



A RIGHT TO A DECENT HOME

MAPPING POVERTY HOUSING IN THE ASIA-PACIFIC REGION

By Jennifer Duncan



AT A GLANCE: HOUSING IN THE ASIA-PACIFIC REGION



1. Over 500 million people currently live in slums in the Asia-Pacific region, representing 60 per cent of the world's slum residents. Few have access to safe water or improved sanitation. Continued high urban population growth will define the region's low-income housing need over the next 30 years.

2. In rural areas, extreme poverty defines housing conditions for most low-income families. Of the 2.2 billion people living in rural areas, over 750 million lack access to improved water, and over 1.6 billion lack access to improved sanitation. Asia has the lowest sanitation coverage in the world.

3. Most poor people in urban areas region live in housing they build themselves, incrementally.

4. Poor housing causes disease, injury and death. Pneumonia and diarrhea are closely linked to living in the slums; together they kill 4 million children in developing countries each year. Poor housing also entrenches poverty, causes civil unrest, and stifles economic potential.

5. Low household earnings juxtaposed with high urban land prices — fuelled by the region's economic growth during the past three decades — make housing less affordable than in most other parts of the world: average house prices are 7-10 times average annual income.

6. War and violence displaced 2.7 million people from their homes in the Asia-Pacific region by the end of 2005.

7. The 2004 Indian Ocean tsunami left over 1.8 million homeless, and hundreds of thousands of people were displaced by the 2005 earthquake in Pakistan. Reconstruction from these and other disasters is ongoing, but many victims are still without adequate permanent housing.

8. Government policies influence, and in many cases define, housing options for the poor. Systematic corruption, regulatory schemes for construction and land-use, rental sector policies, and policies on eviction and relocation need improving. The continued focus on upgrading *in situ* slums is a positive trend. Many governments are concentrating housing resources on extending utility trunk infrastructure and formal tenure rights to slum households.

9. Formal housing finance is largely irrelevant to low-income families. Between 40 and 70 per cent of the people are too poor to afford a mortgage. Many cannot meet mortgage collateral requirements even if they can afford a mortgage. Micro-finance and community development funds provide increasingly important channels for low-income families to build and repair housing.

10. The total projected cost of upgrading slums is US\$35.2 billion or US\$619-US\$643 per person. The total projected cost of providing alternatives to slums for new urban residents over the next 15 years is US\$120.2 billion or US\$285-US\$829 per person.

11. Individuals, families, communities and non-governmental organizations throughout the region are finding their own housing solutions. These efforts could be strengthened exponentially with stronger links to land and financing markets, technical assistance, and a supportive policy environment.

A RIGHT TO A DECENT HOME

MAPPING POVERTY HOUSING IN THE ASIA-PACIFIC REGION

By Jennifer Duncan

Jennifer Duncan is a lawyer from the United States of America with a background in land-use policy and reform in developing and transitional countries. She has worked in China, Mongolia, Russia, Tajikistan, Kyrgyzstan, Georgia, Moldova, Romania, Mexico and with minority communities in the USA. She has completed projects with the Rural Development Institute, the United Nations Development Programme, the World Bank and the National Bureau of Asian Research.

Duncan recently concluded reports for Habitat for Humanity International on inadequate housing in Latin America and the Caribbean, and in Europe and Central Asia.



Edited by Joanne Olson, Hiew Peng Wong, Peter Witton, Kathryn Reid

Designed by Amporn Sopathammarungsee, Athima Bhukdeewuth

Photographs by Mikel Flamm and Habitat for Humanity Photo Library

Published by Habitat for Humanity International, Asia-Pacific Office, 2007



ASIA-PACIFIC OFFICE

Q House, 8th Floor, 38 Convent Road, Silom, Bangkok 10500, Thailand

www.habitat.org/ap

EXECUTIVE SUMMARY





A *Right To A Decent Home: Mapping Poverty Housing In The Asia-Pacific Region* provides an overview of housing conditions for people internationally recognized as living in poverty and discusses the need for improvements. The report examines the primary effects and causes of substandard housing, and efforts to improve housing conditions.

Chapter I poses the principal questions underlying the report, underscores the important and growing role of community-led shelter development for the poor in the Asia-Pacific region, and offers a definition of inadequate housing.

Chapter II discusses housing conditions for the region's poor. The focus is on urbanization and population growth trends, and the effects that these trends have on moving housing demand to the cities. The chapter discusses shelter conditions in four settings: slums and squatter settlements; illegal subdivisions; the rental sector; and rural areas. It also highlights the critical role of secure tenure rights for low-income people.

Chapter III summarizes the effects of inadequate housing on social participation, civil unrest, health and household economic well-being.

Chapter IV looks at the causes of inadequate housing and groups the causes into three sections: socio-economic, political and environmental factors; the housing policy environment; and housing market conditions.

- The first section – socio-economic, political and environmental factors – discusses poverty and economic development; discrimination against women and minorities; war and violence; and disasters.
- The second section traces the development of housing policy in the Asia-Pacific region and examines current policy regimes and five challenges facing policy makers: decentralization; corruption; construction and zoning regulations; rental sector policies; and eviction policies.
- The third section – housing market conditions – reviews land and financing markets, and how they link to housing market outcomes for the poor.

Chapter V outlines current efforts to confront inadequate housing in the Asia-Pacific region. Organizations involved in improving housing conditions include local community groups and a multitude of non-governmental

organizations operating at local, national, regional and international levels, as well as multilateral development organizations. This chapter highlights the growth of community-led shelter development in the Asia-Pacific region, which is perhaps the most important trend discussed in this report.

Chapter VI considers the conclusions and trends in poverty housing.

An **Appendix** presents information on housing conditions in eight countries within the region: Bangladesh, China, Fiji, India, Indonesia, the Philippines, Sri Lanka and Thailand.

CHAPTER I: INTRODUCTION



KEY FACTS

- *Some 554 million people in the Asia-Pacific region currently live in slums and informal housing communities in urban areas.*
- *Asia-Pacific accounts for 60 per cent of the slum dwellers in the world.*
- *By 2030, an additional 1.3 billion people are expected to move to urban areas, the majority of whom will be poor.*
- *In urban areas, 500 million people currently lack access to improved water; 600 million lack access to basic sanitation.*
- *In rural areas, more than 750 million people lack access to water; over 1.6 billion lack access to basic sanitation.*
- *The UN Millennium Development Goals target improving the lives of 100 million slum dwellers by 2020.*
- *UN agencies offer definitions of adequate housing, overcrowding, poverty, slums, squatter settlements and urban areas.*



“In much of the Asia-Pacific region, urban population growth has become tantamount to the growth of slums.”

Housing is a catalyst for poverty alleviation that cuts across almost every other indicator for human development (see, e.g., UN-Habitat 2006: 102-142; and Habitat for Humanity International 2004). Decent housing prevents injury, disease and death, provides socio-political stability, and increases household and national income. In spite of fundamental transformations in the economies and living standards of many parts of the Asia-Pacific region in recent decades, there is an urgent need to improve housing conditions for huge numbers of people.

The Asia-Pacific region contains the majority of the world’s slum and squatter settlements and the majority of people who lack adequate water, sanitation and drainage (ACHR 2005: 7). Asia accounted for 60 per cent of the world’s slum population in 2001, a percentage that translates into an estimated 554 million slum dwellers (UN-Habitat, Habitat Debate, 2005: 2). Most of the urban growth in the world over the next 25 years will take place in East and South Asia. According to projections, 2.65 billion people will live in urban Asia by 2030 (UN-

Habitat 2005: xxxiii). In much of the Asia-Pacific region, urban population growth has become tantamount to the growth of slums (Davis 2006: 17-19).

In setting Millennium Development Goals for poverty alleviation by the year 2015, the United Nations established a specific target for slum alleviation. Target 11 of Millennium Development Goal No. 7 (the “slums” target), calls for the global community “to achieve a significant improvement in the lives of at least 100 million slum dwellers by 2020.”¹ An important related target, also contained in Goal No. 7, is to “reduce by half the proportion of people without sustainable access to safe drinking water.” Arguably there are housing implications and impacts in achieving all eight goals.

The key to meeting the targets will not be a renewed international focus on the issue. Rather progress will come from how effectively local households, communities and non-governmental organizations (NGOs) leverage resources. Families and communities across the Asia-Pacific region are organizing, saving, and leveraging

UN Millennium Development Goals²

1	Eradicate extreme poverty and hunger
2	Achieve universal primary education
3	Promote gender equality and empower women
4	Reduce child mortality
5	Improve maternal health
6	Combat HIV/AIDS, malaria and other diseases
7	Ensure environmental sustainability
8	Develop a global partnership for development

funding to build – often incrementally as they have the money – better shelter. As they organize, communities are also more able to demand support from local authorities in tasks such as providing trunk infrastructure for utilities, including power, water and sanitation, and have proved willing to fund and provide their own intra-community

Some Basic Definitions

ADEQUATE HOUSING RIGHTS.³ The right to adequate housing is considered a core human right. Housing rights were first universally codified in the Universal Declaration of Human Rights adopted and proclaimed by the UN General Assembly in 1948. Article 25 of the Declaration states,

“Everyone has the right to a standard living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”

The 1976 International Covenant on Economic, Social and Cultural Rights, which is now binding on more than 149 countries, includes the most legally significant universal codification provision of the right to adequate housing. Its article 11(1) is:

“The State parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and for his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent.”

