

It is hard to give a more or less exact estimate of the cost of the dwellings built. This is due to fluctuations in exchange rates and prices of building materials, as well as to the absence of systematic records on the purchase and allocation of materials. The cost of building materials for the first group of 24 standard 24 sq.m. dwellings was estimated at US$ 505 (61 UPC). Estimates for the subsequent groups vary between 46.5 UPC and 116 UPC, averaging 71.4 UPC. Adding the wages of the foreman (for the purchase, storage, and distribution of building materials) yields an average of 75 UPC (US$ 615) per dwelling.

The financing function is performed by the donor agency, which delegates the responsibility for the selection of beneficiaries, the administration, and the collection of installments to the Association. The amount of the loans varies in time according to the price of building materials necessary for the standard dwelling unit. On average the financed
amount is about 75 UPC (US$ 615), used mainly for the purchase of building materials for the 24 sq.m. core unit. The conditions of repayment are targeted to what is presumed to be the paying capacity of the beneficiaries. The value of installments is indexed to the basic wage: beneficiaries repay the loan to the Association in 50 monthly installments of 15 percent of one basic wage. The total value of repayments amounts to 12.5 basic wages (70 UPC). According to a survey by the MNA in 1983, monthly household incomes of members ranged between one and three basic wages, with an average of 1.3 basic wage (7.3 UPC or US$ 60). The proposed monthly repayments, according to the MNA, would then require at most 15 percent of the monthly household income.

5.4 Implementation of the housing project

As befits a mutual-housing scheme, one would expect the groups of four households to build their dwellings by mutual aid. However, in this case, individual households were in charge of the construction of their dwellings. Admission to the project entitled them to a predetermined quantity of construction materials, sufficient to build a standard unit of 24 sq.m. Preparatory meetings with the participants of a group of 24 households were held with the foreman and members of the board. The standard house design was discussed at length only with the participants of the pilot project and the first group, and these discussions led to adaptations in the design. For the subsequent groups, the standard design was compulsory.

As mentioned earlier, the original purpose was to have the dwellings constructed by mutual help, with technical and organizational assistance by the MNA. From the onset, there were difficulties in realizing this goal. The experience with the pilot project demonstrated that people would rather build a house on their own, for reasons already explained. However, this did not lead to changes in the initial set-up of the project, nor in adjustments in the project implementation. Mutual-help construction already failed with the first group of 24 dwellings. It was then decided that candidates for the next groups should commit themselves in advance to mutual-help building. This measure did not have the desired effect either; people built their houses on their own again. A commission composed by members of the MNA, the local Catholic Church, and the local intermediary NGO was formed to tackle this problem. According to the NGO, the board of the MNA should have invested more time and energy in monitoring

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60 This conversion US$-UPC is based on the March 1988 exchange rate. At the time, the US$ had a higher exchange rate. Expressed in US$, this amount exceeds the financing by the donor agency (US$ 505 per dwelling). As the received currency was changed on the black market, the real amount of funds over which the MNA disposed was at least 30 percent higher.
the project; until then the members of the board limited themselves to selecting
the participants and distributing the building materials.
The Association then proposed that the donor agency should limit the quantity
of houses to 15 per trimester and invest the remaining funds in other activities
that would be more instrumental in meeting the goal of community-building.
For reasons not specified, the donor agency did not agree with this, and the
project continued at the rate of 24 houses per trimester.

As the decisions about construction were in practice delegated to the individual
households, there are hardly any data about how the actual process of
construction took place. Yet it is known that eight out of the 24 participants in
the first group made alterations to the standard house design. It is unknown
whether these alterations were made on purpose or because of lack of technical
assistance during the construction. As mentioned earlier, the foreman could not
always effectively give advice 'on the spot', nor control the progress of
construction.

Another aspect of implementation concerns cost recovery. From the start cost-
recovery did not seem to have a high priority for either the donor agency or the
Association. The board of the Association initially considered leaving the task of
recovery to a contracted firm in order to avoid personal tensions. Though this
idea was abandoned later on, it indicates that the board considered recovery of
the loan as a task they would rather not deal with. The available figures and
reports indicate that the rate of return is very low. According to a report from
the end of 1987, between 10 and 20 percent of the money lent is recovered.
Table 5.1 gives an overview of the rate of return for the first group of houses,
three years after completion.

The figures show that about one-third of the beneficiaries did not pay even one
installment; that 40 percent has considerable arrears; and that only 16 percent
can be considered 'regular' repayers.
What are the reasons for the poor recovery of the loans? The intermediary NGO

Table 5.1  The MNA housing project: rate of return for the first group, 1987

<table>
<thead>
<tr>
<th>Due installments paid</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>none</td>
<td>8</td>
<td>32.0</td>
</tr>
<tr>
<td>1% to 50% of the due installments</td>
<td>10</td>
<td>40.0</td>
</tr>
<tr>
<td>51% to 99% of the due installments</td>
<td>4</td>
<td>16.0</td>
</tr>
<tr>
<td>up to date</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>unknown</td>
<td>3</td>
<td>12.0</td>
</tr>
<tr>
<td>total</td>
<td>25</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: MNA records
attributes this to the 'widespread poverty' in Nova Aurora, which prevents people from paying even a modest amount for housing. Though this may be true at a general level, some members of the Association offer a different explanation. In their eyes, the Association lacks the will and the formal power to ensure a better recovery of loans.

To begin with, recovery is not a priority for the members of the board. As explained earlier, informal contacts and personal relations are common means of recruitment and selection of participants. Members of the board derive personal prestige from their resource-allocating role in the housing project. As is the case with other resources mobilized by the Association, the allocation of these resources among the residents of the area usually takes place as a 'distribution of favors'. Members of the board are regarded by residents as people with power who can bring about improvements. In return for their 'works' or favors, they receive political loyalty. In this frame of reference, it is clear that insistence on recovery of loans does not enhance one's political base. Experience has shown that local leaders tend to go into formal politics after a while.

Secondly, taking into account the time span involved in the project, people point out a certain 'learning effect' among the beneficiaries regarding the possibility and consequences of non-repayment. Experience with the first groups demonstrated that the MNA does not really care about recovery, and that there are no sanctions on being in arrears. In addition, some members of the board who took part in the first two groups were not exemplary in their commitment to repayment either, and this is known by other participants. This fact gives the Association little moral authority to insist on loan recovery.

Third, there are legal problems in enforcing sanctions on people who are in arrears, because all houses lack legal land titles.

5.5 A preliminary evaluation

By mid-1988, 223 of the planned 300 loans for housing construction had been issued in the context of the housing project. Three groups of 24 dwellings are still scheduled. According to information provided by the Association, with the exception of a few beneficiaries who sold the building materials upon receipt, all the loans resulted in the construction of houses in Nova Aurora. The participants more or less followed the plans for the proposed core house of 24 sq.m., but they frequently made alterations in the design. Though the project has not been concluded yet, a preliminary evaluation is certainly possible. As in Section 4.5, we follow the questions posed in the introduction.

Question 1: Why and by whom are collective self-help initiatives undertaken?
Within the framework of the strengthening of social organization of the residents of the collectively settled area of Nova Aurora, occupancy was to be consolidated.
The instruments to achieve this goal included:

1) providing people with credit, building materials, a suitable and affordable design, along with some technical assistance
2) forming small groups of participating households to construct the dwellings by mutual help

How far have these goals been achieved?
Consolidation of the settlement has indeed taken place, and it seems plausible that the project contributed to this. First, it provided a direct subsidy for people to overcome the obstacle of lack of money and to establish residence in the area. Once the first dwellings were constructed, others soon followed. To have people actually residing in Nova Aurora was an important means for the Association to assure tenure of the land, as the Association held no legal title to it. In addition, as the number of inhabitants increased, there was a broader social base for claims for demands for the provision of infrastructure and the implementation of a government housing project.

