Poverty and Sustainability: Low-Income Housing in Developing Countries

Mohammed Mahbubur Rahman  
Kingdom University, Bahrain.

Abstract: Low-income settlements occupy a large portion of urban housing in the developing world. Despite efforts, governments and international agencies failed to stop the physical, social and environmental degradation found there. This is linked to lack of institutional support, poor policy implementation, weak governance and low user participation. Moreover, the capability of the low-income households to make realistic economic and sustainable solutions to their housing problems was ignored. Thus participation of private sector and people through sustainable housing policies became an imperative. This paper in one hand charts the progress of the policies and their periodic shifts, and on the other hand presents the affordable and sustainable qualities of the low-income groups housing in the informal sector that that could lead towards solutions.

1. Introduction

Unprecedented urbanization of poverty, as Whelan [1] named it, is increasing the number of deprived people in urban areas. According to the UNCHS [2], urban population in the developing world will double by 2030, with 2 billion of them living in the slums. The global community is failing to meet the Millennium Development Goals of significantly reducing the number of slums; 50 million people were added to the slum population in between 2003-06 [3]. A rising standard of living and political ideologies have increased the demand for proper housing, putting pressure on the governments that took varied approaches to affordable and sustainable housing.

The primary target of these approaches was to minimize slums, squatter settlements and substandard housing. In the background of weak economic base and huge requirements in the countries of the developing world, strategies ranging from providing public housing to development of institutions and participation have been used. Most of these were limited in effect for not addressing deeper issues like widespread poverty, deteriorating socio-environmental conditions, and incapacity of a large number of urban population within weak institutional arrangement that inhibit access to formal sector resources and cause housing deprivation as a result. As the conventional approaches failed to overcome the problems, it needed context-specific solutions that could be afforded and sustained by the target groups, relieving the governments of its burden.

The international experts, organizations and funding agencies involved in the housing policies and programs in the developing world have gone through supporting direct involvement to aided self-help, sites-and-services, to in situ upgrading, and enablement and institutional development over the decades. These have variously treated the role of the informal sector in low-income housing including squatter settlements. This is the largest provider in most of the developing world cities, and has a great influence on their economies. Exclusion of this sector or the low-income groups in deed created more problems than it solved.

This study outlines housing within the concept of sustainable development, and discusses the link of poverty with sustainable housing, policy and practice, low-income informal housing process, institutional strengthening, and enablement of the low-income groups. It discusses the changing approaches to the low-income groups housing starting from the 1950s, which was influenced by the international agencies, and highlights the advantages of self-built incremental and in-situ upgrading. Thus, it focused on the 'process' of low-income housing as an affordable means to provide sustainable solution to the particular group.

1.1. Sustainable Development

World Commission on Environment and Development (WCED) defined sustainable development as the kind of development that meets "the needs of the present without compromising the ability of future generations to meet their own needs." The idea emerged in the 1980s to bridge the gap between environmental concerns about the ecological consequences of human actions and socio-political concerns about development issues. While the debate on conservation/preservation of the environment went on, the issues of population growth, consumption pattern, pollution, and depletion of non-renewable resource got prominence [4]. While the governments and the private bodies adopted the term sustainable development, the academics used the term sustainability to reflect the more managerial and incremental but less radical approach of the Brundtland Report. Concerned that development was treated as
Poverty reduces capability to expand social opportunity in markets, in state policy, and in households; this development requisite focuses on the freedom of individuals to choose values and lives worthy to them [8, 9]. Therefore, Brundtland concluded that “ecological sustainability cannot be achieved if the problem of poverty is not addressed” [4]. She linked the environmental issues with those of human development, both affected by poverty. Despite this critical link, macro-economic stabilization and liberal market-led growth formed the development agendas in the 1980s. The socio-environmental development as such was not rooted deep. Stiglitz [10] emphasized on overall societal changes in the urban, environmental and health dimensions, and the volumes and characteristics of poverty, while Wolfensohn [11] instigated medium-term strategies to alleviate poverty and make socio-economic transformation as alternatives in the late 1990s.

