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A NEW VIEW OF THE HOUSING DEFICIT

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The Hypothesis that I am putting forward for discussion is that the failures of policies and programmes for popular housing – and for the control of urban growth – are partly due to misunderstandings of the nature of housing. I argue that the common mistake is in evaluating housing quantitatively, in terms of its objective appearance and that this is unrealistic; instead, the value of a house or, rather, of the dwelling environment, is the quality of its response to the life-situation of the person in the family and in the local community. The reality of the dwelling place, in other words, is in its attributes as they are experienced and perceived and not in its material shape or condition.

It follows that the 'housing problem' is commonly misstated in a quantitative instead of in qualitative terms so that the targets set tend to be unobtainable and, therefore, self-defeating. Further, that the project types most commonly employed to solve the housing problem, by failing to respond properly to the li9fe-situations of their intended inhabitants, tend to compound social, economic and political problems rather than solve them. I conclude that the housing problem, as distinct from economic problems such as employment and the distribution of wealth, is a problem of the proper use of resources available for housing – and not in straining all resources indiscriminately for the production o the maximum number of modern standard housing units.

I have referred to two ways of seeing -- or of defining -- 'housing': one can <u>see</u> the <u>appearance</u> of the material artifact or <u>object</u> and one can <u>perceive</u> the <u>external reality</u> (as distinguished from appearance) or the <u>subject</u> of the attributes

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perceived. As the appearance of an object, its shape and texture, size and weight and so on, is meaningless without knowledge of its content and purpose, its definition should be based on the attributes of the subject rather than on the appearance of the object.

Empirically, without any theoretical justification that I have yet been able to discover and, therefore, tentatively, I postulate three essential functions which any dwelling must satisfy in order to become an external reality: shelter, security and location. A house is not a house if it does not provide a minimum of protection from unbearable climate and unbearable people; if the shelter, however excellent the protection it provides, cannot be occupied with a reasonable guarantee of tenure it will be of little or no use; and if the house does not afford access to a suitable environment -- if the occupants cannot get to work, to markets, schools and the facilities their lives demand, or if they cannot be with the community to which they belong, the house will be of no practical value whatsoever.

In principle these three functions are constants; they are equally true for any cultural or geographic situation but, of course, the <u>forms</u> which houses and 'housing' take vary as climates and cultures vary. In order to understand these variations -- in this article I am concentrating on cultural variations in Lima, Peru, at the present time -- it is necessary to know how the different functions operate for each social sector. To understand these variations one must view them in terms of the relationship between the person and the total environment (social, economic and physical) in which he lives. For instance: an upper-class executive will be personally connected with and 'at home' throughout a huge, maybe worldwide geographic area; a worker in one of his factories on the other hand, will feel at ease only in two or three localities. It is obvious that this difference, along with all those that go along with it, will profoundly affect the ways in which each man's dwelling must function as well as the shape of each man's environment. Take location: accessibility to those on whom the person depends for society and to the facilities he requires to live and to be sociable. The factory worker must live within cheap public transportation distance of his work and his family must

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MONTHLY INCOMES PER HOUSEHOLD IN RELATION TO: HOUSING PRIORITIES

2% OVER 300$

PROFESSIONAL

15% TO 300$

26% TO 150$

43% TO 90$

WAGE-EARNER

IMMIGRANT

14% BELOW 30$

5 4 3 2 1

A B C

INCONVENIENT
INESSENTIAL
CONVENIENT
IMPORTANT
ESSENTIAL

A : PROXIMITY TO FACILITIES

B : OWNERSHIP OF LAND

C : MODERNITY OF THE HOUSE

live near markets, schools and so on -- and very near friends and relatives if they are to have and real social life and the community security which goes along with it. For the executive, owner of chaffeur-driven cars and frequent user of jet aircraft, residential proximity to his work or friends is unnecessary while proximity to markets or schools is a nuisance to be avoided. These different cultural situations and the attitudes, values and concepts which go along with them -- both shaping the resultant image and being shaped by it -- are not disconnected. In modern or modernizing society, whether of Lima or New York, there are no hard and fast frontiers between adjacent sectors and there is a great deal of social mobility between them. The curves in the Figure, which is a hypothetical representative of the varying relationship between the three principal functions, are therefore continuous.

