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How Urban Families use Infrastructure and Housing in their own Development

*Seminar by Mona Serageldin
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By the year 2015 more than 50% of the world's population will be living in urban areas. Already more than 70% of Latin America and the Caribbean is urban. Africa is now only 28% urban, but growth rates on that continent are projected to be 4.8% per annum. This rapid growth of cities and towns is outpacing the capacity of existing urban systems. Families are left to cope as best as they can, relying on informal structures.

The phenomenon of urbanization provided the context for the fourth presentation in the Family and Development Initiative seminar series. Mona Serageldin, Associate Director of the Unit for Housing and Urbanization and Lecturer at Harvard University, explored the needs and objectives of limited-income urban families. Drawing on examples from the Near East, Asia, Africa and Latin America she discussed family strategies for survival and upward mobility. Dr. Serageldin focused on the resources families mobilize to meet their needs, including their reliance on multiple social networks and their ability to capitalize on investments in land and housing in order to participate in an economy from which they are marginalized.

Income Generation and Infrastructure

By the end of the decade 90% of the poor in Latin America and the Caribbean and about 40% of the poorest in Africa and 45% in Asia will be urban dwellers. Serageldin argued that for poor urban families seeking income opportunities a first priority is the availability of infrastructure including transportation services, which can permit access to jobs. Paved roads and sidewalks provide opportunities for informal sector activity, and for the conversion of a ground floor dwelling space into a shop or workshop.

Accumulating Assets

Land, which is appreciating at 20% annually in most

developing countries, is the cornerstone of many poor families' development strategies. It is usually purchased for cash. The next step, house building, is delayed until savings can be replenished. Households which can tap into a variety of informal extended family networks for investment and working capital, may advance more quickly. Meanwhile, a shack is built on land often acquired informally, to ensure security of occupancy. For the household, the shack is not an indicator of poverty, but part of a process of building up the family's ownership and control of assets.

Housing as a Shelter, Commodity, Investment

For low income urban families a house is more than a shelter. It has multiple uses as a productive resource

How Urban Families use Infrastructure and Housing (cont.)

and locus of economic activity. Case studies from Caracas, Amman and Kinshasa demonstrated that home-based enterprises, so often seen as the domain of women, employ other family members, such as children and grand parents, who take turns at different times of the day or week. These intergenerational linkages enable working adults to seek more remunerative jobs while ensuring that the domestic needs of the household are met. The benefits of these activities lie not only in the significant revenue contributed to the household economy, but also in the savings in business costs achieved through the multifunctional use of space. For most enterprises, 50% of the capital investment is sunk in the cost of land and building.

Households distinguish between the use of the land for their own shelter and its worth as an investment which will both appreciate and can yield an income. Indeed, for many families the level of investment in housing is determined as much by projected future income flows as current income. A modern urban compound in Abidjan can be an especially lucrative investment for a landlord. Shelter for one's own family is often sought elsewhere. At each successive stage in the construction of a multi-storied building, the family residence may move upwards to make way for shops and other commercial uses on the street floor.

Keeping Families Together

Dr. Serageldin's longitudinal research in Cairo illustrated the importance of a house as an asset that keeps families together. Vertical expansion of buildings provides space which can be used to house less fortunate family members, such as the elderly, at advantageous terms to all parties. In one case, the rental income saved by a widowed mother living on a relative's top floor was spent on her children's school fees while the income generated by this family member from a ground floor shop covered the family's living expenses.

For many families, a modest home and daily evening meal creates a sense of social cohesiveness, one of the intangible qualities that help keep children and youth from drifting towards dehumanizing and sometimes violent life on the street. In countries where structural adjustment has resulted in youth unemployment rates of between 30-40%, and where social safety nets are stretched to the limit, the importance of the house as the locus of the only enduring support network should not be underestimated.

Conclusions

For most poor urban households the goal of owning a house is central to their development strategy. To families and their members the availability of infrastructure and sources of income generation are key elements in a long process of self-improvement which is characterized by a sequential accumulation of savings and acquisition of land and housing. Throughout this process, which may take over ten years, the capacity of a house to serve as a productive investment is integral to the family's decisions concerning the mobilization and allocation of resources within the household.

Dr. Serageldin concluded that family needs can not be divorced from successful household urban shelter strategies. Indeed, economic, social and environmental factors are interrelated with the family as the pivotal decision making unit, integrating, prioritizing, selecting and expressing preferences through expenditures on consumption and investment. The courses of action families take reflect cultural, legal and economic contexts within which decisions are made as well as each family's particular circumstances and structure. Integrating infrastructure and shelter strategies with income generation opportunities widens family choices, motivates extended family actions and promotes cooperative initiatives. Creatively linking programs will enhance the productive capacity of limited income families and improve not only their living conditions but also their future prospects.

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