These could achieve transitions through varying emphasis on different sectors, including housing, based on the context-based pragmatism, and by utilizing socio-economic opportunities. Thereon, broader urban issues like improvement of living qualities, poverty reduction, job creation, and environmental sustainability got emphasized in the late 1990s, rather than only increasing income and economic growth. Aimed at strengthening a balanced development, enhancing and sustaining economic growth, and also bringing modernization [12, 13], it prioritized generating finance, developing institutions, and improving management over improvement of squatter settlements.

Environment problems in the 1980s were regarded as minor, technical, and politically un-contentious, which economic growth and social progress could solve by generating the required resources including technology. Growth by increasing the general wealth of society also increases scope for the protection of environment, and to overcome both environmental and social challenges. Environmental regulation combined with market-based planning could help to ameliorate the slum problems only if sufficient resources and powers were vested on the dwellers. But it required significant social and economic changes too, not technical solutions only. Increased land value, raised income, better health, and skill upgrading through training and gender programs in an Indian upgrading scheme demonstrated the individual and collective returns as increased land value was appropriated to regularize household tenure [14].

The WCED downplayed the extent to which wealth could contribute in alleviating poverty and improving environment [15] as it understood the conflict between environmental protection and economic growth. The views accept that in a capitalist system the former requires fundamental change in the institutional policy compatible to continued economic growth. The reformists favoring the human-centered nature of the Brundtland Report suggested that the environmental concerns of imbalanced consumption could be addressed by promoting more sensitive human development using improvements in technology and efficiency. Avoiding spiritual values or individual responsibility, it focused on collective institutional responses and social responsibility.

1.3. Relevance to Housing

Until recently, sustainable development was perceived as an environmental issue not integrated into economic decision-making. Robinson [4] urged to integrate the social dimensions of sustainability with
the biophysical dimensions; addressing only environmental or economic concerns was insufficient. That social dimension, considered the weakest pillar of sustainable development in its analytical and theoretical underpinnings, is seen now as important as environmental and economic dimensions [16]. Norton [17] defined sustainability as a social imperative, not ecological with social and economic implications. Woolcock [18] attributed this awareness to the fall of communism, ostensible difficulties of creating market institutions in transitional economies, financial crises in Latin America, East Asia, and Russia, and unemployment and social marginalization.

Sustainability is a political act based on human decisions and ways of life, not a scientific concept [4]. Policies see sustainable development as that promotes economic growth, maintains social inclusion, and minimizes environmental impact. These focused on social and economic conditions in developing countries, their connection to environmental degradation, and coping ability. Some adopters of sustainability frameworks, e.g. the European Commission, provided a more directed approach for building professionals: “economic growth [that] supports social progress and respects the environment, social policy [that] underpins economic performance, and environmental policy [that] is cost-effective” [15].

According to Greider [19], sustainability “carries revolutionary implications” for urban planning. Given the phenomena of urbanization and severe housing problems in the cities that use the greatest amount of resource and generate the most waste products and pollution, the economic, environmental and social implications of sustainability have relevance to urban housing. For development scholars and practitioners in environmental sciences and policy, sustainable development has been a universally integrative term, elevating the idea beyond urban planning and policy domains. Yet against macro-economic development focus and site-specific benefits for fixed groups of people, sustainability was not applied to housing till recently [20].

While the environmental limits are constraining economic growth, and addressing the financial aspects of social justice accompanying the environmental sustainability, the sector is an important element of sustainable housing. Social sustainability refers to “policies and institutions that can integrate diverse groups and cultural practices in a just and equitable fashion. As cities develop, the degree of social inequality, cultural conflict and political fragmentation within urban boundaries has increased” [21], this is more evident in low-income housing. Thus provision of housing can be sustained by easing access for all income and occupation groups.

Sustainable human settlements may remain meaningful within the absorptive capacity of local and global waste, the achievement of the sustainable use of renewable and replenishable resources, the minimization in the use of non-renewable resources, and meeting basic human needs [22]. The last, distinguished from the more general environmental approaches, is directly relevant to the housing issues. The brown agenda laid down guidelines for sustainable development, followed by the UN calling the local governments to mobilize broad-based, participatory, and environmental improvement. Implementation of the agreements reached at the 1992 Rio Summit required a concerted action at the local level [23], focusing on community, participation, partnership, accountability, etc. Thus policies should aim to initiate economically viable, socially acceptable, technically feasible and environmentally compatible housing.