ADEQUATE HOUSING. The most widely accepted definition of adequate housing is set forth in General Comment 4 to Article 11(1) of the International Covenant of Economic, Social and Cultural Rights.⁴ This definition requires, at a minimum, “tenure security, affordability, adequacy, accessibility, proximity to services, availability of infrastructure, and cultural adequacy.” (UN Special Rapporteur on Adequate Housing 2005: par. 11, citing to General Comment No. 4 on the Right to Adequate Housing, adopted by the UN Committee on Economic, Social and Cultural Rights in 2001.) Many countries have incorporated the provisions of General Comment No. 4 into their national constitutions and written laws.⁵ Each country, however, has its own understanding and definition of adequate housing, which may also vary within national boundaries.⁶

OVERCROWDING. UN-Habitat defines overcrowding as more than three persons per room, although locally accepted standards for sufficient living area vary greatly (UN-Habitat 2006: 69). The Sphere Project, which gives minimum standards in disaster response, provides an alternative definition of sufficient living area based on a minimum of 3.5 sq. m. of shelter space per person (Sphere Project: ch. 4, p. 219). This report incorporates both definitions in a working understanding of “overcrowding.”

pipng, wiring and utility connections.

It is in this mobilization that hope lies. Much of what is broken about housing conditions in the Asia-Pacific region is a reflection of what is broken in political, social and economic processes that exclude large segments of the population from decision-making. As communities organize to improve their shelter conditions, they reach higher levels of engagement with traditional decision-makers, creating new levels of social and political integration through which real, lasting change can take hold.

Some of the most persistent questions related to housing provision for the poor in the Asia-Pacific region include:

- **Urban vs. rural split** Should housing resources go strictly to urban areas given massive urban migration trends? If so, what are the implications for rural areas, where poverty in the Asia-Pacific region is worst?
- **Urban issues.** What policies are needed to



“Progress will come from how effectively local households, communities and non-governmental organizations leverage resources.”

keep pace with expected urban population growth over the next two decades?

- **Financing.** Would improved access to housing finance – both formal and informal – help the 40-70 per cent of households in the region that are too poor to purchase the least expensive formal housing option? What housing finance mechanisms best reach the moderately poor? The extremely poor?
- **Housing policy choices.** What policy choices best meet the housing needs of the poor? What policy changes are needed to encourage efficient housing markets? What measures outside of market enhancement may be

required?

- **Adequacy vs. affordability.** What are the trade-offs between housing adequacy and affordability in the region?
- **Renters.** How can the needs of housing tenants, often representing the poorest, be addressed?
- **Access to land.** What are the best ways to provide equitable access to land? How can squatter settlements gain formal ownership?
- **Dividing responsibility.** How can the public, private, NGO and community sectors best collaborate to respond to the shelter needs of the poor?

- **Long-term solutions.** What are the long-term solutions to inadequate housing in the Asia-Pacific region? How can housing resources spent today contribute to long-term solutions involving the empowerment of poor communities and their social, economic and political integration into cities and rural areas?

Definitive answers to these questions are beyond the scope of this report. However, it does identify some of the major issues and trends that will be important to decision-makers, NGOs and communities as they seek their own answers.

More Basic Definitions

POVERTY. The international community distinguishes between three levels of poverty: extreme (or absolute) poverty; moderate poverty; and relative poverty.⁷

- **Extreme poverty** means that households cannot meet basic survival needs. They cannot afford food, healthcare, safe drinking water and sanitation, education for their children and, sometimes, basic shelter and clothing. The World Bank uses the income of US\$1 or less per person per day, at purchasing power parity, to define those in extreme poverty.
- **Moderate poverty** means that households just barely meet their basic needs. The World Bank uses the income of US\$1 to US\$2 per person per day to define this group.
- **Relative poverty** is generally defined as an “income level below a given proportion of average national income.” (Sachs 2005: 20.) In high-income countries, the relatively poor lack access to quality healthcare, education, recreation and entertainment.

SLUMS. A slum household, as defined by UN-Habitat,⁸ is a group of individuals living under the same roof in an urban area which lacks one or more of the following five conditions:

- **Durable housing:** non-hazardous location, structure that protects inhabitants from climatic conditions;
- **Sufficient living area:** maximum three people per room;
- **Access to improved water:** sufficient amount of water for family use at an affordable price, available to household members without extreme effort;
- **Access to sanitation:** private toilet or public toilet shared with reasonable number of people; and
- **Secure tenure:** right to effective protection against forced evictions; UN-Habitat 2006: 19.

SQUATTER SETTLEMENTS. Squatter settlements are those where households lack legal tenure to their house and/or household plot (Srinivas: 2-3). Squatter settlements are therefore a subset of slums, but not all slums are squatter settlements because in some slums people hold legal title.⁹

URBAN. This report uses the UN definition for “urban agglomeration,” which is: “The built-up or densely populated area containing the city proper, suburbs and continuously settled commuter areas. It may be smaller or larger than a metropolitan area: it may also comprise the city proper and its suburban fringe or thickly settled adjoining territory.” (UN-Habitat 2006: 5.)

END NOTES

1 According to the Millennium Development Goal Task Force assigned to Target 11, the target should be read as: “By 2020, improving substantially the lives of at least 100 million slum dwellers, while providing adequate alternatives to new slum formation.” (UN-Habitat 2005: xxviii.)

2 The Millennium Development Goals (MDGs) are eight global development goals to be achieved by 2015 (with few exceptions, such as the 2020 slums target). The MDGs are based on the actions and targets contained in the Millennium Declaration, adopted by 189 nations and signed by 147 heads of state and governments at the UN Millennium Summit in September 2000. For more information see www.undp.org/mdg/basics.shtml.

3 See www.cohre.org for a comprehensive discussion of housing rights.

4 This document can be found at [www.unhchr.ch/tbs/doc.nsf/\(symbol\)/CESCR+General+comment+4.En?OpenDocument](http://www.unhchr.ch/tbs/doc.nsf/(symbol)/CESCR+General+comment+4.En?OpenDocument).

5 www.cohre.org.

6 The wide variety of local definitions reflects the subjective nature of adequate housing. Housing adequacy relates closely to affordability: as standards for adequacy increase, affordability often decreases, limiting options for the poor (see Angel 2000: 232).

7 Sachs 2005: 20; see also World Bank Poverty Net, “Measuring Poverty” at <http://web.worldbank.org>.

8 An alternative definition states, “A slum is a contiguous settlement where inhabitants are characterized as having inadequate housing and basic services. A slum is not recognized and addressed by the public authorities as an integral or equal part of the city” (UN-Habitat 2003a:10).

9 In the literature, “slum” often denotes a physical and social state of deterioration, while “squatter settlement” refers to legal status (Srinivas: 4). However, the two words are often used interchangeably.

CHAPTER II: HOUSING CONDITIONS FOR THE POOR



KEY FACTS

- *2.2 billion people live in Asia's rural areas. Over 750 million lack access to safe drinking water, and over 1.6 billion lack access to improved sanitation.*
- *The majority of poor people in urban areas in the region live in housing they build themselves, incrementally.*
- *One-third of the people in urban Asia rent housing.*
- *Slums in the Asia-Pacific region are characterized by temporary, substandard housing materials, hazardous location, overcrowding, lack of access to clean water and improved sanitation, and a high risk of eviction.*
- *Two key trends in providing water and sanitation services to the poor are privatization and component-sharing models.*



“Many Asian cities are doubling in size every 15-20 years.”

A. DEMAND FOR LOW-INCOME HOUSING: THE ROLE OF URBANIZATION

1. Overview

Two facts define the need for housing in the Asia-Pacific region: soaring migration to urban slums and a severe lack of basic, adequate shelter in rural areas. In both urban and rural areas, housing markets and government interventions are failing to meet the needs of the poor. This section first addresses urban housing conditions, then discusses rural housing conditions and the need to balance housing resources between the two.

The Housing Deficit

- In 2005, 581 million people lived in slums in Asia (UN-Habitat 2006: 12). This accounts for more than one-third of all urban residents in Asia (see UN-Habitat 2005: 189-91), and 60 per cent of the world's slum residents (Ibid).
- In urban areas, over 500 million people lack access to improved water; 600 million lack access to improved sanitation.
- Of the 2.2 billion people in rural areas, over 750 million lack access to water and over 1.6 billion lack access to basic sanitation.²

2. Urban housing conditions

Urban population growth is the most important factor shaping low-income housing demand in the region. Urbanization, stated UN-Habitat in 2006, is “virtually synonymous” with slum growth in much of the world (UN-Habitat 2006: 11). The total urban population in Asia-Pacific is projected to increase from approximately 1.4 billion in 2000 to about 2.7 billion in 2030 (Leadership for Environment and Development (LEAD)-India: 1).³ Urban centers in many countries with large populations, such as China, India, Bangladesh, Pakistan, Indonesia, the Philippines and Vietnam, act as economic magnets (UN-Habitat 2005: 4). But the growth is expected in “second-tier” cities and smaller urban areas where “there is little or no planning to accommodate these people or provide them with services.” (Davis 2006: 7, citing to UN-Habitat, *The Challenge of Slums: Global Report on Human Settlements* 2003: 3).