Upper, middle, lower-middle, 'working' or 'blue-collar' classes and 'the poor' are categories recognized both in American-English and Peruvian-Spanish although, scientifically, they may be imprecise and often misleading. The North American situation is especially fluid in the lower and middle ranges and both the North American and the Peruvian situations are complicated by the presence of important sub-cultural groups, especially in the lowest ranges. In spite of the criticisms that can be made, I have superimposed these 'class' categories on the graph showing the distribution of the Lima population by income -- itself based on estimates which have been challanged though I have reason to believe that they are reasonably accurate. In any case, without the help of an illustration of this kind it would be impossible to explain the hypothesis -- the principles of which are independent of the statistical accuracy of the sample used.

I have already described, by way of illustration, why one function -- location in terms of proximity to the community and its facilities -- should have such very different orders of priority for two different income and class levels. To form a more coherent and complete picture of each 'level': one must interpret the three functions in terms of each life-situation -- or, at any rate, in terms of a representative of each level described. The three situations that I will summarize in the following paragraphs do not describe every aspect of contemporary life in Lima

-- all they attempt to do is to illustrate the typical situations along the line of urban acculturation and social mobility. A sequence which an exceptionally fortunate immigrant family might follow over the course of two or three generations.

The necessary attributes of a practical dwelling for the very poor immigrant family, unable to double up with friends or relatives, are straightforward and simple: they must be located as near as possible -- within walking distance -- of their work-places and the markets where food is cheap; they need shelter for sleeping, eating and leaving their few belongings and a sheltered place to look after children -- and, maybe, leave them while both parents are working or looking for work. That the dwelling itself should be very small and that domestic life should overflow into a common courtyard, may be an advantage. The higher the density, the lower the rents and semi-communal living can greatly increase effective living space as well as the safety of children while mothers are working. The only 'security' which the very poor are concerned with -- those who have less than necessary for subsistence -- is that provided by work and an income which will enable them to climb out of their present situation. Location, in terms of proximity to sources of livelihood -- and the support of friends and relatives -- is, therefore, by far the most important consideration for the penniless but hopeful immigrant; more important than security -- in terms of permanency of residence -- and for more important than the quality of his shelter or the 'modernity' of his dwelling.

If all goes well for the penniless immigrant for a number of years, five or ten say, he will have become a fairly regularly employed blue-collar worker earning an everage wage; enough to maintain a normal household of five or six at low but locally acceptable standards -- and even to save a little. With his changed social and economic situation, the family's housing needs will have changed: with an income sufficient for a modest expenditure on public transportation the family is no longer tied so closely to their sources of livelihood. Financially able to enjoy appreciably better living standards, and with growing children, the family will be much more sensitive about their physical housing conditions. The extremely high densities of the typical slum

will no longer have the advantages which they give the very poor or recent immigrant; the physical and psychological health hazards become a major preoccupation, especially for the family dependent on an insecure income. The uncertainty of the wage-earner's income in a society with a high degree of underemployment and no effective provisions for assistance to the unemployed -- even when sick -- is a dominant factor in most Limeno's lives. Economic insecurity constantly threatens a family's improved status; a variety of normally minor crises such as illness, a strike, a trade recession or a bankruptcy -- all of which are naturally very common in a city like Lima -- can push the family back down the slope it has so painfully climbed. This demoralizing disaster -- often enough to break up a family, especially as so many of these families are emotionally or institutionally unstable to begin with -- can easily be precipitated by eviction from rented housing of the type that the family is most likely to be living in at this stage.