2. Approaches to Low-Income Housing

Self-built low-income housing, often in the slums, met the need of over three quarters of the urban dwellers in many developing countries at the turn of the century [24]. Extended social, economic and other benefits increase the price of proper housing, which forces the low-income people to resort to low quality and below standard houses [25]. The gross shortages and huge squatter settlements lacking basic utilities in the fast growing developing world cities received global awareness in the 1950s. Since then, international agencies got involved in housing by providing advice and project assistance, and influenced relevant policies and strategies in the developing world [26, 27, 28]. Abbott [29] asserted that this was done only to bring a radical shift away from failing public housing.

Abrams [30] and Turner [31, 32] advocated in situ slum upgrading and incremental building. Yet sustainable qualities and ingenious solutions of the low-income settlements were not incorporated in the public housing schemes. Turner [32] phrased “freedom to build” or “housing is a verb” to distinguish and support people’s capability to participate in the ‘process’, and control that according to his capacity [33]. If allowed and helped, households could gradually improve their housing situation within their economic means, and with available resources, including ‘sweat equity’ [34]. Thus 'self-help' housing, more affordable to both the government and households, is more sustainable than typical public housing schemes that are unaffordable and inaccessible to the poor [35, 36].

Housing policies in the developing countries had accepted self-help by the 1970s. A large-scale intervention by governments in the supply of such housing resources was endorsed in the 1976 Vancouver Habitat Conference [37]. Accordingly community representatives should identify and transform priorities into action plans. Later, the 1992 “brown agenda” that guides sustainable urban development also called for participatory
environmental improvement. Identifying lack of relevant institutions and participatory capacities, it urged local governments to mobilize broad-based community involvement in the housing process. Yet project-oriented practice and policy of self-help and sites-and-services schemes continued due to availability of international funds and short-term benefits; their limited outcomes could not make whole-system environmental changes.

The conventional recipe targeted recovery of all project components to secure repayment of international credit, while applying grants responsibly [36, 38]. International agencies spearheaded by the World Bank followed the principles of affordability, cost recovery and replicability [39]. Accordingly, repayments were to be set by the target group’s willingness to pay, not by planning ideals and design standards. Several authors [40-43] identified some of the problems these projects faced: cost not recovered, remote sites, no access to employment, gentrification, weak institutional capability and expertise to deliver, no participation of the beneficiaries, eviction, rampant corruption, projects not leading to greater reform, etc. These projects also failed to address the issues of poverty and inaccessibility to land, and precluded employment generation and a proper growth of affordable and flexible mass housing.

Sustainability means that the local economy, environment and society are integrated into developmental whole [44]. It was apparent by the 1980s that structural reform was needed to ensure sustainability and replicability. Hence comprehensive urban policies and wider programs started to replace self-limiting projects with less impact on overall alleviation of the situation [33, 45]. The international agencies withdrew from direct building, except for social housing with self-help components, e.g. in sites-and-services schemes in India, and in the small loan program in Sri Lanka, Chile and Singapore [46]. Financial institutions were reformed or built to reach target and make more effective recovery. However, many of them could not achieve the same comprehensiveness or effectiveness due to undeveloped finance sector and institutions.

Local governments also started to decentralize maintenance responsibility to the beneficiaries that brought some socio-economic effectiveness. These, and NGOs, were promoted as intermediaries to assist low-income dwellers to mobilize and develop appropriate community organizations, provide technical and managerial skills for self-help house building, increase their access to co-operative lending, and mediate loans as guarantors for low income borrowers [35]. For example, the Bangladesh government established an employment generation foundation in 1989 to disburse and monitor international project grants through the NGOs. An allocation of US$ 250 million by the World Bank in 1988 in India helped the Housing Development Finance Corporation to extend its coverage and stimulate local housing finance institutions. Chile introduced vouchers for sites-and-services schemes. Parana Towns Improvement Project (1983–88) created a municipal fund with World Bank’s seed fund.