One could argue that the effect of the project on the consolidation of settlement was relevant only in the initial stage of occupation. The State of Rio de Janeiro started infrastructural works and the implementation of its housing project in a public-private partnership with the Association in 1984. After this, consolidation was a fact, so on that point there would be less need to continue the project. Yet, we do not agree with this argument for two reasons. First, the Association

Photo 22. This house financed by the project has been doubled in size
started to occupy neighboring empty land in subsequent years, so the project played an instigating role more than once. This was possible due to the gradual implementation of the project, which spanned several years. Secondly, the organizational learning that took place in the MNA during the initial phase of formulation and implementation of the pilot project was crucial to the subsequent request made to Rio de Janeiro State government in 1983 finance a similar housing project. After pressure by the Association, the proposal was accepted and a housing project was initiated in Nova Aurora by the State government.

Question 2: How are collective initiatives organized?
Depending on the scale of analysis or point of view, the consolidation of the area did or did not take place within the framework of strengthening the social movement organization of the residents of Nova Aurora. On the one hand, we argued in the previous section that the MNA underwent a learning process and strengthened its capacity to make demands on local and state authorities on behalf of Nova Aurora residents.

On the other hand, the social movement organization of individual residents did not grow similarly; for various reasons, the construction was not carried out on a mutual-help basis, as was analyzed in Sections 5.3.1 and 5.4. We will comment further on this issue in the next section. Nor were the participants deeply involved in the decision-making process of the entire project. One also has to consider the possibility that fostering horizontal solidary relations is not a priority for (local leaders of) the Association. Apart from decisions concerning the actual construction works, which are delegated to the individual participants, decision-making in the project is concentrated in the hands of relatively few people. Though these people are in general well-meaning and committed to the advancement of their neighborhood, the project becomes mixed up with private goals and interests. This is clear in regard to recruitment and selection of participants, as described earlier. Members of the board who have political aspirations tend to build up a personal 'clientele' among the residents of Nova Aurora. Like other resources controlled by the Association, the housing project is instrumental to this objective. By their position as 'brokers' of scarce resources, these members of the board are in the position to do favors to others, thus enhancing their political prestige. Instead of strengthening horizontal solidary relations - one of the goals of the housing project - it ends up by fostering clientelistic relations.

Question 3: What barriers have to be overcome in order to meet the objectives?
The evaluation of this issue takes us back to the failure of the implementation of the construction by mutual help. Under the prevailing conditions, the participants clearly preferred to build their dwellings with the collectively achieved credit and building materials in the usual way of self-managed implementation. Evidence on mutual-help building schemes shows that safeguards are required to ensure that people contribute equally in the efforts
and share equally in the results. This implies a considerable investment in terms of know-how and management efforts: careful selection of participants; thorough discussion of a design and of the working regulations, which have to be accepted by all participants; planning of the works so as to match them with the availability of labor; development of control mechanisms for the labor contribution, etc. To assure equality in effort and benefits, the houses are often constructed all at once and allocated by lottery in the end.

In the design of the project it was assumed that mutual help would foster organizational processes and at the same time strengthen solidarity between people. Yet it was not fully realized that mutual help should make practical sense to people if they are to participate at all. They should perceive it as a rational allocation of their scarce resources. Land had been assigned individually; building materials were also allocated to individual households. What remained to be done was collective labor on individual dwellings. Apart from the 'free-ride' problem that participants feared, it should also be recognized that mutual-help building is management-intensive. The Association largely lacked the necessary know-how and human resources to initiate and monitor this process. The relatively small group of leading persons had to allocate their scarce time and energy to many other important activities as well: negotiations with state and municipal authorities about implementation of infrastructural works and a housing project; invasion of new parcels of vacant land; allocation of plots to the members of the Association. Under these constraints, with some reluctance it was left to the participants of the project to decide whether they would cooperate or not.

Question 4: What are the results of collective initiatives?

From the perspective of the participating households the project can be regarded as a success. People got access to building materials under very favorable conditions: no more than 15 percent of the household income had to be committed to payment of installments. An additional advantage for the participants is that the Association does not spend much effort on the recovery of the loans. This, of course, has negative implications for prospective participants, who depend on the functioning of a revolving fund to have an opportunity themselves. Participants enjoy a great deal of freedom in the allocation of the received materials. The final results in terms of residential quality are therefore subject to variation. This is not only because people allocate resources obtained from the project according to their own priorities and possibilities, but also because the physical conditions of the plots and the level of servicing vary greatly.

Because we have far less data on the Nova Aurora project than on that of Vila Comunitária, our evaluation in terms of the criteria that were formulated in Section 3.8 have to be more brief.
Summarizing, it can be stated that this initiative functioned as a subsidy on housing construction and on the consolidation of the occupation of the newly conquered site of Nova Aurora. With a subsidy of about US$ 500 each, about 230 households have by now been able to build their houses and to establish residence there. This subsidy has a clearly complementary character: it enables people to make use of the land they have acquired through collective invasion. By enabling people to move to the area, the subsidy indirectly increases the demand-making capacity of the settlement as whole for the provision of infrastructure and services. Once these are implemented (which has to a certain extent already taken place), other people moving to Nova Aurora benefit as well.

The experience acquired with the formulation, discussion, and implementation of the housing project, moreover, was an incentive for the Association to advance concrete proposals and demands for government assistance in the housing provision in Nova Aurora. This learning effect could take place because the scope and set-up of the project is geared to the local situation, including the modest organizational capacity of the Association. Apart from a limited advisory role by the local intermediary NGO and the local church, the project was
formulated and implemented by the Association itself, with the resources and skills at hand. Compared to the public-private housing project, the initiative of the Association is far more cost-effective: 230 houses were built thanks to a subsidy of US$ 500 each, with almost no administration costs. The CEHAB, in turn, constructed 130 dwellings at a unit cost at least four times as high!
COLLECTIVE INITIATIVES FOR LOW-INCOME HOUSING; CONCLUSIONS

6.1 The context

The aim of the present research is to evaluate some promising approaches that have been used in collective initiatives in the informal housing sector. It also aims to assess or identify the barriers that have to be overcome by the self-help building associations. These barriers may be very different in character and can be financial, institutional, or organizational. They may involve a wide variety of public institutions, as well as some non-governmental organizations.

The research objective was expressed as two main questions:

Under which conditions can collective self-help initiatives by low-income households to improve their housing situation be successful?

What role does the government play?

The role of government was depicted in Chapter 2 as mainly conditional in character. We will first deal with this issue, as it forms the context within which self-help groups operate.

In Brazil the government has a limited role in planning and structuring neighborhoods emerging through self-help housing provision. More often than not, a site for new urban settlement is first occupied by the residents. Only later on, if ever, are urban infrastructural works carried out at the site. Even the urban lay-out plan, which prescribes the street pattern and the partitioning of the plots is often made by the first residents themselves. Usually this is done more or less according to the prevailing building regulations for urban residential areas.