The vast majority of blue-collar households, and many of white-collar employees, who do not live in a 'barriada' -- a permanent and developing form of squatter suburb -- live in 'callejones'. The typical 'callejon' is a passageway leading to a small courtyard along and around which there are one or two room dwellings. A water faucet and half a dozen latrines will be provided in the courtyard for the 30 or 40 families of the 'callejon'. As a result of short-sighted and opportunistic legislation -- the premature prohibition of the construction of 'callejones' and rent freezing -- the cheapest available housing is extremely expensive for the newcomer. Many low-income households, who must spend between two thirds and three quarters of their earnings on food to maintain a poor but locally acceptable diet, are spending between a quarter and one third of their income on rent. If rents are too high -- they should not be more than 15% of the family's income in this range -- savings, entertainment and even tools can only be obtained by cutting down on food and by sacrificing energy and decreasing resistance to disease. As land-lords can only hike rents when the tenant changes and can only evict for non-payment of rent or for rebuilding, a high proportion of slum tenants are

paying much less than the newcomer must pay: a resident of seven to ten years' standing will be paying no more than a quarter of the rent that his new neighbor will have to pay for an identical dwelling. Rising land-values, an increasing demand for the lowest-priced accommodation and decreasing returns on slum property, pressure landowners to maintain a high turnover of tenants or to evict them all in order to build. Re-building, needless to say, never reaccommodates those evicted. The consequences of eviction which, for all but the most recent arrivals, almost certainly means a reduction of living standards; slum tenants, therefore, are increasingly insecure and have more reason to fear eviction unless they can get a home of their own. The security factor for this sector of the urban population is predominant. If the representative family has a property of its own its expenditures can be kept to a minimum in times of crisis -- as it no longer has to pay rent -- and it is no longer threatened with eviction and the loss of identity that can so easily follow. And, besides, their property can be an additional source of income, either directly through sub-letting in part or by taking in lodgers or indirectly, through its use as a shop or workshop. For the family that has no other form of security, no social insurance, no convertible capital or no skills in assured and constant demand, inalienable tenure of their own home is essential for their peace of mind and often for their very existence. In such a mild climate as Lima's and with such cheap public transportation it is easy to understand why this sector is so much less concerned with structures and why so many are prepared to live in relatively distant and isolated locations if, by making these sacrifices, they can achieve residential stability and the economic security that goes along with it.

I have not yet mentioned the other principal source of security which the under-employed and underpaid can and often do have: membership of a large family which extends itself into and binds it up with a local community. As recent studies in London (1) and Lagos (2) have pointed out, the growth of community-wide ties which are strong enough to provide mutual support takes time. Unrelated families with young children must, obviously, live together for a generation at least before many of them become blood relatives;

the representative immigrant family will not be losing this kind of security unless, of course, it has moved into an enclave of its own kith and kin within the city -- whether this happens with any significant frequency or not in Lima, I do not know. It is safe to assume, however, that many of the numerous city-born-and-bred families -- who are also threatened with eviction -- do live in such local communities; their loss, when they are evicted and cannot relocate themselves locally, is redoubled. This may be one of the reasons why established slum dwellers are so reluctant to move even when they can afford to do so financially, and why such a high proportion of the marginal settlements established by ex-city center dwellers are of provincial origin. It is also tempting to speculate on the possibility that one of the strongest motives for becoming a home owner and of the extraordinary respect that squatter settlers have for one anothers' property, is the search for the kind of stability -- or security -- essential for the cultivation of community.

The third clearly different and distinct situation I will describe is that which readers will be most familiar with: the middle-class situation. A qualified Peruvian professional's life in Lima is far nearer that of his North American counterpart than the North American factory worker's life is to that of a factory worker in Lima. Many middle and upper-class Peruvian work in the United States and in Europe and their greatest adaptation problems are with the weather rather than with cultural differences. I will not, therefore, be straying too far from the truth if I refer to the metropolitan middle-class in general rather than to our Peruvian colleagues in particular. Both in the 'urbanizing' and the already 'urbanized' countries the qualified professional -- who I am taking as the representative of the middle class in general -- is extremely mobile, horizontally or geographically speaking. Residential stability may even undermine the security of the professional which lies, not in his property, but in his intellectual capital and in his freedom to apply it -- anywhere. An adequate security of tenure even the most mobile professional must have -- he is unlikely to take a hotel room which he can use for only half a night or a house for his family for such a short time that the effort of moving

their belongings (however many or few they may carry around) is too great in relation to the duration of their stay. But security of tenure, a minimum of which he must have under any circumstances, is very much less important to the professional and his family than the quality of their shelter. If he does not live in a house that is acceptable to his peers the professional will have no clients and the family will find it difficult to make friends. In fact, the image and comfort that the dwelling offers is far more important for the middle class in general -- and the mobile professional in particular -- than its security or location functions. If the middle-class family has at least one car, a telephone and a refrigerator they can be as far from their friends, shopping centers and schools as the efficiency of their personal communication systems permit. In principle, as Melvin Webber has pointed out (3) this can be world-wide.