By 1990s, focus shifted to holistic development tying various housing provisions with other sectors of development to take account of a wide ranging set of issues [26, 33, 37, 45]. As broader and deeper institutional reform became imperative to sustain housing benefits, strategies were set to develop finance more, reduce the backlogs, increase inadequate infrastructure, reform land management and policy, introduce financial transparency to accelerate supplies in low-income housing, increase competitiveness of the construction industry, provide targeted subsidies, and establish or reform institutions [38].

2.1. Social Development and Housing

Trainer [47] showed concern that the developing world chose economic growth and it’s social and environmental impacts (e.g. exploit labor and environment) over what would be a proper development strategy (e.g. adequate housing and clean water rather than industry and export). NTTEE [48] asserted that “sustainable economic development does not place limits on economic growth, provided it is both socially and environmentally sustainable.”

Sen [8, 49]) criticized the way neo-institutional and ecological economics direct towards the conventional economic theories. He emphasized on individual capabilities in acquiring ‘social capital’ that could address the social dimension of sustainable development. Thus alternative combinations of functions a person can perform define his priorities that range from elementary like shelter to complex like community participation [8]. Therefore, policies should not focus on collective outcomes, e.g. the distribution of income, but rather on building individual capabilities. This will ensure that people have the means and freedom to convert economic wealth into desirable outcome like better environment. Even the poor significantly value freedom and capacity—key elements in Sen's approach that may be irrational to traditional economy of maximizing utility.

Ballet et al. [50] extended the capability notion from individuals to cover societies, as an individual or a society adapt to a number of external constraints while cumulative effect of individual benefits is realized. They defined socially sustainable development as one that “guarantees an improvement of the capabilities of social, economic or environmental well-being for all, through the aspiration of equity on the one hand, as intra-generational distribution of these capabilities, and their transmission across generations on the other hand”. In designing policies, not only the effects of economic and
environmental actions on the social dimension, but also decisions within the social sphere itself are important. This expresses both an individualistic (capabilities of rational and responsible individuals) and a social (capabilities of a society and the roles of its actors) points of view.

Social actions like poverty reduction programs may often adversely affect certain capabilities, resulting in an increasing vulnerability of individuals and social inequalities. Translated into housing, self-help and identity make more sense in terms of sustainability. Personal commitments and appropriate human bondage generated in low-income housing through freedom and control over the process can lead to poverty reduction. Economists argue that improved environment increases health and economic productivity over long-term development transitions, removing the causes of poverty and deprivation. Benefits get multiplied through generating production, income, employment, savings and consumption [51]. This implies that these require social co-operation to sustain improvement in housing.

The conflict between sustainability and development is paralleled by calls to combat exclusion of low-income groups [52], and restore a broader socio-economic purpose of housing equity. But the aspiration is not matched by the commitment to provide the resources and powers necessary to change the existing situation; politicians and bureaucrats may adopt language and sentiment without the will or means, or empowerment of the poor [35].

**2.2. Housing Enablement**

Governments had played the role of provider by intervening housing delivery. The concept, transplanted from Post-WWII West where it was successful, could not fit the developing countries' context [29]. The issue of low income housing provision through the private market in developing countries has been discussed since the mid-1970s [53]. Reducing the state’s involvement in directly providing housing and expanding the role of the private market were accepted by the late-1980s by most developing country governments irrespective of ideology or political structures [54]. As the private sector dominates housing, enablement rather than limited projects could increase production by supporting and expanding the role of the markets and self-help capabilities of the low-income households.

The enablement strategy aimed to provide financial, legal and institutional support to enhance economic efficiency and social effectiveness [55]. The international agencies started to encourage the creation of an enabling environment through deregulation and institutional development of the land and housing markets to overcome the external constraints [56, 57]. The 1993 World Bank housing sector policy paper emphasized on contribution of housing to macroeconomic development, and proposed the enablement of private markets for scaling up housing production and developing the sector as a whole to meet the 'requirements of all by the Year 2000'. The UNCHS [58] too set to achieve ‘adequate shelter for all and sustainable human settlements’ by enabling the private markets.