The role of the government in direct housing provision for lower-income groups is limited as well. Investment in direct housing programs targeted to households earning up to three basic wages has been way below the amount of housing investment for higher-income groups, even though the housing shortage in the former segment of the housing market is many times greater than that in the latter. Not only do the public housing programs allocate little resources to segments where the demand is highest, but the dwellings it provides have largely
proven to be unaffordable for these lower-income groups. Of all housing built through the national Housing Finance System (SFH) between 1964 and 1986 only 24 percent was directed at households who earn up to five basic wages. Only those who earn at least three basic wages could afford the apartments supplied (see Section 2.3). For those Brazilians (41 percent of the population) who live below the poverty line of three basic wages or, more accurately, of less than one-half basic wage per capita (See Appendix I), the government made very little public investment to provide housing.

A summary of the evolution of shelter policies is given in Table 2.9. This table also compares Brazilian perceptions, policy aims, and the periods in which they were pursued with those characterizing the Third World in general. All Brazilian SFH programs were directed at the promotion of home ownership in combination with slum removal. This policy of reallocation of favelados together with construction of high-rise apartment blocks was intensified during the sixties. Until then, the favelas were considered marginal to the urban fabric, a pathological problem that had to be removed (Perlman 1976, Taschner 1986). From 1971 until the bankruptcy of the BNH in 1986, the government adopted a sequence of alternatives to the public provision of ready-made housing for the lower-income population. The impact of these low-income housing policies is severely limited as they have only been applied on a very modest scale. An overview of the federal programs for low-income housing was presented in Table 2.10.

In 1971 a first attempt was made to formulate an alternative strategy. By then it was realized that many migrants entering the large cities would first settle in the favelas, and then move on to other locations (the squatter settlement as a trampoline). The aim of the alternative policy was to create provisional neighborhoods (Vilas de Habitação Provisória) in order to shorten their stay in the favelas. This program was effectuated on a very small scale in 1973 and 1974 (Taschner 1986: 89). Wooden barracks were built on the squatted land (that is to say, only when this happened to be municipal property) with some sanitary amenities. Social and labor assistance was provided for one year, after which the participating families were expected to have moved up the socio-economic ladder. The concept proved wrong: the participants stayed on. Under the military regime, perhaps to appease the masses, a site and service program called PROFILURB was launched in 1975. It was based on the previously formulated aim to turn the entire population earning between one and three minimum salaries into homeowners within ten years (Valladares 1983: 76). The program offered a serviced plot with a core unit and cheap credit. Until 1982 only some 44,000 sites were delivered. Meanwhile more and more SFH funds were moved away from housing and directed at investment in urban development. At the same time, relatively larger shares of the remaining budget were devoted to housing for higher-income categories. Housing for these groups was more profitable for building contractors and a safer investment for the National Housing Bank (Valladares 1984; 1983: 77).
Research revealed that even at that time, not all squatters were recent migrants and not all of them found their first urban residence in a favela. The favelas grew exceedingly fast as a result of a process called pauperization, in addition to the, officially acknowledged process of rural-urban migration. It became clear that the favelados were there to stay. As part and parcel of the urban entity, the squatter settlements were typified as 'the expression of urban contradictions' and their inhabitants were considered part of the regular work force. The perception of the squatter settlement as a solution rather than as a problem was a breakthrough in official policy.

Together with the gradual abertura or opening-up of the military regime, several upgrading programs were set up simultaneously at state or community level, but the implementation was not coordinated. Some of these schemes were directed simply at encouraging government agencies to extend their services to the squatter settlements, for instance the PRO-AGUA and the PRO-LUZ programs. Between 1979 and 1985, PRO-AGUA connected some 12,000 squatter dwellings to the water mains, while PRO-LUZ connected electricity to some 110,000 favela dwellings.

Upgrading of the dwellings themselves was the target of the federal PROMO-RAR scheme. It aimed at legalization, extension of basic services, and provision of credit to construct a core unit of 30 sq. m. on a 75 sq. m. plot, with an average subsidy of 227 UPC. The program was followed by a similar one called 'João de Barro', which had an average subsidy of 113 UPC per dwelling. These two programs generated almost 170,000 units between 1979 and 1985. However, since the takeover of the BNH by the CEF, all these SFH-funded housing schemes have come to an end.

The contribution of the above-mentioned programs to the amelioration of the housing need of Brazil's poor has always been piecemeal. And now the poor are once again forced to satisfy their housing needs themselves. The biggest problem is not so much the end of housing programs for low-income groups but the end of all other housing programs as well. This is aggravated by the overall pauperization of the nation's lower- and middle-income population. The process of densification has taken on enormous proportions in the favelas and cortiços, and, to a lesser extent, in periferal areas as well. The increasing density and the large-scale shifts between certain segments of the housing market, as described in Chapter 2, make it harder for individual lower-income households to satisfy their housing needs by the traditional self-help approach. Land in the urban centers of the large metropolitan areas as well as in those of other large cities is growing scarce. Even prices of unserviced land are getting beyond reach. The fringe of the cities, where affordable land may still be available, has become too distant from job opportunities and services, due to the size of the cities. Under these conditions the renewed call for the removal of slums from centrally located areas is not surprising. Large-scale urban developers feel the need to recoup land for a process called the elitization of urban areas (Smolka 1986, Tachner 1986).
In this context, the early 1980s saw the emergence of several collective initiatives in the field of low-income housing. This research focuses on a few promising collective initiatives of low-income people, that is to say, initiatives undertaken by groups of people, in which participation is voluntary.

Now we turn to the first research question stated above. Before answering it, we have to determine what is successful and how to evaluate the projects. There is no single criterion of success. It depends on the objectives of the initiative and the alternative strategies to meet these objectives. The evaluation may turn out differently for the participants than for society as a whole. Also, it makes a difference whether the goal is to build many houses as cheaply as possible or to alleviate poverty in a wider sense.

Our approach has been to document a selected set of collective initiatives, their participants, targets, activities, and their results. Explicitly we advocate the standpoint of the participants and their aim of gaining a firm foothold in life by acquiring a home of their own.

The central question has been divided into the following research questions:
1) Why and by whom are collective self-help initiatives undertaken?
2) How are collective initiatives organized?
3) What barriers have to be overcome in order to meet the objectives?
4) What are the results of collective initiatives?

A conceptual framework for analysis was outlined in the theoretical chapter. This conceptual framework offers a comprehensive view of the conditions underlying the emergence, development, and the results of collective initiatives. Special attention is given to management and organizational problems encountered in an SMO. And the chapter identifies the barriers that have to be surmounted successively during the process of collective self-help housing strategies. These issues provide a framework for a checklist of evaluation criteria, with which the chapter is concluded. These criteria were employed in the accounts of both case studies.

We do not provide a summary of either the theoretical chapter or the chapters on the two cases. Instead we present the outcomes pertaining to the research questions. In this way we provide a basis for comparison along the lines of the criteria that were discussed in Section 3.8). The next sections give a short review of each of the two cases. This is followed by a comparison along the lines of the evaluation criteria (see Box 6.1). We feel that theory and practice are not separated; rather, they should be treated as two sides of one coin. The two cases in question deal with Vila Comunitária in São Bernardo do Campo and Nova Aurora in Nova Iguaçu respectively.
6.2 The participants and their goals

Why and by whom are collective self-help initiatives undertaken?

Vila Comunitária, São Bernardo
The Mutual-Help Housing Association was an initiative of two major groups of people, who were to a large extent already involved in collective initiatives:

1) a group of residents of a squatter settlement, who were engaged in activities of the neighborhood association, the ecclesiastical base community, the labor union, and the food-stock committee of the ACC (Community Association). Later on, people from outside the squatter settlement (living in rental housing and people living in ceded accommodation) joined the initiative as well.

2) activists of the ACC, former labor union leaders, who were engaged in the food-stock project.