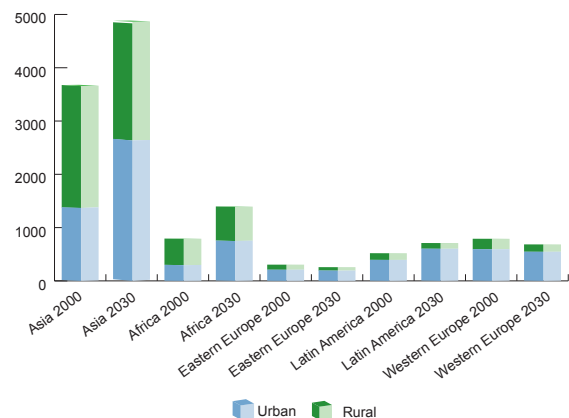
Estimates for changes in rates of urbanization for 2000–2010 are significantly higher than those for 2020–2030. This suggests that rates are currently at or close to a peak, and, second, that the bulk of urbanization in the Asia-Pacific region will happen over a very short period.

The main drivers to urbanization are migration from rural areas, natural growth in populations and the expansion of urban boundaries as cities incorporate nearby farm and residential lands (see, e.g., Singha 2001:1). The combined effect of these factors is that many Asian cities are doubling in size every 15-20 years (UN-Habitat, CityMayors Society, undated, post 2002, *Changes in Asia's Fast Growing Cities Are Closely Watched*).

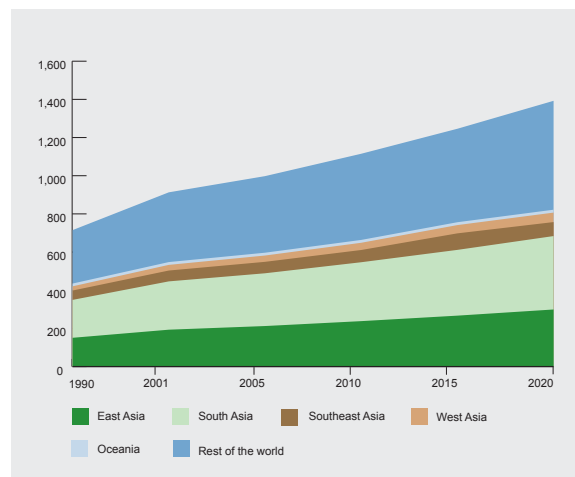
Although the total number of slum residents has generally increased, so has the urban population — so the proportion of slum residents generally remains static.

Populations in major urban areas in developing Pacific Island countries also are growing faster than national populations, due to rapid migration from rural areas. By 2025, more than 50 per cent of the people in most Pacific Island countries will live in urban areas (UNESCAP 2004: 2). This could lead to wide-scale economic growth and poverty alleviation, but also leaves many without basic services such as water, sanitation, waste disposal, housing, schools, and health facilities, and aggravates conditions in informal and squatter settlements (UNESCAP 2003, 7; and UNESCAP 2004). For example in Suva, Fiji Islands, 25 per cent of the households live in densely populated,

Where people lived in 2000 and where they will live in 2030, in millions⁴



Projected growth of slums 1990-2020, in millions⁶

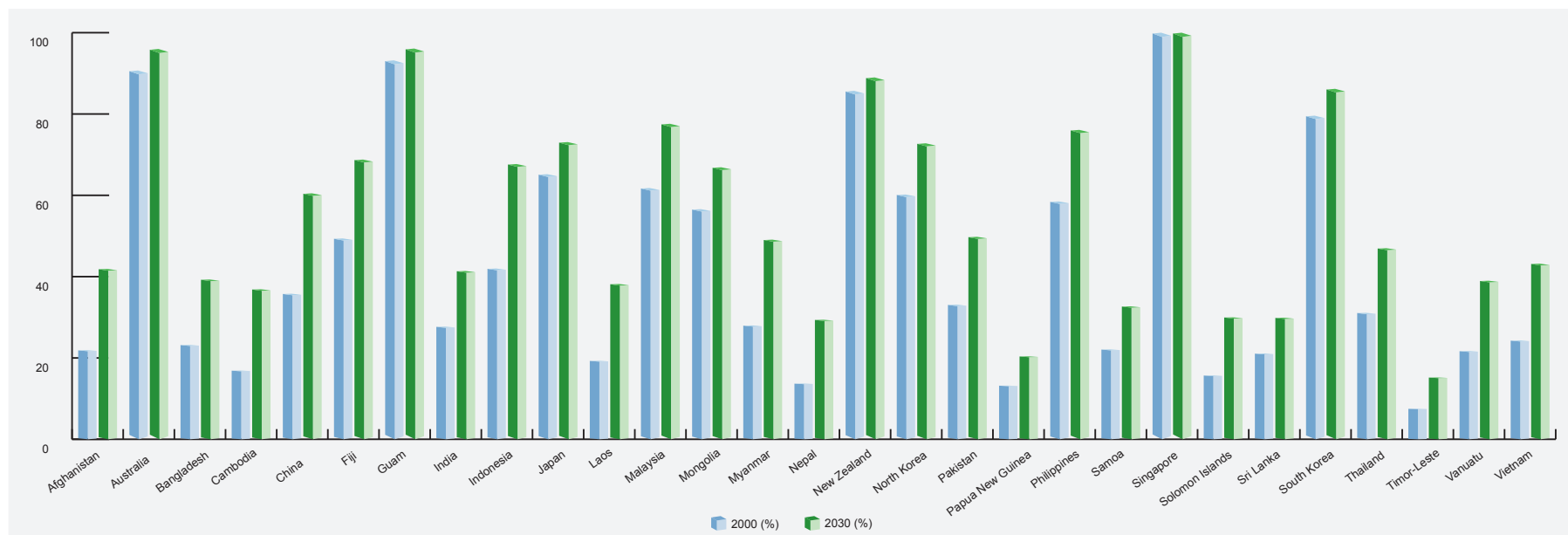


low-cost settlements and the most intensive poverty nationwide is now found in urban areas (So 2005: 13).

A further way to illustrate the need for improved housing in the Asia-Pacific region is by looking at the cost of providing needed upgrades and new construction. In its 2005 report on financing urban shelter, UN-Habitat estimated that upgrading slums in the region between 2005 and 2020⁷ could be as high as US\$643 per capita. The total cost for upgrading (excluding Western Asia) could be US\$35.2 billion.

The investment needed to develop alternatives to slum formation for future low-income urban residents in the Asia-Pacific region is estimated to be as high as US\$829 per capita. The total estimate for providing alternatives is US\$120.17 billion (see Chapter IV).

Tracking the growth of urbanization 2000-2030⁵



Megacities And Metacities: Projectons For 2015⁸

	City	Population (millions)
1	Tokyo	27.2
2	Dhaka	22.8
3	Mumbai	22.6
4	Sao Paulo	21.2
5	Delhi	20.9
6	Mexico City	20.4
7	New York	17.9
8	Jakarta	17.3
9	Kolkata	16.7
10	Karachi	16.2
11	Lagos	16.0
12	Los Angeles	14.5
13	Shanghai	13.6
14	Buenos Aires	13.2
15	Metro Manila	12.6
16	Beijing	11.7
17	Rio de Janeiro	11.5
18	Cairo	11.5
19	Istanbul	11.4
20	Osaka	11.0
21	Tianjin	10.3

“Megacities” is a term the United Nations uses to designate an urban agglomeration with a population of 10 million or more; “metacities” have populations of 20 million or more (UN-Habitat 2006: 6-7). Asia is predicted to host 12 megacities and at least four metacities by 2015.

Megacities used to be considered undesirable. But urban development experts now acknowledge these cities are centers of economic growth and dynamic social change. Urban populations, argues LEAD-India, are better able to regulate their collective behavior, and dramatic birth rate reductions often follow a trend toward urbanization.⁹

Urbanization in the Asia-Pacific region is considered both inevitable and beneficial to long-term productivity, and both urban and rural poverty alleviation (Cook 2006: 16). Because megacities offer huge markets and labor forces for global products, they are considered engines of economic growth. Bangkok, for example, contributes 38 per cent of Thailand’s total GDP, an amount that is more than the total GDP of any of the agricultural-based countries in Africa (LEAD-India 2003: 2).