Such enablement could bring together technical know-how and capacity of development agencies, use available resources, and recognize and define responsibilities of all stakeholders, through an inclusive participation by residents from all strata. The underlying socio-economic rationale could guide the roles of each partner in the multi-institutional and multi-organizational environment: private enterprises contributing efficiency and entrepreneurship, CBOs mediating between households and government agencies that provide urban management expertise, and the participants providing various finances, self-help resources, and localized relevance in the upgrading efforts [38]. These represent a complex process threatened by weak institutions, narrow coterie interests, corruption and market manipulation.

Rather than limiting housing and non-housing choices, affordable housing can improve the socially sustainable environment in communities and cities [16]. The enablement framework was also relevant to new housing for other income groups. Implementation of proper land policies coordinated with activities of the infrastructure and utility agencies could ensure adequate supplies of well-placed ready land at affordable price. The legal system could protect property rights of all, developed finance institutions could introduce attractive instruments to generate and manage funds. The overall policy and enablement framework could have pro-poor and egalitarian elements for social-relevance and sustainability.

It was evident that benefits could not be sustained without good governance. Attempts made to bring governance in economic, education, health, environment, housing, urban and other sectors with enablement through institutional reform emphasized on state–market–society relations. The approach encouraged community-based participation in upgrading the squatter settlements and owning community assets so that processes were more transparent and accountable and people were enabled to improve themselves [35].

Self-help was part of a process of encouraging cooperation for community development [59]. In essence, both the process and the project need good governance, organization, management and policy [38]. The problem of converting environmental improvements into action plans and partnership can be resolved by assigning responsibilities, attribution of costs and self-help, and making management participatory and transparent. For example, the community and the city jointly took decisions and defined actions in Million Houses Program in Sri
Lanka [60]. The NGOs in particular were urging to allow community control over decision-making, which has strong academic support [27]. The Recife Declaration stressed the importance of integrating the informal city in such participatory actions. However, the support to community participation was not universally appreciated in the 1980s [53].

3. Housing Process

House building is a huge event for low-income families, co-opting members to marshal physical and monetary resources. It marks the beginning of commitment to improvements and transformation; the community also obliges. The ingenious cost-effective solutions by slum people could reduce dependence on external assistance and the government’s burden [61]. Economic dynamics of self-help housing produce individual and social assets of collectively large value in the housing stock [62]. Self-help labor reflects competitive forces and better uses of time compared to formal wages.

Regarded as implicit saving and investment, the value of a house accrues through use, rent and economic activity. It is also a source of income to the low-income groups [61, 63]. The value of a demolished property is included in investment appraisal [64], comparing the state of the settlement with other options. For example, renewal offers much improvement if the extended life of the existing structure has a real value, rental difference between old and new building is narrow, interest rate is high, and total redevelopment is costly [38].

A majority of low-income houses are built over time as per available funds, materials, labor and time, available intermittently [65]. Low-income people can live in rudimentary shelters till that can be improved. Compared to institutional finance, incremental building and improvement distributes consumption and saving over time to make housing affordable. There are other benefits found too [34, 66, 67]. For example, low-income dwellers can house themselves at 25%/lower than the government or the formal delivery cost; self- and mutual help often reduce initial cash requirements for construction by 50%, and can replace up to a third of the labor cost. Materials reuse, involvement of family labor and bartering skilled labor; and participatory environmental improvement can also reduce cost.

With savings, institutional finance, mostly availed by the better-offs, could be accessed [68]. By preferring collateral, large scale, and low credit risks, the finance institutes do not serve the poor with low and intermittent income [69]. Regressively spread repayment and no grace period make cost recovery in low-income housing often difficult [41, 69, 70]. On the other hand, the informal money lenders prevalent in low-income settlements meet the flexibility, short vision, small budgets and survival strategies of the poor [35, 38]. In housing, efforts should be made to connect the informal sector and banks [13]. Organized community savings and self-help micro finance have often successfully stimulated savings and investment as financial sustainability is secured with peer control social co-operation. The Grameen Bank in Bangladesh has housing credit scheme for bringing social development among the poor through mainly woman borrowers.