These groups of participants had complementary objectives:

1) The squatters, the renters, and the people sharing accommodation wanted to improve their housing situation by building their own houses on a legally owned site outside the squatter settlement.

This objective derived from the shortcomings of their housing situation. The squatters suffered from lack of security of tenure, precarious services, social insecurity, and the social stigma of being a squatter. In accordance with what might be expected in view of their stage in the family cycle, practical gender needs, and housing market behavior (see Volbeda 1989), the participants had clear motives. They were not only in need of more room in order to accommodate the family, but preoccupation with the health and safety of growing-up children in the squatter settlement also played a role in their desire to leave the favela. But the housing market in São Bernardo offers few alternatives. The renters of so-called 'backyard rooms' not only suffered from lack of space; they acutely felt the pressure of increasing rents on the household budget, in times of high unemployment and decreasing wages. For this category, moving to a house of one's own was above all a means to escape from the rent squeeze. People sharing with parents or kin viewed their arrangement as a provisional solution, and aimed to improve their housing situation by moving to an owned housed as well.

As socio-demographic data on the participants show, the majority of the households were in the expanding stage of the household cycle. This entails a need for more living space and for a safe and healthy environment to raise children. While an expanding family raises the expenditure on food, clothing, furniture, etc., the birth of children tends to tie women to the household, restricting their income opportunities. This forces them to cut down on expenditure. Moving from rental to owned housing is itself an important strategy to meet these needs.
The cooperation of the initial group of squatters with the ACC gave them access to information, to organizational and technical know-how, and to a network of contacts with other organizations. These were relevant resources to take the initiative further.

2) The ACC aimed to realize a housing project for (and by) low-income households, managed and implemented by an autonomous civil organization representing the beneficiaries. The purpose of this project, like other projects of the ACC, was to win the commitment of public authorities to projects initiated and implemented by civil organizations. By the housing initiative, the ACC wanted to create a democratic alternative to the top-down policies which characterized the Brazilian public administration under military rule (1964-1985).

Nova Aurora (Nova Iguaçu)
There is little information about the social and economic characteristics of the participants of the Mutirão de Nova Aurora. What we do know is that Nova Iguaçu is a municipality with a booming population, with relatively more low-income residents than the average in the Rio de Janeiro Metropolitan Area, and with great deficiencies in infrastructure and services. Furthermore, we know that within a few months time, hundreds of people were mobilized around the plan to invade a large site of vacant public land.

Oral accounts of the initial stage suggest that the initiative did not originate from previously existing collective activities; the occupation of the area had just started. Naturally, fending off the threat of eviction was the first and main aim of collective action. The best way to reach this goal was to ensure the occupancy of a vast area by mobilizing hundreds of people. The presence of a charismatic leader, with previous experience in land invasions, was an important catalyst for collective action. But the board of the MNA did not frame the actions in a broader ideology and strategy for social and/or political change. The land in question was owned by the Municipality of Nova Iguaçu. Once it was achieved, the objectives of the Association shifted toward the implementation of basic infrastructure and public services by the same local authorities. Simultaneously, the MNA engaged in collective housing construction. Unlike the very first period of collective invasion, at this point the MNA had a dual purpose for the housing project: to secure the tenure of the land and to generate solidary relations among the new residents of Nova Aurora.

Comparison
In both cases the initiative originated from the grassroots level, that is to say, from the beneficiaries. The main direct goal was to improve the housing situation of the participants, as well as to strengthen the social organization among the participants. The main differences between Vila Comunitária and Nova Aurora bear relation to:
a) The scale and the spatial dispersal of the initiative:
In São Bernardo, fifty houses were built, all concentrated on one site. The initiative in Nova Aurora, on the other hand, involves almost 300 households widely scattered throughout a very large area. Indirectly, the latter project has an impact on a few thousand households in Nova Aurora.

b) The objectives of the initiative:
The aim in São Bernardo was to realize a comprehensive, self-managed housing scheme. This posed a need for legal land acquisition, financing for construction, legal permits, etc. As far as the initiators belonging to the ACC were concerned, the project was part of a wider strategy for social and political change. In Nova Aurora this broader framework was not initially proposed at the time of the collective invasion of the public land. At the start of the housing project though, a broader aim to strengthen the social organization in the neighborhood coalesced. This goal was also set in Nova Aurora, but not as explicitly. During the implementation far less attention was devoted to this goal than in Vila Comunitária.

c) The previous history or organizational context in which the initiative originated:
The squatter settlement in São Bernardo already was occupied for many years, during which time experience in collective activities had been built up. Therefore, most of the participants of the Vila Comunitária Association were recruited from existing organizations. This facilitated the mobilization of resources, as described in Section 4.3.
The context of the newly settled area in Nova Iguaçu was not one of intensive social movement activity. Nevertheless, the Mutirão Association succeeded in mobilizing hundreds of people for the collective land invasion in a brief period of time.
In both cases, though, a participant from outside helped get the initiative underway. In São Bernardo former labor union activists of middle-class origin, with considerable experience in collective activism, took the lead. In Nova Iguaçu, a former rural union leader played a central role.

d) With regard to the housing and income situation of the respective participants, as well as to household characteristics, there are insufficient data to compare the participants of the two initiatives.
6.3 The management process

How are the initiatives organized?

The main purpose of the organization process is to combine individual forces in order to obtain access to housing resources which are out of reach of individual participants. In the preceding chapters, we described both the process of mobilization of needed resources and the way in which these resources were allocated.

6.3.1 The mobilization of resources

Depending on the objectives of the initiative, a different set of housing resources is needed. Section 3.7 presents an inventory of the basic resources and functions in the housing process. Some of these resources are contributed by the beneficiaries themselves: mainly labor, organizational and management capacity, and to some extent financing for construction. For other resources, the initiative depends on the contribution of external participants. A great deal of time and energy had to be devoted by the Associations of Vila Comunitária and Nova Aurora to make other institutions perform essential functions in the housing process.

In order to obtain access to external (housing) resources, the organization needs to mobilize its own resources: participants, who devote time and energy to the initiative; organizational and technical skills; money and facilities; strategic information and contacts.

Both Associations needed the following housing resources:
- land
- financing for building materials
- technical and organizational expertise
- a house design
- an urban development plan
- labor
- building permits
- basic infrastructure

The ACC mobilized labor and organizational skills among its constituency. Technical and organizational expertise was made available to the Association thanks to financial aid from a foreign donor agency. To obtain this aid, the information, contacts, and organizational experience of the ACC had been important. The technical and organizational expertise, in turn, was highly instrumental in finding land at an affordable price and winning the commitment of external participants. The State government extended the financing, and the municipal government provided building permits and infrastructure.

The process of obtaining the participation of public authorities, while remaining in control of the initiative, was strenuous for the Association. It required a great
input in terms of organizational skills, time, and energy. In terms of the model of Bachrach and Baratz (1970), this is because many barriers had to be overcome (see Section 6.4). Support from committed experts was essential to this.

In Nova Iguaçu the only housing resource initially sought was the occupation of a vast area of municipal land. To get access to it, the Association mobilized the only resource it had: a great number of people, who by invading the land pressed the local government for an answer to their claims. When the movement came in danger of being repressed by the authorities, support was obtained from the Catholic Diocese of Nova Iguaçu. Thanks to this support, negotiations with the local government could be initiated, and permission to stay on the land was granted.