The diagram summarizes the above interpretations in graphic form: the functional pattern at each level is radically different even though, in each case, the same subject is in view -- the residential location, security and shelter of the family or household group. The material components and their shapes -- the objective appearance -- of each environmental model are as radically different as the changes in the pattern and priority of the functions lead one to expect. If the material environment is analyzed in terms of land, facilities and houses, the correlations between the preferred models at each level and the patterns of functional priority are logical and seem perfectly natural. The explanation which follows must be preceded, however, by definitions of the material components which I have chosen for the purpose: by _land_ I mean, literally, the surface of the land on which the dwelling is placed and which is subject to use and property divisions; a _facility_ refers to equipment that eases the performance of an activity necessary for and complementary to domestic life -- work, shopping, education, religious ritual and so on; _housing_ refers to the equipment required for domestic living itself -- the building with its installations. The figure summarizes my present interpretation of the orders of priority between these material components in relation to income levels and with particular reference to the sectors described above. The degrees of priority, however, have to be seen in different terms:

land is shown in terms of priority of ownership (or any other form of inalienable possession): facilities in terms of their proximity to the immediate neighborhood of the dwelling; housing, on the other hand, is interpreted in terms of material standards and its modernity. In other words, a low priority for land indicates an acceptance of short-term residence while the highest priority indicates a demand for ownership; a low priority for facilities implies that there is little or no demand for them to be in or even near the residential neighborhood and the higher the priority the closer they need to be to the household's dwelling; the house varies from the lowest priority indicating the acceptability of a shack (anyway as a relatively temporary measure) to the highest which indicates the demand for the most modern standard of comfort (which, among sophisticated people, may be modified by aesthetic or status value).

The functional priorities indicated in the diagram, interpreted in the material terms, describe the characteristics of the most typical residential environments of the sectors already described: the immigrant's shanty-town, the wage-earner's squatter settlement and the professional's garden suburb. The classic 'shanty-town' known as a 'corralon' in Lima -- is a densely packed and chaotic but small collection of shacks usually located within a mile or two of areas of intensive and diverse commercial and industrial activity. A classic 'squatter settlement' of the kind that has developed around Lima during the past 15 years is entirely different: they are large with populations normally between ten and fifty thousand; regularly laid out on desert land belonging to the State; between 5 and 15 miles from the central city and -- most important of all -- the barriada of this kind is in the process of developing. Almost all dwellings, which are sited on regular lots, are in some stage of permanent construction in brick or reinforced concrete and they are occupied by their possessor-builders -- many of whom are still living in temporary shacks within incomplete structures. The immigrant's shanty-town provides poor shelter and little security but it is very well located for his special needs; as the recent immigrant searching for work and economic stability spends little time at 'home', as little cash as possible and, in any case, it is likely to be regarded as temporary. The wage-earner's squatter-settlement, in its earlier stages of development, also pro-

vides poor shelter but is provides excellent security once the squatters have consolidated their possession -- without which investment and physical development are unlikely to occur. The peripheral location of the settlement may be inconvenient but it is a tolerable limitation for those that can afford public transport; community facilities are established in the settlements as soon as possible -- public transport, markets and primary schools are frequently installed immediately after the initial invasion of the land has taken place and even before the squatters have been allocated their own lots. My own observations and investigations of squatters' preferences indicate that the great majority -- when given the choice -- opt for the completion of community facilities before the completion of their own homes. Many -- according to their declared preferences -- would also choose to complete their dwellings before the installation of public utilities although, in practise, they have no option. The degrees of 'modernity' of the single-family house types commonly built in Lima today can be observed in the more advanced 'barriadas' which present a clear sequence: the 'choza', a primitive and temporary shack made from woven cane mats supported on bamboo poles; the 'cerco', an enclosing wall surrounding the possessor's lot and within which the household will continue to live in 'chozas' while the carcase* of the permanent house is being built. Once the carcase of the first stage of the house has been built, however, the family will use it -- even if it has a temporary roof (in many cases the carcase of two or three rooms are built before the 'cerco'). The entire ground floor of the house is usually completed before the second storey is started and it is at this stage that domestic water supply and drainage are in urgent demand; electric light normally precedes water and drainage, partly because of its importance for social and cultural life, street security and for domestic appliances -- TV, refrigerators and so on. The final stage, the finished house of the successful squatter settler, is essentially the same as that of the middle-class professional and is, in fact, a perfectly acceptable modern dwelling. The professional's preferred location, however, is in a