3.1. Motivation and Expression

Most housing solutions focused on bringing down the capital costs of dwelling units and infrastructure to an affordable level. This ignored that ownership prospect encourages the households to stretch financial capability [36, 40]. Many researchers have shown that despite little cash savings, some low-income families could devote to housing both monetary and non-monetary resources, like spare time [35, 36, 41, 70, 71]. Scope for one to participate and express attachment results in more commitments, and make affordable and sustainable improvements possible in a varied socio-political context. This is more manifest where occupancy is secured or tenure regularization is expected [35].

Turner [32] highlighted the aspects of self-fulfillment of the slum-dwellers and their commitment to housing. Motivated residents mark own identity by dynamically changing the expression of built form. Literature on enhancement of aesthetics and cultural amenities in low-income settlements is rare. Marcus [72] focused on the personal meaning residents attach to their home in improving those. Such improvements are part of localized sustainability—more fitting to the socio-economic needs and affordability of the urban poor, and hence are more sustainable [31, 32, 36]. The authorities loath the eyesores of low-income settlements [73], overlooking its aesthetic part; this leads to demolition of shelters and destruction of communities.

The socio-economic role and importance of the product, process and use in built form are positive aspects of the spontaneous settlements [74]. Intricacy, variety, accomplishment and resource efficiency in these settlements and built forms are concurrently social, cultural, economic, political and architectural [38, 72]. Conservation of culture and sustainability has been expressed "amidst perceived squalor and disorder of informal settlements" [67]. Their housing, the locales for the life’s drama and human contributions of millions in enormous urban and socio-economic transformations, remains a dominant form of dwelling. Thus modern buildings and self-help shelters can co-exist as aesthetic and culture of in-situ improvement and regeneration are now being accepted.

Expression of environmental change, local culture and design and construction knowledge in such settlements show color, adaptability and ritual space,
and create varied living environments [75]. These spontaneous open-ended, multi-sensory, settlements add on elements, just as architecture reflects human drive, vision, personal interest and identity of place these could provide [38]. A make-shift shack is an outcome of rational utilization of limited resources, and is ‘architectural’ same way as a ‘designed’ building. It reveals beliefs and aspirations within the political, the visual and the cultural milieu. The roles of individuals and households are inherent in self-help, household economics, affordability and home sense. The value of the product and attribution of childhood in human capital formation should also be considered.

Value of housing extending beyond living areas is attributed to indispensable human needs. The composite social good cannot be produced piecemeal. Substantial improvement requires restructuring of the community’s social, moral, legal and business systems. Long life and high cost of housing, coupled with its visibility and diversity, make it uniquely important in the socio-economic development of which it is both a pre-requisite and an objective [76, 77]. Yet the economists studied only market exchange value, the design and impact of subsidies, or social issues of poverty and inequality [41, 46, 78]. They ignored non-economic resources and socio-economic asset: time and energy spent for home building, personal and community activities, domestic chores, income generation, housing and environmental improvement, and human capital formation.

Social, ethical and aesthetic marks on low-income shelters cover the full range of living, encompass environmental, social, economic and political facets, and encourage people to value lives. Appearing disorganized and inadequate, these aspects are at the core of socio-economic, political, environmental and developmental sustainability. Recognition of housing rights, affordable in-situ improvement, and the development of social capital, stable growth of income and empowerment bring housing and environmental improvements for low-income groups. Social homogeneity, good community leadership, cooperative experience, visible outcome, prospective ownership, and affordability can help to achieve consensus on development objectives and means [35, 38].

4. Summary

Spontaneous and informal self-help housing, parallel to fast urbanization, widespread poverty, large informal sector, generalized policy lacking institutional base, etc., has remained at the core of housing policies in the developing countries. Yet their implication in overall environmental and urban development was recognized late [79]. Since WWII, housing policies were dominated by the shifting approaches of the international agencies. The assisted self-help housing programs changed from site-specific projects to programmatic strategy mediated by formal institutions. But uniform prescriptions neither catered for local peculiarities nor used the positives of spontaneous settlements. Meanwhile the urban poor were making their own affordable and innovative solutions by controlling the process. Any improvement should address low incomes of the majority due to an unavailability of adequate jobs and good education for workers, and low productivity due to poor health.