To obtain support from the State government for the provision of infrastructure and the implementation of a housing project, the same tactic of mobilizing people for public manifestations and petitions was used. The main leaders of the Association joined the political party of the governor (Leonel Brizola) during this process. Apparently, allowing oneself to be co-opted by the ruling party was part of a strategy to obtain access to housing resources. This proved quite effective during Brizola's term of office. After his defeat in the 1986 elections, however, the State government withdrew from Nova Aurora.

Financial support from a foreign donor agency for housing construction was obtained through the contacts of the Association with the Catholic Church and a local non-governmental development agency. The contacts with the latter gave the Association access to information about the priorities and criteria of the donor agency. This information was important to frame the request for aid in terms acceptable to the donor agency.

6.3.2 The allocation of resources
The organizational arrangement - or in the terms used by Priemus (1978), the building coalition - for the allocation of housing resources is the outcome of an interaction process between different participants. Each of them can determine the final outcomes only to a certain extent. This subsection considers the respective strategies of both associations and their effectiveness.

In São Bernardo, the Association was determined from the onset to be in charge of the major decisions in the building process. It aimed at an autonomous, self-managed project. It had practical as well as ideological reasons for this. The practical reasons were:

a) the wish to target the urban lay-out and the house design, as well as the building process, to the needs and possibilities of the beneficiaries/participants

b) the wish to achieve economies in order to repeat the pilot project; with respect to
   - self-management of the project
standardization of the design and of the building process
bulk purchase of construction materials
labor contribution of the participants.

The ideological motivation for a self-managed housing project in São Bernardo was to demonstrate the capacity of an autonomous civil organization (with due official support) to adequately deal with the needs of lower-income citizens. This strong desire for self-determination should be seen as a reaction to the authoritarian character of public administration under the military regime. During this period of restrained political rights, people had little means to influence government decisions that affected their daily lives. Organized initiatives from civil society were hardly tolerated, and more than often actively repressed. With the gradual restoration of political and civil rights in the early 1980s - coinciding with the economic crisis - claims for participation in the formulation and implementation of public policies emerged in Brazilian society.

The choice for the allocation of housing resources in Nova Aurora was based more on pragmatic than on ideological considerations. After informal concessions concerning the land had been made, the Association spent some months waiting in vain for the implementation of the official decisions. It did not waste further time, and started allocating the plots to its members. Although no legal titles have been issued, a flourishing neighborhood has emerged in Nova Aurora. A pragmatic attitude was also adopted with regard to obtaining support from the State government. What mattered was to channel public resources to Nova Aurora. Community leaders changed their political affiliation in favor of the ruling party, which proved instrumental in achieving government support. The same pragmatic attitude was displayed with regard to the housing project financed by the foreign donor agency. When it became apparent that the participants preferred to build their houses by individual self-management instead of by mutual-help, the Association changed its approach. This pragmatic approach of the Association bears relation with the fact that it received little outside organizational and technical support. Contrary to the Vila Comunitária Association, it did not have the support of committed experts to run the housing project. It had to rely on the organizational capacity available within the ranks of the Association, which was limited. Within the organizational and technical constraints, providing building finance in kind to individual households (and delegating construction decisions to them) probably was the most efficient way to allocate available resources.
What barriers had to be overcome in order to meet the objectives?

Stated in general terms, one of the main barriers confronted by the collective initiatives was the mobilization of external subsidies. The constituents of both initiatives lacked resources of their own to successfully achieve their goals. Housing resources that could not be supplied by the people themselves were mainly obtained from the government. The role of non-governmental organizations was to grant 'strategic' subsidies. In absolute terms, these subsidies were of secondary importance, but they acted as a catalyst to obtain public participation in the initiative.

São Bernardo

For an integral housing project, the ACC had to overcome the barriers of getting access to each of the required housing resources:

- Land: Land is a crucial asset, and a major cost factor for low-income housing in metropolitan areas. The Association lacked its own funds to purchase land. Therefore, it made great efforts to obtain land owned by the municipality at an affordable price. When this proved impossible, the Association managed to purchase land at affordable and favorable conditions of payment from the local Catholic Diocese. The creativity and entrepreneurship of the Association were important in solving the problem of land.

- Financing: Public housing policy at the time made no provisions for a non-governmental institution to initiate or implement low-income housing with public funds. Legislation determined that government funds be allocated only through public agencies, or to the private sector by means of competitive bids. By way of exception, though, the Association was allowed to participate in the new Municipal Housing Program of the Montoro government (1983-1987). This participation was granted on basis of a well-founded proposal by the Association. Technical assistance had proven to be invaluable in this respect (see below).

For the government, the Association's activities fit well into the propagated policy of 'participation and decentralization'. As the only private non-profit organization in the Program, the MNA had a token function. After a new State government came to power in 1987, the program was abandoned. Up to 1988, other mutual-help associations in the São Paulo Metropolitan Area had not succeeded in obtaining public financing for self-managed housing projects.

- Technical assistance: The initial lack of technical and organizational know-how to the Association to plan and implement a housing project was an obstacle as well. Financial help by a foreign NGO made the needed expertise available for the Association. This expert aid was a fundamental resource to successfully
mobilize support from the government and to organize the labor contribution of the participants.

- Infrastructure: Subsidy by the municipal authorities was needed in the form of investments in basic infrastructure at the building site. The cost of these investments could not be borne by the beneficiaries. To obtain this subsidy from the Municipality demanded lengthy negotiations and pressure on government officials.

- Building and land subdivision permits: Public housing agencies are the only ones to have the privilege of (partial) exemption from municipal building and partitioning codes. A special bill had to be issued by the municipal council in order to grant similar rights to the Association. To overcome this legal barrier, the Association exerted pressure on the government officials at legislative and executive levels.

- A final barrier was to mobilize the needed amount of unpaid labor at the implementation stage. The construction period took nearly twice as much time as planned, mainly because the planned work load was too heavy for the participants. The use of pre-fab building components, which could have lowered the required labor input, still was (and is) weakly developed.

Concluding, we can state that the main barriers met by the Association are rooted in:

a) the need for subsidies
b) the difficulties in obtaining them

The legal and institutional framework of present housing policy prevents private non-profit organizations from performing functions in the planning and implementation of public housing projects.

Nova Iguacu
The first and main barrier to be overcome by the Mutirao Nova Aurora was to have the government acknowledge the right of participants to a piece of land to live on. This goal was achieved by mobilizing hundreds of people to exert public pressure on the local government. It was important for the outcome of the negotiation that the Catholic Church of Nova Iguacu gave moral and legal support to the initiative of the Association. The Association was prepared to take possession of the Nova Aurora site illegally, if necessary. Even though the MNA did not propose such a comprehensive housing project, it still had to overcome the following barriers.

- Land: Having reached an agreement that part of the site would be transferred to the Association, the first and principal barrier had been overcome. The
claims of the Association to the land had been officially acknowledged. However, the promised measures were not implemented.

- Building and subdivision permits: A second barrier had arisen at the stage of the partitioning. This barrier was 'circumvented' rather than surmounted. The Association started to partition and allocate the land on its own account. By taking justice into their own hands, they alleviated the immediate need for land. But this also increased the difficulties for an eventual legal transfer of land to the Association. Eventually, the title deeds of the land were not transferred to the Association at all, but to the State Housing Company of Rio de Janeiro, CEHAB.

- Infrastructure: The public authorities would have to implement basic infrastructure in the settlement. This objective was achieved by means of massive public demonstrations at the headquarters of the State government. The co-optation of the Association leaders into the political party of the governor seems to be a consequence, rather than a cause, of the State involvement with Nova Aurora.