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* i.e. walls, structural floors and roof

low-density suburb with large gardens and open space or, especially if there are no children, a high-density down-town apartment block. These are the most 'modern' or highly developed types of housing but they are usually either physically detached or relatively distant from community facilities; it is also relatively unimportant whether or not the properties are owned or rented.

If these observations are reasonably accurate and if the interpretations are correct in principle, some widespread and influential assumptions must be modified. In the first place, the argument implicitly rejects quantitative-standard value judgments on local environmental conditions. The proposition that there is a functional relationship between social needs and environmental forms and, furthermore, that these needs are set in a cultural continuum, precludes the moralistic condemnation of physical conditions _without reference to the values underlying the situation which they reflect_. If my argument is correct in principle, the orders of priority between the functions of housing vary radically: the immigrant's and the wage-earners' housing priorities are, I argue, the revenue of those of the middle-class. While the middle-class family cannot maintain its situation without a modern house, the immigrant -- and even the wage-earner -- may well be unable to progress if they are burdened with the cost of the cheapest possible modern standard house. The latter, poorer sectors, -- which make up over half the urban populations of Lima and considerably more than half in the provincial cities of Peru -- cannot progress and the poorest cannot even survive without immediate access to community facilities. This function, however, has the lowest priority for the wealthier classes and for many in this sector physical proximity to workplaces, marketplaces and even to schools may damage their social position and the value of their property. The proposition that there is a functional relationship between different life-situations and environmental needs and, furthermore, that these life-situations are set in a cultural continuum, precludes the condemnation of physical conditions without reference to the values underlying the situations which they reflect. The 'housing problem', however, is generally -- if not universally -- defined in terms of quantitative deficits of housing units. And with few exceptions -- such as the very significant statements of the UN Ad Hoc Committee on Housing and Planning (4) -- 'housing units' are

defined in middle-class terms, with only partial concessions to differences of need. The differences that are most frequently recognized, however, are the quantitative differences of material resources -- mainly incomes -- and not the qualitative or functional differences which I have described. The universal official immage of 'housing' is, essentially, that of the privileged minorities. It is, perhaps, a fair definition of what housing <u>should</u> be and, maybe, what it can be in the future; bût as a guide for the improvement of existing conditions, the notion that a house is a house only if it approximates the housing standards of already urbanized and industrialized countries, is certainly useless and probably self-defeating.

An analysis of a quantitative 'housing deficit' is no more -- and no less -- useful than an automobile or a refrigerator deficit. All such deficits are indicators of the levels and distribution of wealth but, unless the State possesses the major part of the wealth of the country or has control over its distribution, nothing can be achieved by setting these otherwise unattainable targets -- except, of course, the reinforcement of the attitude of those who are satisfied with the status quo. The only alternative courses of action in the face of an apparently insoluble problem are to forget about it or to try to cover it up with a facade. What is the politician supposed to do when his technical advisors tell him that -- as in the case of Peru in 1957 -- 89% of the Nation's housing stock is sub-standard and that, in addition to this, there is an increasing annual demand for the growing population which far exceeds actual housing production? It is not surprising that housing policies, in underdeveloped countries with so-called 'free' economies, tend to oscillate between laissez-faire and somewhat desperate -- or cynical -- attempts to do something that will create the impression that progress is being made.