As the problems were widespread and the scale was enormous, project-based output, predominant in developing countries, could not scale up production to relieve people living in severe housing conditions [25, 58], unless replicable. Since housing is highly taxing on limited resources, only an economically, socially and environmentally sustainable approach, supported by development in areas like health, education, income generation, etc. could eradicate the problems and sustain benefits. Poverty alleviation and governance, supported by enablement and institutional development, underlay this approach. It put the onus on the government to create an atmosphere conducive to grow the capabilities of individuals, groups and organizations. Accordingly, a participatory approach involving the target group could promote an effective and affordable solution that could be sustained within a context. Though communities have rights to improve their settlement, the systems, professionals and the processes often ignore that.

Institutional reform in the developing countries lies at the heart of governance; this is also prioritized by the international agencies in current urban development and policy agendas [38]. Nobel laureates in economics have been advocating the state's welfare roles in institutional reform, social and private property rights, and governance quality. They focused on the way the economic ethics and quality of institutions influenced long-term growth and transition. Housing goes beyond the construction and environmental management. Housing services and environmental improvements supplement other by contributing to human development that depends on access to state benefits and the security of a safe and healthy environment that opens access to other life essentials [73]. Thus the domestic, commercial and the public sectors are interdependent in bringing overall socio-economic development of the low-income group. This confirms the symbiosis of housing economics in sustainable development. However, retention and regeneration of squatter settlement only is untenable as its success depends on other related development sectors.

The domestic sector as it uses own resources to produce home-based goods and services is generally more sustainable. The large informal sector can contribute in socio-economic developments if legitimized and assisted [80, 81], beckoning for sustainable improvement. As income increases and needs arise, households upgrade houses in terms of materials, space and utilities, transforming into more
substantial and homely structures that mark personal identities. Regeneration schemes improving living conditions and providing social opportunities for low-income dwellers add more socio-economic and environmental values than high-profiled projects in conserving economy, construction, environment and health. Potentials for conservation and regeneration of squatter settlements vary with their characteristics; it is easier in well-established settlements with any form of tenure security. Lay-outs are often redesigned in state-assisted schemes [82]; these cut socio-economic ties and identity of the dwellers. Participatory slum improvement as part of overall housing development and urban macro-spatial planning can prevent this.

5. Conclusion

The international agencies urged to balance the tensions between economic growth, the environment, and social impacts. Sustainable development should promote economic growth, maintain social inclusion, and minimize environmental impact. The literature has generally focused on economy and environment though sustainable housing is more than that; the economic sector addressing the financial aspects of social justice, accompanying the environmental sustainability, is an important element in it.

Sustainability in housing is meaningless as an end in itself. Although conventional analyses recognize the need for changing the practices, few realize that moving toward a sustainable society, rather than minor adjustments. As governments have neither the will nor the capability to accomplish alone, it must be integrated across sectors or interests. The private sector must be involved, supplemented by the monitoring, capacity building, and alternative service delivery roles of the NGOs.

Sustainable development implies a shift in the capacity of individuals, companies and nations to use rightful resources under favorable legal and economic arrangements. Sustainable community development initiatives are not only interventions, but also learning processes to mobilize positive shifts. Changed behaviors like using urban space efficiently, minimizing the consumption of essential natural capital, multiplying social capital, mobilizing citizens and their governments, can prevent many environmental and social disasters, to create healthy, sustainable more pleasant and satisfying communities than today.

Sustainability, “an attack on conventional thinking and practice” (Gibson, [83], and a framework for urban future, provides an alternative with optimism. The global audience has pinned its hopes on sustainable development to solve the urgent environmental and societal problems [15], like low-income housing. As in open market, environmental factors affect many, right to affordable secure housing must be de-coupled from property speculation and economic competition. Though, policies for sustainable housing in isolation may not overcome the urban problems, without them no solution can be found.

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