- Financing: Access to the land had been obtained, but many members of the Association lacked the financial resources to build their homes on the sites. This was not only a personal problem for the participating households, but also a strategic problem for the Association. As it had no legal titles to the land, the only means to assure possession was to effectively use it. These twin problems were overcome with the aid of a foreign NGO, which financed a project of 300 core houses. Access to this resource was obtained through the network of contacts of the local Catholic Church, which supported the initiative.

- Technical assistance: A devoted team of two architects and a social worker assisted the ACC project throughout; this kind of assistance was not available in the MNA project. Nor did they have daily help from a foreman on the spot during the implementation phase. The foreman in Nova Aurora was too busy running the supply storage. And the sites were too dispersed to allow him to offer much technical assistance to the participant. In the ACC project, building instruction was provided for all individual participants, men and women alike. But this was not the case in Nova Aurora.

- Labor: The implementation of the project was originally intended to be carried out by mutual help. This suffered from deficiencies, which have been analyzed in Chapter 5. The problems could have been avoided or overcome if sufficient and appropriate organizational and technical know-how had been available to the Association. The Association, however, was short on personnel and expertise. Its leaders had to allocate their scarce time and energy to many other matters demanding their attention as well. They did and/or could not form a separate board for the housing project alone, as was
the case in the ACC project. After the local NGO was consulted, it was proposed to shift a considerable part of the received financing into community-building activities, but this was ill-received by the donor organization. Then a pragmatic solution prevailed: the mutual-help principle was abandoned and the houses were built by individual self-management.

Comparison
The story of each of the initiatives as told by the people directly involved is one of a long struggle to overcome several barriers. Yet it should be borne in mind that the social and political context was favorable to such initiatives. As explained in Chapter 2, it was a context of political liberalization and economic crisis. The worsening living conditions of the population, and the apparent failure of public policies to meet these needs, coincided with an increasing demand for greater political participation. Newly installed governments, especially those of former opposition parties, were more receptive to policy changes and to this call for participation.

In São Bernardo a new municipal and a new State government had come to power in 1983. The Association managed to be included, as an exception, in the new housing program of the State government. Financing was secured this way. In Nova Iguacu, the MNA was one of the first collective movements in the Metropolitan Area seeking access to land. When the new State government came to power in March 1983, a boom of land invasions urged the governor to take counter measures. About the day his new housing program was launched, the Association held a demonstration at his headquarters, demanding government support for their initiative. At that time, the Association had already existed one year and was able to articulate its demands. It came at a good time and obtained a promise for the desired support.

A future barrier to the replication of both projects is that of a revolving fund. In Vila Comunitária the social control worked out in such a way that the mortgages were paid more or less in time. This was not at all the case in Nova Aurora. There, mortgage arrears created a severe obstacle for future household groups to take part in a similar house-building scheme. The low rate of cost recovery in Nova Aurora may also be attributed to the fact that the size of the dwellings is extremely small. It seems likely that within certain limits the willingness to pay increases with the quality of the house. The good mortgage payment in Vila Comunitária may be a result of the large size of the house: when necessary the top floor can be rented out!

6.5 Product comparison

What are the results of collective initiatives?
In order to be able to make a comparison of the results of the initiatives, the product itself, i.e. the homes of the participants, should be taken into consideration. Therefore we have compiled Table 6.1, a product summary of
Table 6.1 Product summary of four low-income housing projects

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Vila Comunitária (collective)</th>
<th>Nova Aurora (indiv. self-help)</th>
<th>Nova Aurora (public-private proj. site and service)</th>
<th>Nova Chacoeirinha (collective)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Planned Dwellings</strong></td>
<td>50</td>
<td>300</td>
<td>1690</td>
<td>40</td>
</tr>
<tr>
<td><strong>Average Working Hours</strong></td>
<td>1607 h/dw</td>
<td>x</td>
<td>-</td>
<td>1620 h/dw</td>
</tr>
<tr>
<td><strong>Total Area</strong></td>
<td>10,000 sq.m.</td>
<td>-</td>
<td>-</td>
<td>75 sq.m.</td>
</tr>
<tr>
<td><strong>Lot Size</strong></td>
<td>100 sq.m.</td>
<td>x</td>
<td>-</td>
<td>40 sq.m.</td>
</tr>
<tr>
<td><strong>Unit Size</strong></td>
<td>70 sq.m.</td>
<td>24 sq.m.</td>
<td>24 sq.m.</td>
<td>40 sq.m.</td>
</tr>
<tr>
<td><strong>Finished Unit Size</strong></td>
<td>35 sq.m.</td>
<td>24 sq.m.</td>
<td>24 sq.m.</td>
<td>40 sq.m.</td>
</tr>
<tr>
<td><strong>Density dw/ha</strong></td>
<td>50 dw/ha</td>
<td>75 upc</td>
<td>166 upc</td>
<td>628.60 upc</td>
</tr>
<tr>
<td><strong>Average Cost/dw</strong></td>
<td>648 upc</td>
<td>71,4 upc</td>
<td>256.54 upc</td>
<td>368.71 upc</td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td>270 upc</td>
<td>71,4 upc</td>
<td>256.54 upc</td>
<td>368.71 upc</td>
</tr>
<tr>
<td><strong>Land</strong></td>
<td>71 upc</td>
<td>x</td>
<td>124 upc</td>
<td>259.89 upc</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>34 upc</td>
<td>x</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Expert Ass.</strong></td>
<td>55 upc</td>
<td>-</td>
<td>-</td>
<td>x</td>
</tr>
<tr>
<td><strong>Labor + Adm. C./dw</strong></td>
<td>218 upc</td>
<td>3,6 upc</td>
<td>210 upc</td>
<td>300 upc</td>
</tr>
<tr>
<td><strong>Credit</strong></td>
<td>160 upc</td>
<td>75 upc</td>
<td>500 upc</td>
<td>259.89 upc</td>
</tr>
<tr>
<td><strong>Subsidy</strong></td>
<td>199 upc</td>
<td>- upc</td>
<td>70 upc</td>
<td>628.60 upc</td>
</tr>
</tbody>
</table>

Contribution of Participants

1. Financial | 231 upc | 70 upc | 900 upc | 256.54 upc |
2. Labor and Management | 218 upc | x | - | 300 upc |

- Experienced tech. ass. yes no no yes**
- Training yes no no yes**
- Constr. expertise on the spot yes no no yes**

Number of Partic. h.b. 50 223 130 4328

Source of Information


Footnotes:
- x = no data available
- - = not relevant or not provided
- * = extension possible up to 81 sq.m. total
- ** = 3 social workers, 1 architect, 1 apprentice architect
four low-income housing projects. It is composed of all available 'hard' data that were presented in Chapters 4 and 5 on the collective initiative of Vila Comunitária and on the more individual self-help initiative of Nova Aurora. To this we added the data available on the public-private site-and-service project of Nova Aurora. We also included the data given in Reinach's description of a collective self-help initiative in Nova Cachoeirinha, which took place in São Paulo North in 1983-1984.

In addition to this we made a table of all four projects showing positive and negative scores on those items for which enough data were available. For a proper comparison we calculated the construction costs, labor costs and financial costs per participating household, all per finished square meter. Also we took into consideration the unit size itself, the planning, and the number of dwellings completed. The scores were given from the viewpoint of the (participating) households: for instance low construction costs get a positive score and a small unit gets a negative score.