The hypothesis that I am presenting also goes some way towards explaining the difficulties which governments so often encounter in the administration of low-cost housing programmes in the recently urbanizing countries. From my own observations and studies, I am convinced that orthodox low-cost government housing projects are, with few exceptions, extremely costly in relation to their real economic value and, whether the financial

cost is born by the State or by the 'beneficiaries', the latter are usually dissatisfied and constitute a political as well as economic liability for their 'benefactors'. This, as I see it, is the predictable result of failure to harmonize the goods and services provided -- or imposed -- with the life-situations of those for whom they are intended. According to my analysis, the typical wage-earning Lima slum-dweller who has to move or who may even want to move to the periphery of the city, wants, above all, an absolute security of residence in a place of his own; one which, without financial strain or undue risk, he can convert into a modern standard dwelling, in his own way and in his own time. It is hardly surprising, therefore, that he should resent having to pay through the nose -- or, rather, through the stomack -- for a heavily mortgaged and expensive house. A house, incidentally, which is far too small but, at the same time, unnecessarily luxurious in its construction, finishes and equipment. The typical beneficiary will be lucky if there are functioning schools and markets in the new location, anyway initially, and if there is an adequate transportation service to his workplace. From the orthodox angle, the whole question of popular housing is pretty disheartening for the politician and administrator: the problem seems hopelessly vast and efforts to serve the biggest population sector apparently lead to more headaches than progress.

If, on the other hand, the problem is restated in terms of the relationship between changing life-situations and the developing environment, then the whole panorama changes. If, to take the Lima example, the solution is seen to lie not in the construction of tens of thousands of housing units, for which there is neither the financing nor the repayment capacity, but in the provision of land and community facilities, then projections come down to earth. On the reasonable assumption that the majority of the wage-earning sector that want or will be forced to move out of the slums, are motivated in the way that I have described, then at least half the actual housing problem of Lima can be solved at a realistic per capita cost. Even if privately owned land has to be expropriated at market values, the initial unitary cost of land and facilities would be between a quarter and a fifth of the typical low-cost minimum housing project. On State-owned land the cost

would, naturally, be much less but in either case, though by different schedules, the complementary elements with lower initial priorities could be provided progressively. The Peruvian Junta Nacional de la Vivienda is experimenting with progressive development projects of this nature: with an initial investment of the equivalent of $100 and monthly payments of $3.70 a family, starting with land and a communal water supply, would be living on a fully equipped building lot after 6 years. The monthly quota is sufficiently low (about 5% of the average income) to enable the family to continue saving for building; without credit they would be able to complete a 7500 square foot house in about 15 years without spending more than 15% of their income on building.* By substituting this type of project for the more orthodox ones actually being carried out, the supply of housing for the popular sector could be increased enormously. If the popular housing supply were in fact increased by this much, and providing that its form and administrative procedures were acceptable and properly adjusted to the demand, then there would be several results: a large number of families would immediately improve their living conditions; these families would concentrate their savings efforts -- many of which would be greatly increased -- on purchases from the local building industry (instead of on manufactured goods most of which are imported); the gross overgrowding of the shrinking supply of slum accommodation would be relieved and rents would tend to stabilize. Finally, and perhaps most important of all, a major cause of squatting would be eliminated -- the lack of land -- and another, the lack of very low-cost accommodation in the central areas (for the very poor and recent immigrants) would, at least, be reduced. The major urban development problem and an important aspect of the housing problem -- uncontrolled and squatter

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* Assuming a monthly income of $100: 6 years paying (monthly) $5.00 for the land, services and facilities, plus $10.00 for the house and 9 years paying an average $15 for the house, the total spent for the building would be $2,345.00 -- more than enough for the materials and skilled labour of a 7500 square foot house. This also assumes, of course, that wages keep up with building material costs, that the owner acts as his own contractor and that the family provides most of the unskilled labour.

settlement -- would, therefore be at least partially solved.