In order to capitalize on the economic and social potential of megacities, governments, urban planners and local communities will have to overcome a series of chronic problems. These include explosive population growth (through urban migration) and infrastructural deficits (including water and power supply, slum management and rehabilitation, rapid mass transit, and garbage disposal). Failure to deal effectively with these problems will result in serious environmental problems, such as continued degradation of air quality, diminishing ground water levels and disease (Ibid).

3. Rural housing conditions

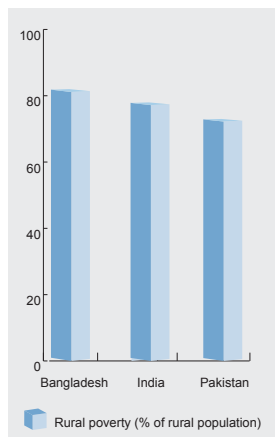
One of the most important factors in improving low-income housing in the Asia-Pacific region is allocating resources between urban and rural areas. The Asian Coalition for Housing Rights (ACHR) argues that the focus should be on urban development, given prevailing population shifts. ACHR points out that the urban population has increased 321 per cent since 1970, while rural residents have only increased 42 per cent. The UN predicts that Asia’s total population will grow by approximately 650 million people between 2005 and 2020, and that almost all of this increase will occur in urban areas (Satterthwaite/ACHR 2005: 28). The international community’s focus on urban housing is also highlighted by UN Millennium Development Goal 7, target 11, which calls for a reduction in the world’s urban slum population.¹⁰

Although urbanization is a good rationale for concentrating resources in urban areas, three reasons support the need to focus on rural areas.

First, although more than half the people in the region are predicted to live in urban areas by 2030, the rural population will swell to over 2.2 billion, or 45 per cent of the total population of Asia (UN-Habitat 2005: 189, 192). In South Asia, more than two-thirds of the current population lives in rural areas, even though national economic development efforts favor urban areas (Jomo 2001: 2). In the Pacific Islands, the population is centered in urban areas, yet 10.4 million people (25 per cent of the total) are projected to live in rural areas in 2030 (UN-Habitat 2005: 191, 197). Improving living conditions for rural people cannot be ignored.

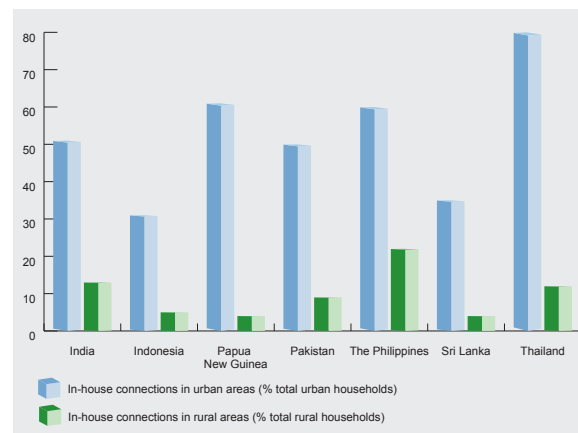
Second, housing conditions and poverty in general are worse in rural areas. According to Sarah Cook, research fellow at the Institute of Development Studies, “Severe or chronic poverty in Asia remains predominantly rural (in terms of absolute numbers) with the rural poor often located in remote, ecologically disadvantaged regions with ‘fragile’ environments. Poverty in such areas will not be relieved by growth alone.” (Cook 2006: 19.) Rural poverty is especially deep in South Asia.

South Asia: Home to much of the world’s rural poor¹¹



According to a report published by UNESCAP, neglecting rural development in South Asia worsens overall poverty, mainly because the majority of people continue to live and work in rural areas, and abysmal rural living conditions increase urban migration, leading to further slum growth (Naseem 2003). The report states that 43 per cent of the world’s poverty in terms of income is in rural South Asia (Ibid: 39). Rural housing conditions, as expressed by access to services such as safe drinking water, sanitation and electricity, are worse than urban housing conditions in nearly every country in the Asia-Pacific region.¹²

More urban homes connected to water and sanitation services in selected countries¹³



Third, improving rural living conditions may help to slow the flow of rural-to-urban migration. According to UN-Habitat and others, the tide of migration from rural areas in the Asia-Pacific region is due not only to increased employment opportunities available in urban areas, but also to fewer opportunities in rural areas (see e.g. UN-Habitat 2005: 12).¹⁴ Continued out-migration of the rural workforce in South Asia reflects deteriorating rural living conditions (see e.g. Jomo 2001: 1-3).

While current thinking acknowledges the benefits of increased urbanization, very rapid urbanization poses severe challenges in housing, infrastructure, health and education services, and employment. Author K.S. Jomo argues in a 2001 OECD report that a disproportionate focus on urban development in South Asia has resulted in “overburdening urban services such as housing, water supply, electricity and sanitation and in the profusion of urban slums...” (Ibid: 3.) UNESCAP concurs, stating, “Rapid urban growth...has overwhelmed local and national governments’ capacities for urban management

“43 per cent of the world’s poverty ... is in rural South Asia.”

in the region.” (UNESCAP 2003: 6.) In fact, improving conditions for the urban poor while neglecting rural areas may only increase the rate of rural-urban migration.

An effective approach to improving housing conditions in the Asia-Pacific region, therefore, will include a focus on rural issues such as employment, social conditions, land tenure and living standards (Ibid: 6).¹⁵

B. LOW-INCOME HOUSING COMMUNITIES

Low-income housing communities can be divided into four groups: slums and squatter settlements; illegal subdivisions; the urban rental sector; and low-income rural areas.

1. Slums and squatter settlements

The UN definition sets forth the five aspects of slum households. There are corresponding characteristics of slum and squatter settlements in the Asia-Pacific region.



“The time spent commuting between home and work in Asia is the greatest in the world.”

What we mean by slums and squatter settlements

	UN characteristics of slum households ¹⁶	Corresponding conditions in Asia-Pacific ¹⁷
1	Lack of durable housing <ul style="list-style-type: none"> • Non-hazardous location, structure that protects inhabitants from climatic conditions 	Lack of durable housing <ul style="list-style-type: none"> • Poor housing quality, including dwellings made from substandard and discarded materials such as wooden planks, plastic, corrugated metal, asbestos sheets and tin • High risk of environmental harm caused by housing location, including risks from floods, landslides, or passing trains
2	Lack of sufficient living area <ul style="list-style-type: none"> • Maximum three people per room 	Lack of sufficient living area <ul style="list-style-type: none"> • Severe overcrowding¹⁸
3	Lack of access to improved water <ul style="list-style-type: none"> • Sufficient amount of water for family use, at an affordable price, available to household members without extreme effort 	Lack of access to improved water <ul style="list-style-type: none"> • Absence or severe inadequacy of basic infrastructure and services including water supply, sewerage, drainage, roads, healthcare and education • High incidence of disease caused by inadequate water and sanitation services • Lack of access to primary healthcare
4	Lack of access to sanitation <ul style="list-style-type: none"> • Private toilet or public toilet shared with reasonable number of people 	Lack of access to sanitation All of the above.
5	Lack of secure tenure <ul style="list-style-type: none"> • Right to effective protection against forced evictions, reflected by evidence of documentation proving secure tenure status or when inhabitants have either <i>de facto</i> or perceived protection against eviction 	Lack of secure tenure <ul style="list-style-type: none"> • High risk of eviction

According to the UN, a slum household is one to which any of the five aspects apply.

The distinguishing characteristic of squatter settlements (or “informal” settlements) is a lack of legal tenure. Squatter settlements include housing that is of poor quality and temporary materials, and more established housing that lacks official title (UN-Habitat 2001: 4). Squatter settlements are usually laid out in a haphazard way (UNESCAP Agenda 21 2003: 15). Unplanned or informal housing “sprawl” lengthens distances between home and work, schools and healthcare for low-income people. Providing infrastructure and services becomes much more expensive after the settlement is already in place (see Satterthwaite/ACHR 2005: 16). The time spent commuting between home and work in Asia is the greatest in the world (Bestani and Klein 2004: 75).

Squatter settlements in the Asia-Pacific region are often located in unsafe areas: near urban rivers and canals, alongside railway tracks, or on land owned by the government. Squatters on the banks of the Lyari River in Karachi, for example, lose life and property to frequent flooding, as do the people living in 300 slums alongside Colombo’s waterways. In the Pacific, squatters have settled in swampy areas with high public health risks

(UNESCAP Agenda 21 2003: 6).

Lack of available urban land in Pacific Island countries has pushed new urban residents to live on customary or native land without formal land rights. The temporary and uncertain nature of tenure in these settlements has discouraged people from building sturdy shelter, and governments from supplying communities with basic infrastructure (UNESCAP 2004: 5). Because they lack any form of legally recognized tenure, squatter households are vulnerable to eviction by both customary landlords and the state (Ibid).

The proximity of a housing settlement to work, healthcare and education is a critical aspect of its quality for most residents. The urban poor have proved willing to sacrifice almost any other aspect of quality, including quality of construction and tenure security, for housing located nearer to the city center (UNESCAP 1995: chapters 4-5).