Table 6.2 Comparison of four low-income housing projects*

<table>
<thead>
<tr>
<th>name***</th>
<th>project type***</th>
<th>VC</th>
<th>NA</th>
<th>NA</th>
<th>NC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>CSH</td>
<td>ISH</td>
<td>SS</td>
<td>CSH</td>
</tr>
<tr>
<td>planning</td>
<td></td>
<td>+</td>
<td>+</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>number realized</td>
<td></td>
<td>-</td>
<td>+</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>unit size</td>
<td></td>
<td>++</td>
<td>-</td>
<td>-</td>
<td>+</td>
</tr>
<tr>
<td>constr. costs</td>
<td>per sq.m.</td>
<td>-</td>
<td>++</td>
<td>-</td>
<td>+</td>
</tr>
<tr>
<td>labor costs</td>
<td>per sq.m.</td>
<td>+</td>
<td>no data</td>
<td>-</td>
<td>+</td>
</tr>
<tr>
<td>costs per s.q.m.</td>
<td>for the beneficiaries</td>
<td>+</td>
<td>+</td>
<td>--</td>
<td>+</td>
</tr>
</tbody>
</table>

* + + very good  
  + good  
  - bad  
  -- very bad

** VC = Vila Comunitária  
NA = Nova Aurora  
NC = Nova Cachoeirinha

*** CSH = collective self-help  
ISH = individual self-help  
SS = public-private site and service
The following conclusions can be deduced from this product comparison. The site-and-service project, which is a public-private partnership, but conducted almost solely in the public sphere, is a lot more expensive in all respects than the three self-help projects. It scores only - but not unimportantly - positive with regard to the number of realized dwellings.

The individual self-help project in Nova Aurora, which may be typified as a self-help site-and-service project, yields a high number of realized dwellings (almost 300, including those under construction). It also shows the best figures for construction cost per finished square meter as well as for cost per finished square meter that the participating households have to pay in cash. Unfortunately, the labor cost of this project cannot be calculated because of lack of data. Also we know that ownership titles have not been issued so far. However, the neighborhood was connected to urban infrastructure, which gives some assurance that eviction is not very likely in the short run.

Both collective self-help initiatives provide significantly larger unit sizes. They both seem to be provide good alternatives in terms of quality/cost calculations of participants. This is primarily because in the individual self-help project, as well as in the site-and-service scheme, substantial additional cash and labor will be needed to extend the very small dwelling. No provisions for such extensions have been made in the 24 sq. m. dwellings in either of those two projects, as was the case in both collective initiatives. In the two collective projects, the total amount of working hours spent on construction show almost the very same average: 1607 hours in Vila Comunitária and 1620 hours in Nova Cachoeirinha. This means that the relatively spacious house of Vila Comunitária of 70 sq.m., of which 35 sq.m. were finished, did not require more working hours than the 40 sq.m. dwelling of Nova Cachoeirinha. We do not know to what extent differences in construction method account for differences in working hours. Given the building methods, it seems likely the planned extensions and finishing in Nova Cachoerinha will require more working hours and capital than it would to finish the top floor in Vila Comunitária.

6.6 Potential and weaknesses of collective initiatives

The economies achieved in all three self-help projects as compared to the cost of the public-private site-and-service scheme, which have to be paid for in cash, were elucidated in the previous sections and will not be repeated here again. These economies were achieved by:
- self-management of the project
- unpaid labor contribution of the users
- elimination of profit margins charged by private contractors

Of course these economies can only be achieved at considerable sacrifice by the participants. They have to provide the labor themselves, devoting considerable time over about two years to initiate and carry out the project.
As Moser (1987 a and b), Vaz (1988), Volbeda (1989) and others made clear, it is not reasonable nor likely that all this time is 'leisure' time. It has to fit in a man's or a woman's day, which is already filled by productive and reproductive tasks, along with a role in community management. It is likely that shifts between these tasks are necessarily made in order to be able to participate in such a time-consuming project.

Data from the Vila Comunitária project, which are unfortunately not available for any of the other projects, reveal the following:

1) Noteworthy is that almost all households in the Vila Comunitária project had a large reproductive task: 85 percent of the households had two or more under-age children; 17 percent were extended households. Under conditions of poverty, which means for instance lack of proper medical treatment, these large families are bound to be a heavy burden on the care-givers. Also, whereas most households included a woman of childbearing age, only one woman had a baby during the construction period. Were other births postponed?

2) The productive task in this project was carried out in almost two-thirds of the households by more than one member, while some 43 percent of the mothers were the primary or secondary income earners. It is of vital importance to be able to stick to the project, and several failed. It is not surprising that after completion of the project more mothers took up a share in the productive task of the household, when more time became available to do so.

3) The task in community management may well have increased over the project period. It required intensive contacts among the participants. Vaz reported that women went on, after completion of the construction, pursuing additional targets to help the small community get a school and a bus service. Moreover, they also continued to support each other emotionally. This may seem out of place here. Yet we believe its importance can hardly be underestimated in conditions of rapidly deteriorating living conditions for those who live in the lower-income brackets. Poverty means above all insecurity: whether or not the next day there will be work, money to buy food or to pay the busfare, whether or not a sick infant will live through the night, how to prevent a youngster from involvement in some sort of crime, or to what extent the prime income earner will recover from an injury at his or her work. Apart from this, the social skills and contacts of an informal network are vital and real assets in livelihood strategies, as Norris (1985) has pointed out. Again, it is not surprising that, after establishing such a network, more women found themselves a job and that the general income levels of the participating households rose.
Besides unravelling the widespread myth that collective self-help initiatives can be carried out in leisure time alone, the following conclusions can be drawn in regard to the potential and weaknesses of such initiatives:

- Collective initiatives are a means for people to take their destiny into their own hands. Instead of being objects of government policy, they assume an active role and become subjects. Latent resources of their own are mobilized in this process: labor, creativity, entrepreneurship, and organizational capacity.

- Participation of the subjects in defining goals and procedures makes it possible to identify and to take their needs and aspirations into account. It is noteworthy that in the ACC project, practical as well as more strategic gender needs were met (see Section 3.6 and Volbeda 1989). Apparently this did not occur to the same degree in the MNA project.

- A limiting factor, however, is the need for subsidies with regard to essential housing resources: land, financing, technical support, and infrastructure. These resources are largely out of reach for collective initiatives by low-income people. On the other hand, compared to the results of collective initiatives, the efforts of individual poor households have hardly any chance at all of success.

- If subsidies in the form of land, infrastructure, financing, or technical support are made available, latent resources of people can be successfully mobilized by collective initiatives.

- The scale of a collectively self-managed and implemented housing project is limited, due to the necessity of intense involvement of people in the decision-making. Mutual-help projects are very 'management-intensive'.
Collective initiative is a means to be used in order to achieve the goal of making the community aware of the importance of water conservation and the potential for water savings.

A significant factor in achieving water conservation is the need for education and awareness. Therefore, the need for water conservation education is crucial. The emphasis on the need for education is centered on the importance of water resources and the potential for water savings.

The initiative of collective action to save water is an important factor in the achievement of water conservation. It is essential that the community is aware of the importance of water resources and the need for water conservation.


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APPENDIX 1, BASIC INDICATORS

Population Brazil: 144.4 million 1988, average growth rate 3.6 percent (World Bank 1990, 178-179);
Urban population: 75 percent (UNDP 1990: 142-143);
Of the 53 million people who live under the (national) poverty line (see below), 29 million or 54.8 percent live in urban areas. Of these urban poor, 9 million or 17.8 percent of the total live in metropolitan areas (Jaguaribe et al. 1989: 72).