The foregoing is a detailed and, perhaps, a rather roundabout way of saying that the 'housing problem' can be solved in accordance with local demand with locally available resources for housing. This statement carries two obvious implications: first and one which is difficult to substantiate with direct evidence, is that people, especially the relatively very poor sectors that we are discussing, do not demand more costly housing than they can afford. (If this means purchase then, of course, it is reasonable to assume at least short-term and relatively low interest credit.) The other implication is that urban development will be of relatively low density (30 - 50 persons per acre) and that it will develop by stages -- that it will, therefore, be materially incomplete for a number of years, even a decade or more, after settlement has taken place. The evidence for the acceptability of these conditions and for the hypothesis that the mass of the people demand no more than they can economically support themselves, is the existence of the squatter settlements and the relative satisfaction that their inhabitants express with regard to their housing situation -- facts that investigations carried out in Lima, as well as others in other cities, have clearly shown. The objection to low-density development frequently raised by physical planners needs to be more thoroughly examined; I very much doubt that the extension of public utilities is very significant, especially when their installation is subsequent to settlement -- in any case it is far less serious than the waste involved in unused speculative subdivisions of very low density indeed and by having to provide services to the very much more scattered squatter settlements -- both of which are the result of failures by governments to control land-use and speculation. Furthermore, by careful initial planning, by planned land-use change and development (guaranteed by the retention of at least part of those areas which are most likely to change in value and use by the authority) the intensity and diversity of land-use can be encouraged -- normal changes that should take place in the course of its absorption into the growing city. This, however, is a problem of the particular illustration chosen and, therefore, lies outside the scope of this paper.

The main point I want to make, which is independent of the particular form which a solution might take in Lima, is that the housing problem -- stated in the terms which I claim to be correct -- is not a problem of resources which do no exist but, rather, of the proper use of existing and immediately available resources. There is a housing problem, in other words, when resources available for housing are not being spent on housing or are not producing a reasonable return. Different life-situations are, therefore, as significant or even more significant than the physical condition of the dwelling its tenancy or, even, its rent. Take, for instance, the cases of two neighboring families in a Lima slum court of the cheaper and more inferior type: one household is extremely poor, since the bread-winner is un- or semi-employed and the other has a regular income although it is a typically low and rather uncertain wage. Both pay the same rent which will be high for the poorer family but relatively low for the less poor. I would suggest that the better-off family has the more acute housing problem as they are suffering unnecessarily from the physical conditions of the slum and would suffer most acutely if evicted -- the poorer household is less concerned with the state of their dwelling and a great deal more concerned with the problem of filling their bellies; also, they are probably less worried by the threat of eviction, as they are prepared to put up with extremely primitive conditions -- unlike the wage-earning family which would be demoralized by any worsening of their already near-intolerable living conditions -- though this might well happen as a new house of the same type might now cost more than they could afford. This family would be feeling acutely uncomfortable and insecure and would, therefore, seize any chance of obtaining a property of their own, even if it were on the periphery of the city. The other, however, is dependent for survival on their immediate access to casual work and, in any case, are less able to afford the extra cost of living at the periphery. While one family has the resources and motives for moving as well as the desire to move, the other does not. So, while both households may live precisely under the same conditions, they could well have exactly the same composition -- one has a housing problem and the other an employment problem. By the terms of the orthodox definition, of course, both families are suffering from the same deficiency and both should be moved into new housing. But this, I argue, is to confuse the

issue and would, in fact, be both anti-social -- by further reducing the poorer family's chances of economic progress -- and uneconomic -- by subsidizing that family to no useful purpose. But, providing that the services offered were appropriate, the wage-earning family would be greatly helped through resettlement in their own dwelling and the money that they previously spent on rent, television sets and even diversions compensating in part for their intolerable housing conditions, would be invested in building -- one of the main employers and distributors of wealth. Public investment in housing should, as I see it, be determined by its ratio to the private capital which it diverts into locally productive channels. By differentiating between tensions or problems arising out of the lack of opportunity to invest and those arising out of the opportunity to produce the division between 'social' and 'economic' problems -- which always seemed to me more theoretical than real -- tends to disappear anyway in the housing field.

One final observation -- which is by way of acknowledgement -- the redefinition that I propose and the action which it implies is clearly stated and demonstrated by the popular sectors in Peru and, f I am correctly interpreting the documentary material I am now studying in many other parts of the urbanizing world. There is nothing new in what I am proposing -- on the contrary, it seems to me that current thinking about housing, as I have interpreted it, is a modern invention and that what I am trying to point out is entirely traditional.