2. Illegal subdivisions

Illegal subdivisions are created by developers who use political and bureaucratic connections to occupy and subdivide land on the urban periphery.²⁰ These developers either rent or sell the subdivided plots. In a user-rented subdivision, the illegal owner subdivides the land and rents it out to low-income tenants for 1–10 years. In some cases, plots have access to infrastructure such as water or electricity. In user-purchased subdivisions, the developer divides and sells the plots, without any access to infrastructure, to low-income buyers.

3. The rental sector

The private rental sector serves an essential social role in the Asia-Pacific region, housing some of the poorest

Tenure Rights To Housing And Land

Lack of secure tenure is a profound impediment to improving housing conditions for the poor. The risk of eviction has proven very real in many cities, resulting in destruction of homes and possessions as well as forced relocation of resident families (see Chapter IV). The threat of eviction in itself undermines homeowner confidence and stifles motivation to improve housing. “Access to tenure,” summarized UNESCAP, “is a major incentive for low-income groups to invest in housing and infrastructure.” (UNESCAP 1995: ch. 7, p. 15; see also Jack 2006: 8.) In urban South Asia alone, more than 150 million people lack secure tenure (Jack 2006: 8).

In some cases, laws give squatters legal tenure rights after a certain number of years (often 10) of continuous occupation.¹⁹ These rights are often not officially acknowledged or registered, however, and so are easily superseded by developers and others who may try to drum up a pretext of tenure rights to secure a building site. This is the case in Thailand, where few secure formal tenure and millions continue to live without rights on what is technically public land. Developers and speculators forge “former title” documents, and then accuse residents of encroaching. Battles over land rights, especially in tourist areas, are common.

people. Approximately one-third of the people in urban Asia rent their housing, which is mostly located in the informal sector (see Sheng: 4). Small-scale landlords in the informal sector are increasingly important providers of housing for the poor.

Public policy has largely ignored the high incidence of low-income rental housing across the region, focusing



almost exclusively on promoting home ownership instead. (See Angel 2000: 318, stating, “It is of growing concern to housing policy makers that governments tend to focus their energies on home ownership and neglect the maintenance of rental markets”; see also UN-Habitat 2005: 91) In some cases, housing policies intended to benefit the poor have harmed those who rent. For example, formalizing tenure and upgrading services may result in higher — and unaffordable — rent levels. (see Davis 2006: 78-80). Because the rental sector is so extensive and renters are often among the poorest urban residents, a better understanding of the rental sector is critical, although research is lacking.

The private rental sector is dominant in cities in several Asian countries, including Bangladesh, Indonesia, and parts of India (UNESCAP Agenda 21 2003: 4). In Madras, India, 76 per cent of all city residents were renters in 1981. In Calcutta, 68 per cent rented (UN-Habitat 2005: 91). The public rental sector in many parts of Asia is almost non-existent.



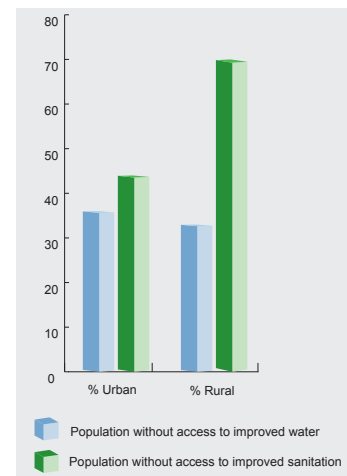
“Asian cities are among the most profound sufferers from limited availability of infrastructure services such as water, power, sewage treatment.”

C. ACCESS TO SERVICES

Whether they own or rent, the health of the urban poor clearly depends on access to basic services, such as water and sanitation, and decent environmental conditions. Such access may be more important to the urban poor than the quality of the structures they live in (Sheng: 5). According to a recent report produced for the Asian Development Bank, “Asian cities are among the most profound sufferers from limited availability of infrastructure services such as water, power, sewage treatment, etc.” (Bestani and Klein 2004: 75.)

In the region’s rural areas, at least one-third of the population in most countries lacks access to improved water supplies, and over 70 per cent lack access to basic sanitation (UNESCAP 2003: 2). Asia thus has the “lowest sanitation coverage in the world” according to UNESCAP (Ibid). Water supplies in rural areas have been overdrawn by recent economic development, and are rapidly becoming polluted by untreated wastewater from domestic, industrial and agricultural sources (Ibid).

Lack of access to water and sanitation²¹



In urban areas, people living in slums and squatter communities also frequently lack access to water supply, drainage, sanitation, electricity, roads and transport. The UN estimated that in 2000, more than 500 million urban dwellers in Asia lacked adequate access to water, and more than 600 million lacked adequate provision for sanitation (Satterthwaite/ACHR 2005: 10). Thus approximately 36 per cent of the urban poor are also without improved water; approximately 44 per cent

are without sanitation (see UN-Habitat 2005: 189, 192; and ADB 2002: 16).²² Furthermore, many of the reported sources of “improved water supply” in urban areas operate only intermittently, and 21.5 per cent of water samples from these sources were found to be contaminated (Ibid, citing to a 2000 report by the World Health Organization and UNICEF).

Access to basic services varies greatly between and within countries. Most countries improved access to water and sanitation between 1990 and 2002.²³ Although South Asia has made significant progress in extending basic services, new risks from water source contamination may undermine these gains. In East Asia, the greatest challenge relates to supplying safe water and other utilities quickly enough to keep pace with rapid urbanization (World Bank MDGs 2004: 1). For Pacific Island countries, the challenges are in securing adequate sources of non-polluted fresh water, and wastewater disposal. A lack of safe water in the Pacific causes elevated levels of waterborne diseases as well as increased hardship for the poor, particularly women and children.

As of 2000, 93 per cent of water and sanitation services in

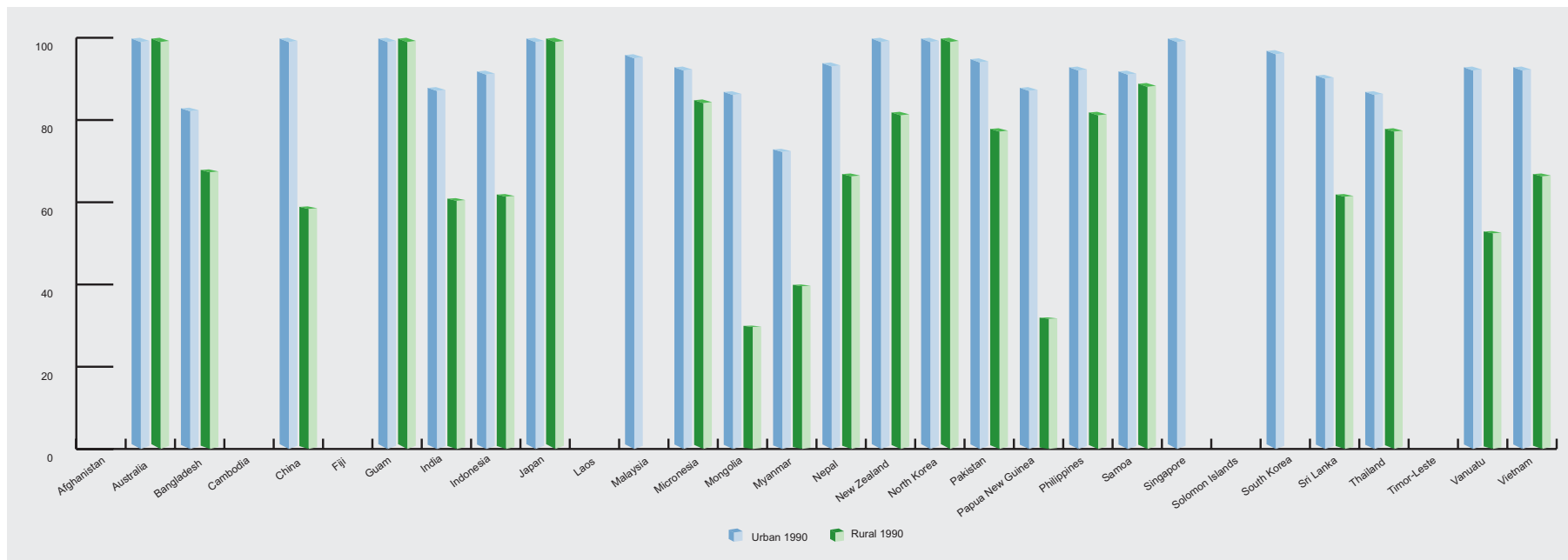
“Asia has the lowest sanitation coverage in the world.”

Asia were publicly held (ADB 2002: 80), and the average per capita public expenditure on both services was extremely low.²⁵ The urban water supply sector received approximately US\$2 billion annually from national governments, plus US\$1 billion from external investment.