According to the UNDP Development Report 1990:
Life expectancy in Brazil was 65 years at birth in 1987;
Adult illiteracy rate in 1985 was 24 percent for females and 22 percent for males;
Real GDP per capita in 1987 was US$ 4,307 (UNDP 1990, 128-129);
GNP per capita in 1988 was US$ 2,160 (World Bank 1990, 178-179).

In Brazil there is a legally established basic wage or *salario mínimo*. It is officially related to a *cesta básica* (basic shopping basket): the amount of money needed for a four-person household to buy basic foodstuffs, clothing, and housing. The 'basic shopping basket' is also used by the IBGE (National Bureau of Statistics) as a measure of monthly inflation.

Inflation correction does not keep pace with the devaluation of the basic salary: its value today is about 35 percent of the value it had in 1940 and equals about US$ 60. Obviously one basic salary today is not enough for a four-person household to live on. Therefore we choose to translate 'salario mínimo' as 'basic salary' instead of 'minimum salary'.

The generally accepted Brazilian poverty line, which is also used by the government, is derived from Jaguaribe et al. (1989: 63-69). They take 3 basic wages as the poverty line for a four-person household, which encompasses 35 percent of all households in 1985. This figure corresponds with a per capita poverty line of 0.5 basic wage or 41 percent of all inhabitants; that is 53 million people. Furthermore they speak of a misery line for 15 percent of all households or 19 percent of all inhabitants living on one basic wage or less. This pertains to 24.4 million people.
For the sake of comparison, the World Bank (1990:27-29) uses a somewhat arbitrary poverty line of US$ 370 and US$ 275 for extreme poverty (this last limit corresponds with the poverty line of India). Note that these figures are higher than the Brazilian poverty line: it equals six basic salaries and the extreme poverty line with 4.6 basic salaries.

The World Bank poverty line is more in line with that of DIESE (the Brazilian labor union's bureau of statistics). They say that the minimum salary should be 6 to 7 basic wages for a four-person household. When the World Bank poverty line is applied to Brazil, we come up with the staggering figure of at least 65 percent of the total population living under the poverty line in 1985.

Brazilian income inequality is among the worst in the world according to the World Bank statistics: the lowest 20 percent of the population earns only 2.4 percent of the incomes, whereas the highest quintile took as much as 62.6 percent in 1983 (World Bank 1990: 236-237). In India the corresponding figures are 8.1 percent and 41.4 percent respectively in the same year. According to the most recent PNAD report of the IBGE (1989), income inequality in Brazil shows a tendency to increase further.

With lower and middle incomes eroding, the challenge to solve the housing deficit becomes more difficult, though not impossible. Taschner (1988: 24) calculated the investment required to solve the housing problem as follows:

a) A housing stock of 30.3 million units requires (assuming an average lifespan of 50 years) an annual replacement of 606,000 new units.

b) In order to meet a 2.4 percent annual demographic growth (3.15 million people, 4.34 p/dw) 725,000 new units must be built each year.

c) The improvement necessity of 34 percent of the stock is estimated at 5,151,000 new dwellings in 10 years or 515,000 annually, when on average each improvement is equivalent to one-half new unit.

The total annual demand for new construction amounts to 1,846,000 units over the next ten years. Jaguaribe et al. (1989: 242-246) use a somewhat lower figure for the construction need (1.59 million units) based on the "simplified housing need model" of the BNH. They propose that:

a) an emergency program be implemented in favelas and periferal outskirts that includes regularization of building foundations, provision of building material, preparation of building sites and infrastructure, core units, and construction of self-help or mutual-help houses;

b) small urban services be provided, like feeder roads, regularization of steep hillsides, health care centers, schools, and markets

c) that the work be contracted out to small and medium-sized construction firms that can also supply the building materials

Such a program will require a public investment amounting to 0.83 percent of GNP in 1989, up to 1.33 percent in 1994, and down to 0.52 percent in 2000. These figures are based on the assumption that the lowest-income categories need a 40
sq.m. unit and 100 percent public financing, while households earning more than 10 basic wages require 100 sq.m. living space and no public financing.
APPENDIX 2, LIST OF ABBREVIATIONS

ACC  Associação de Compras Comunitárias: Community Consumers’ Association

BNH  Banco Nacional de Habitação: National Housing Bank

CDH  Companhia de Desenvolvimento Habitacional do Estado de São Paulo: São Paulo State Housing Company

CEF  Caixa Econômica Federal: Federal Savings Bank

CEHAB  Companhia Estadual de Habitação: State Housing Company

CODENI  Companhia de Desenvolvimento de Nova Iguaçu: Municipal Development Agency of Nova Iguaçu

COHAB  Companhia de Habitação: State or Municipal Housing Company

FGTS  Fundo de Garantia por Tempo de Serviço: Unemployment Security Fund

FICAM  Programa de Construção, Ampliação ou Melhoria de Habitação de Interesse Social: Financing scheme for the purchase of building material

FUNAPS  Fundo de Atendimento à População Moradora em Habitação Sub-normal: Program for slum dwellers

GNP  Gross National Product

IAP  Instituto de Aposentadoria e Pensões: a pension fund

IBGE  Instituto Brasileiro de Geografia e Estatística: National Bureau of Statistics

IPT  Instituto de Pesquisas Tecnológicas de São Paulo: Institute of Technological Research, São Paulo

MA  Metropolitan Area

MNA  Mutirão de Nova Aurora: Collective Movement of Nova Aurora

NGO  Non-Government Organization

ORTN  Obrigações Reajustáveis do Tesouro Nacional: Adjusted Treasury Bond Bills

OTN  Obrigações do Tesouro Nacional: Indexed Treasury Bond Bills

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<th>Acronym</th>
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<tr>
<td>PDS</td>
<td>Partido Democrático Social: Democratic Party</td>
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<td>PDT</td>
<td>Partido Democrático Trabalhista: Democratic Labor Party</td>
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<tr>
<td>PMDB</td>
<td>Partido Movimento Democrático Brasileiro: Party of the Brazilian Democratic Movement</td>
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<td>PMH</td>
<td>Programa Municipal de Habitação: Municipal Housing Program</td>
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<td>PRO-AGUA</td>
<td>Programa de Abastecimento de Água: water mains upgrading program</td>
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<tr>
<td>PROSBC</td>
<td>Progresso de São Bernardo do Campo S/A: Municipal Development Agency of S.B. do C.</td>
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<tr>
<td>PRO-LUZ</td>
<td>Programa de Eletrificação de Favelas: electricity connection program</td>
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<tr>
<td>PRO-FAVELA</td>
<td>a neighborhood upgrading program</td>
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<tr>
<td>PROFILURB</td>
<td>Programa Financiamento de Lotes Urbanizados: a site-and-service program</td>
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<tr>
<td>PROMORAR</td>
<td>Programa de Erradicação da Sub-habitação: upgrading program</td>
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<td>PT</td>
<td>Partido dos Trabalhadores: Labor Party</td>
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<tr>
<td>SBPE</td>
<td>Sistema Brasileiro de Poupança e Empréstimo: Brazilian Savings and Loan System</td>
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<tr>
<td>SEH</td>
<td>Secretaria Estadual de Habitação: State Secretary of Housing</td>
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<tr>
<td>SFH</td>
<td>Sistema Financeiro da Habitação: Housing Finance System</td>
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<td>SMO</td>
<td>Social Movement Organization</td>
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<tr>
<td>UPC</td>
<td>Unidade Padrão de Capital: Standard Capital Unit</td>
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<tr>
<td>VHP</td>
<td>Vila de Habitação Provisória: provisional neighborhood housing</td>
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