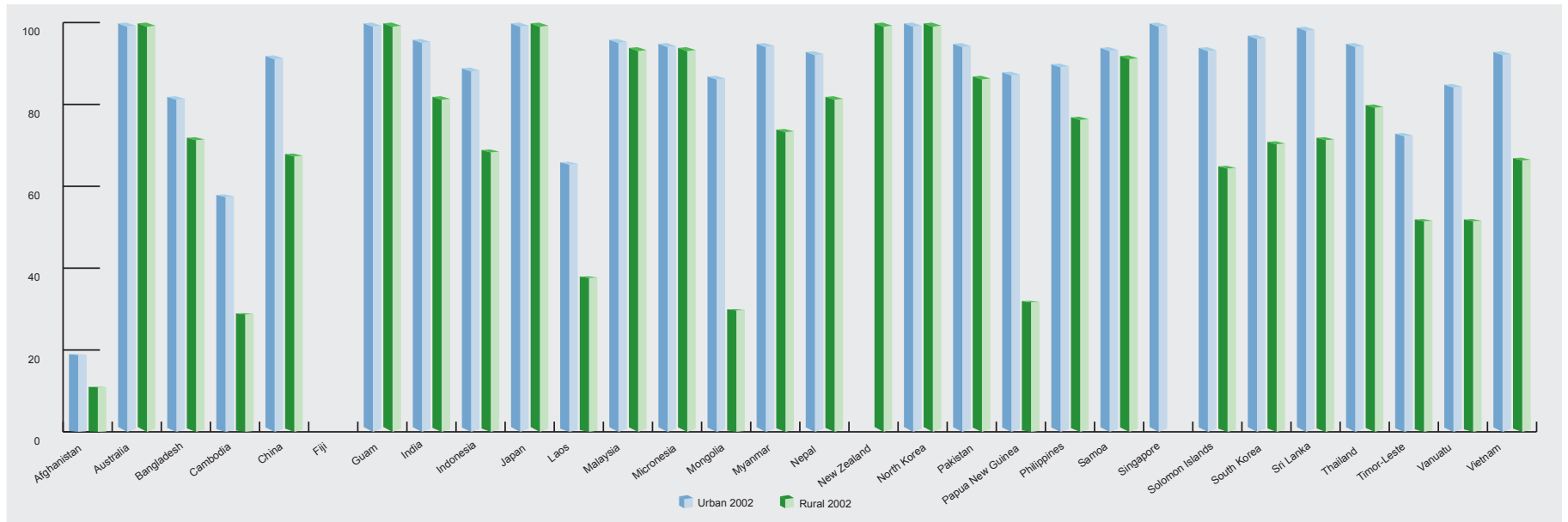
This resulted in an annual per capita expenditure of US\$3. For sewerage the annual per capita investment was US\$1. (Compare spending on water and sewerage in the United Kingdom, where the government’s annual per capita “modern equivalent asset value” is US\$1,890

for water and US\$3,530 for sewerage.) The World Health Organization and UNICEF have estimated the per capita cost of expanded systems in Asia to be US\$92 for household water and US\$154 for sewerage.

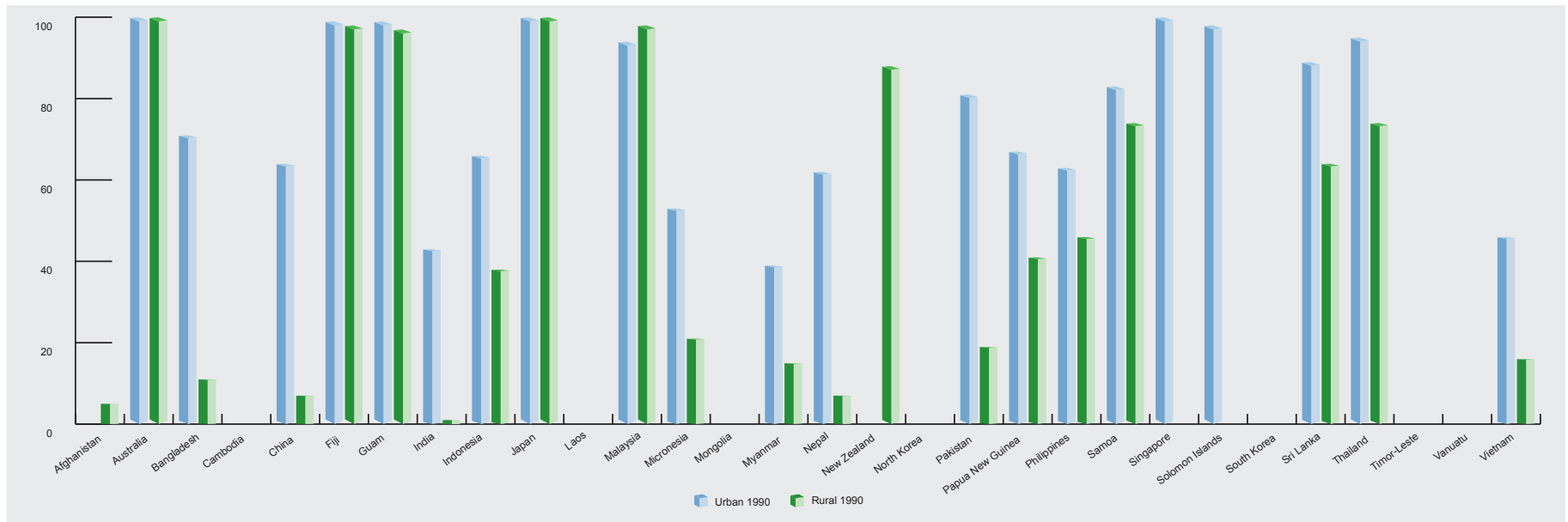
Urban and rural access to drinking water in per cent by country, 1990²⁴



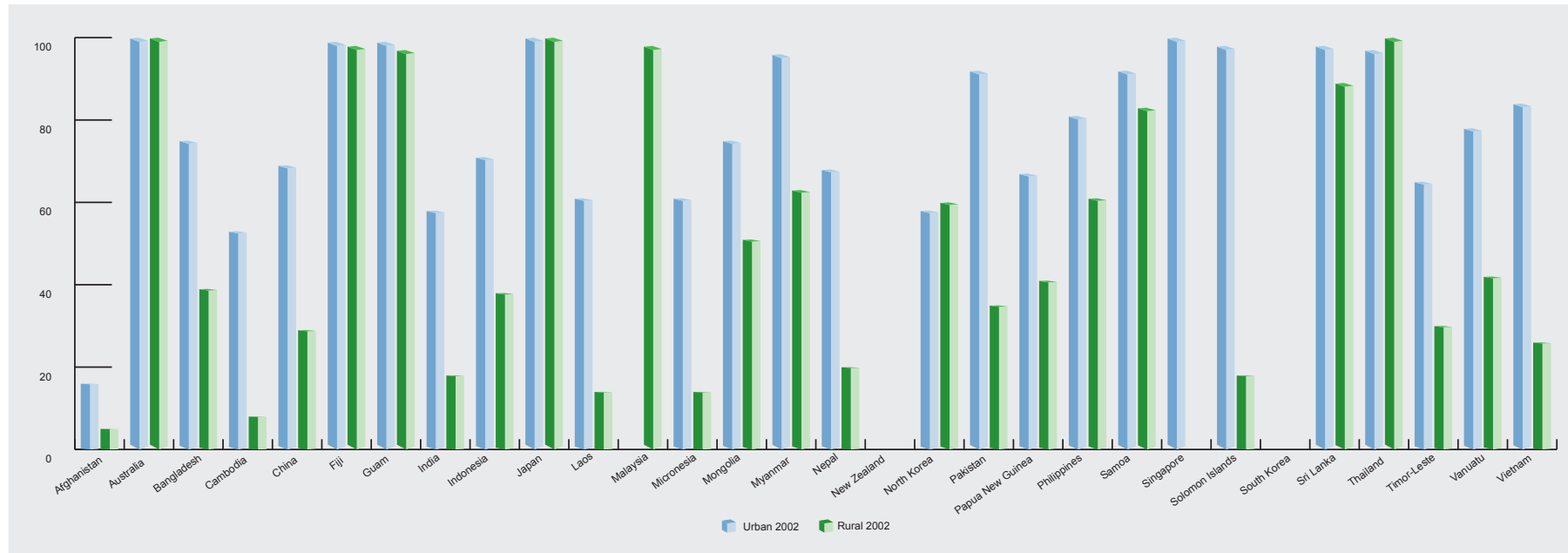
Urban and rural access to drinking water in per cent by country, 2002²⁴



Urban and rural access to sanitation in per cent by country, 1990²⁴



Urban and rural access to sanitation in per cent by country, 2002²⁴



Infrastructure costs could be lowered significantly through:

- Better urban planning to encourage building basic infrastructure prior to housing settlement;
- Decreased standards; and
- Focus on labour-intensive construction methods.

Privatization: The trend across the Asia-Pacific region is toward privatization of such services as water, sanitation and electricity. Privatization implies cost recovery, which usually means raising tariffs for users.²⁶ The effect that this has on the poor is debated. On one hand low median tariffs discourage extending services and probably subsidize the rich (see ADB 2002: 16, on subsidy to the rich for sewerage).

The Asian Development Bank, for example, suggests that recouping tariff costs through privatization would allow improvements in quality and the extension of key services to the poor. International development banks have strongly encouraged utilities privatization as a condition of loans in many developing Asian and Pacific countries.²⁷

Water Privatization In Manila

One privatization program that has received international attention for its service to low-income clients is Manila Water, the private consortia that has run the city's water and sewerage utilities since 1997. Manila Water has attempted to address two major problems related to low-income communities: a high number of illegal connections and a lack of adequate water supply (Rivera 2006: 11).

The company addressed these problems by conducting sweeps for pirated household water taps, and by targeting low-income communities for flexible strategies for providing infrastructure, paying connections charges, and receiving and paying for the water (Ibid: 12). Communities are therefore allowed to choose lower-cost options, such as bulk water supply delivered to a central location within the community, and they can cut costs by installing and/or managing their own intra-community pipes, meters, and water provision (Ibid: 13-14).

The company estimates that between 1998 and 2005, these strategies helped over 850,000 low-income people receive water. It claims a net benefit to the poor because the cost of water to low-income clients²⁸ is significantly lower than that charged by the private water vendors from whom many households bought water before being hooked up (Ibid: 15).²⁹



Some initial studies indicate that privatizing basic services may hurt the poor (Satterthwaite/ACHR 2005: 5; see also UN Special Rapporteur on Adequate Housing 2005: 9). UN-Habitat questions the effects of privatization on the poor and stresses the continuing role of the state in providing basic services.

While little definitive research is available on this question, it is clear that privatization will continue in many parts of the region. Privatization in itself is neither "good" nor "bad" for poor communities. Results depend on structure, implementation and regulation. More research is needed to better understand the impact of privatization on the poor and how to ensure that their interests are appropriately represented.

Component-sharing models: Component-sharing is another way that may vastly increase access to basic utilities in informal settlements throughout urban areas.

In this model, settlements are responsible for financing and managing their community-wide services, while the government is responsible for providing trunk infrastructure.

For example, a settlement community finances and manages its own sewers and drains, while the government integrates the local system into the citywide system. In water provision, the settlement community installs neighborhood piping, while the city government provides water mains with good quality, regular water (Satterthwaite/ACHR 2005: 25).

In some instances, the urban poor have already organized to build their own infrastructure. These efforts could be better supported with technical advice and public financing, as well as public hook-ups of these projects to municipal networks (Sheng: 5).

END NOTES

1 Specific data quantifying the demand for adequate housing in the Asia-Pacific region is often not available. This is largely due to the lack of accurate data on housing conditions at a local level. Accurate surveys are time consuming and expensive, and national statistical systems in most developing countries are inadequate. (UN-Habitat, Habitat Debate 2005: 14.) The vast majority of information that is available on low-income housing in the Asia-Pacific region pertains to urban housing conditions.

2 Statistics for water and sanitation are derived from United Nations Economic and Social Commission for the Asia-Pacific region (UNESCAP) 2003: 2-3; Satterthwaite/ACHR 2005: 10; and UN-Habitat 2005: 192-94.

3 The percentage of this increase in urban population that will live in slums is not clear. The World Health Organization and United Nations Children's Fund (UNICEF) estimate that Asia's urban areas will grow by 595 million people by 2015, and that 20-50 per cent of these people (approximately 120 to 300 million) will live in informal housing areas, slums and shanties (Asian Development Bank (ADB) 2002: 1).

4 Where people lived in 2000 and where they will live in 2030. See table right.

Where people lived in 2000 and where they will live in 2030

Region	Level of urbanization (%)		Urban population * estimates and projections (000)		Rate of change (%)		Rural population * estimates and projections (000)		Total population * estimates and projections (000)	
	2000	2030	2000	2030	2000-2010	2020-2030	2000	2030	2000	2030
Asia	37.1	54.5	1,366,980	2,664,282	2.6	1.8	2,312,757	2,222,364	3,679,737	4,886,647
Eastern Asia	40.4	62.6	598,413	1,039,087	2.5	1.2	882,697	620,302	1,481,110	1,659,389
South-central Asia	29.5	43.7	438,694	959,121	2.5	2.6	1,047,355	1,233,232	1,486,049	2,192,353
South-eastern Asia	39.6	60.7	206,228	432,014	3.1	1.8	314,128	279,222	520,355	711,236
Western Asia	64.3	72.3	123,646	234,060	2.4	1.9	68,577	89,608	192,222	323,669
Oceania	72.7	74.7	22,564	31,063	1.3	0.9	8,479	10,405	31,043	41,468
Africa	37.1	53.5	295,348	748,158	3.5	2.8	500,323	649,846	795,671	1,398,004
Eastern Europe	68.3	74.3	207,850	191,976	(0.4)	(0.2)	96,688	66,281	304,538	258,257
Latin America and Caribbean	75.5	84.6	392,982	601,726	1.8	1.0	127,247	109,332	520,229	711,058
Western Europe and other States	72.7	79.6	592,058	545,369	0.1	0.1	198,928	140,070	727,986	685,440

UN-Habitat 2005: 186-87.

Western Europe and other States includes Andorra, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Israel, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

Tracking the growth of urbanization

Country	Level of Urbanization (%)		Urban Population * estimates and projections (000)		Rate of Change (%)		Urban Slum Dwellers				
	2000	2030	2000	2030	2000-2010	2020-2030	Estimated Number (000)		Rate of Change (%)	As Percentage of Urban Population	
							1990	2001	1990-2000	1990	2001
Asia total	37.1	54.5	1,366,980	2,664,282	2.6	1.8	---	---	---	---	---
Afghanistan	21.9	41.9	4,683	20,920	5.9	4.3	2,458	4,945	6.4	98.5	98.5
Australia	90.7	96.0	17,375	22,874	1.2	0.6	---	---	---	---	---
Bangladesh	23.2	39.3	31,996	86,500	3.5	3.1	18,988	30,403	4.3	87.3	84.7
Cambodia	16.9	36.9	2,223	8,697	5.3	3.7	870	1,696	6.1	71.7	72.2
China	35.8	60.5	456,247	877,623	3.0	1.4	137,929	178,256	2.3	43.6	37.8
Fiji	49.4	68.8	402	675	2.3	1.3	204	280	2.9	67.8	67.8
Guam	93.2	96.1	145	215	1.6	1.0	---	---	---	---	---
India	27.7	41.4	281,255	586,052	2.3	2.5	131,174	158,418	1.7	60.8	55.5
Indonesia	42.0	67.7	88,863	187,846	3.6	1.6	17,964	20,877	1.4	32.2	23.1
Japan	65.2	73.1	82,794	88,482	0.3	0.2	6,117	6,430	0.5	6.4	6.4
Laos	19.3	38.2	1,018	3,549	4.5	3.7	422	705	4.7	66.1	66.1
Malaysia	61.8	77.6	14,212	27,324	2.8	1.6	177	262	3.6	2.0	2.0
Mongolia	56.6	66.9	1,415	2,336	1.6	1.6	886	940	0.5	68.5	64.9
Myanmar	28.0	49.1	13,290	30,086	3.1	2.3	3,105	3,596	1.3	31.1	26.4
Nepal	13.7	29.4	3,220	11,976	4.9	3.9	1,574	2,656	4.8	96.9	92.4
New Zealand	85.7	89.0	3,242	3,968	0.8	0.6	28	33	1.3	1.0	1.0
North Korea	60.2	72.8	13,414	18,186	1.0	1.0	117	95	(1.9)	1.0	0.7
Pakistan	33.1	49.8	47,220	135,347	3.5	3.3	26,416	35,627	2.7	78.7	73.6
Papua New Guinea	13.2	20.4	704	1,847	2.4	4.0	107	165	3.9	19.0	19.0
Philippines	58.5	76.1	44,327	86,615	2.9	1.6	16,346	20,183	1.9	54.9	44.1
Samoa	22.1	32.7	38	76	1.7	2.9	3	3	0.3	9.8	9.8
Singapore	100.0	100.0	4,016	4,934	1.3	0.3	---	---	---	---	---
Solomon Islands	15.7	30.0	69	255	4.5	4.2	4	7	6.5	7.9	7.9
Sri Lanka	21.1	29.9	3,927	6,481	0.9	2.4	899	597	(3.7)	24.8	13.6
South Korea	79.6	86.2	37,291	43,120	0.8	0.2	11,728	14,385	1.9	37.0	37.0
Thailand	31.1	47.0	18,974	35,420	1.9	2.1	1,998	---	---	19.5	---
Timor-Leste	7.5	15.2	52	189	4.6	4.0	1	7	16.4	2.0	12.0
Vanuatu	21.7	39.0	43	138	4.1	3.6	10	17	4.3	37.0	37.0
Vietnam	24.3	43.2	19,006	46,863	3.2	2.7	8,100	9,197	1.2	60.5	47.4

UN-Habitat 2005: 189-91.

Australia includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

The data for China do not include Hong Kong and Macao Special Administrative Regions (SAR).

5 Tracking the growth of urbanization. See table left.

6 UN-Habitat 2006: 190

7 UN-Habitat 2005: xxix, xxx.

8 Johns Hopkins Bloomberg School of Public Health 2002.

9 Low growth rates in many large Asian cities are also attributed to the fact that many smaller cities are beginning to compete for new investment, which draws labor from the larger cities. (Satterthwaite/ACHR 2005: 8; see also UN-Habitat 2006: 6-7.)

10 This priority on urban housing was further clarified by UN-Habitat's Human Settlement Officer Christine Auclair, who noted that many of Habitat's development partners feel that the Millennium Development Goals should have even greater focus on cities given projections that increased urban populations will outstrip rural ones (UN Habitat, Habitat Debate 2005: 9).

11 Jomo 2001: 1, citing to Alderman et al 2001.

South Asia: Home to much of the world's rural poor

Country	Poverty (as % total rural population)
Bangladesh	82
India	78
Pakistan	73

12 For a strong argument for increased focus on economic development and poverty alleviation in rural areas of South Asia, see Naseem 2003.

13 UN-Habitat 2005: 199-202.

More urban homes connected to water and sanitation services in selected countries

Country	In-house connections in urban areas (% total urban households)	In-house connections in rural areas (% total rural households)
India	51	13
Indonesia	31	5
Papua New Guinea	61	4
Pakistan	50	9
The Philippines	60	22
Sri Lanka	35	4
Thailand	80	12

14 The UN Special Rapporteur on Housing Rights notes that rapid urban migration is due to extreme rural poverty related to landlessness, land insecurity and land conversions (UN Special Rapporteur on Adequate Housing 2005: 13). According to UN-Habitat, two contradictory factors influence the decline in rural employment. One is the mechanization of agriculture to increase productivity. The other is low productivity that supports only marginal employment (UN-Habitat 2005: 12). Sarah Cook, Research Fellow at the Institute of Development Studies, cites over-supply of rural labor; limited agricultural returns; lack of non-agricultural rural employment; and high differentials in rural-urban wages (Cook 2006: 17).

15 In 2003, UNESCAP stated: "Governments have often not considered the balance of resource allocations between rural and urban areas as part of a balanced and integrated approach to human settlements development and improvement." (UNESCAP 2003: 6.)

16 UN-Habitat 2006: 19.

17 UNESCAP Agenda 21 2003: 7, 15; see also Satterthwaite et. al 2005: 7, 13.

18 Overcrowding in older informal settlements continues to increase as demands for urban land increase and populations rise. As a result, living conditions have deteriorated despite the fact that many of these settlements have acquired water and paved roads (Satterthwaite/ACHR 2005: 5).

19 This paragraph is based on ACHR 2005: 35.

20 This paragraph is based on UNESCAP Agenda 21 2003: 6.

21 Statistics derived from Satterthwaite/ACHR 2005: 10; UN-Habitat 2005: 189, 192; UNESCAP 2003: 2-3.

Lack of access to water and sanitation

	Urban areas		Rural areas	
	Approx. number of people	% total urban pop.	Approx. number of people	% total rural pop.
No access to improved water	500 million	36	770 million	33
No access to improved sanitation	600 million	44	1.619 billion	70

22 Estimates given in Chapter II would yield 44 per cent of the urban population in the Asia-Pacific region without improved sanitation.

23 Where access to services decreased over this period, it was most often in access to urban water. The table on the next page shows that in China, Indonesia and the Philippines access to improved drinking water in urban areas decreased from 100 to 92 per cent, 92 to 89 per cent, and 93 to 90 per cent respectively.

24 Urban and rural access to drinking water and sanitation in per cent by country 1990 and 2002. See table next page.

Urban and rural access to drinking water and access to sanitation by country

Country	Improved drinking water coverage						Improved sanitation coverage					
	Total (%)		Urban (%)		Rural (%)		Total (%)		Urban (%)		Rural (%)	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Afghanistan	---	13	---	19	---	11	---	8	---	16	5	5
Australia	100	100	100	100	100	100	100	100	100	100	100	100
Bangladesh	71	75	83	82	68	72	23	48	71	75	11	39
Cambodia	---	34	---	58	---	29	---	16	---	53	---	8
China	70	77	100	92	59	68	23	44	64	69	7	29
Fiji	---	---	---	---	---	---	98	98	99	99	98	98
Guam	100	100	100	100	100	100	98	98	99	99	97	97
India	68	86	88	96	61	82	12	30	43	58	1	18
Indonesia	71	78	92	89	62	69	46	52	66	71	38	38
Japan	100	100	100	100	100	100	100	100	100	100	100	100
Laos	---	43	---	66	---	38	---	24	---	61	---	14
Malaysia	---	95	96	96	---	94	96	---	94	---	98	98
Micronesia	87	94	93	95	85	94	30	28	53	61	21	14
Mongolia	62	62	87	87	30	30	---	59	---	75	---	51
Myanmar	48	80	73	95	40	74	21	73	39	96	15	63
Nepal	69	84	94	93	67	82	12	27	62	68	7	20
New Zealand	97	---	100	100	82	---	---	---	---	---	88	---
North Korea	100	100	100	100	100	100	---	59	---	58	---	60
Pakistan	83	90	95	95	78	87	38	54	81	92	19	35
Papua New Guinea	39	39	88	88	32	32	45	45	67	67	41	41
Philippines	87	85	93	90	82	77	54	73	63	81	46	61
Samoa	91	93	92	94	89	92	78	88	83	92	74	83
Singapore	---	---	100	100	---	---	---	---	100	100	---	---
Solomon Islands	---	70	---	94	---	65	---	31	98	98	---	18
South Korea	---	92	97	97	---	71	---	---	---	---	---	---
Sri Lanka	68	78	91	99	62	72	70	91	89	98	64	89
Thailand	81	85	87	95	78	80	80	99	95	97	74	100
Timor-Leste	---	52	---	73	---	52	---	33	---	65	---	30
Vanuatu	60	60	93	85	53	52	---	50	---	78	---	42
Vietnam	72	73	93	93	67	67	22	41	46	84	16	26

Access to water: piped water is available within a dwelling or within a range of 200 meters. (UN-Habitat 2005: 180.)

Improved sanitation: connection to a public sewer or septic system or a pour-flush latrine, simple pit latrine or ventilated improved pit latrine. The excreta disposal system is considered adequate if it is private or shared (but not public) and if it hygienically separates human excreta from human contact. 'Not improved' are service or bucket latrines (where excreta are manually removed), public latrines, latrines with an open pit. (UN-Habitat 2005: 180.)

Including Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

The data for China do not include Hong Kong and Macao Special Administrative Regions (SAR).

25 The remainder of this paragraph is based on ADB 2002: 80.

26 The ADB says tariffs should: "add value to water, causing users to conserve. Tariffs should be based on cost recovery and balanced with the consumer's ability to pay, offer flexible payment options and impose higher rates for higher consumption." (ADB 2005: 3). The ADB points to a low tariff-to-production-cost ratio for urban water delivery in Asia as a "dangerous sign" that current provision systems are not financially sustainable, and "one of the main reasons why services are not being extended to the poor." (ADB 2002: 16.)

27 The World Bank and IMF have often required utilities privatization in the host country as a mandatory condition for both debt relief and new assistance. Bayliss 2002: 2-3.

28 This information appears to be based on data immediately prior to a significant increase in tariff rates that may, according to the company, "affect the ability and willingness of the poor to be connected to a piped water supply." (Rivera 2006: 18.)

29 For criticism of Manila Water based on extensive rate hikes with little additional service, see Jubilee South 2006 (Jubilee South (2006) Profiting from People's Lives: Metro Manila's Water Privatization Saga (available at www.jubileesouth.org/news); and Siregar 2003.

CHAPTER III: THE EFFECTS OF INADEQUATE HOUSING



KEY FACTS

- *Poor housing can keep families in a vicious cycle of poverty because they spend money and time on housing costs: money that could be spent on food, health, education, or income generation.*
- *Inadequate housing can cause instability: in China, forced evictions incited 74,000 protests and riots in 2005.*
- *Poor housing causes disease, injury and death. Child mortality rates in slums are linked to hazardous locations, and lack of clean water, clean air and improved sanitation.*
- *Pneumonia and diarrhoea are common in slums; together they kill four million children in developing countries each year.*



“Families must choose between housing and food, healthcare, clothing and education for their children.”

A. EFFECTS ON POVERTY

I ncreasing poverty, decreasing access to adequate shelter, and declines in physical and mental health often operate cyclically: each factor affects the others. While many consider inadequate housing to be a result of poverty, poverty is also a primary cause.

When housing costs go up for the poor, money available for other basic needs goes down. Families must choose, then, between losing their housing or cutting back on food, healthcare, clothing and education for their children. “The high cost of housing,” summarize housing experts Edgar, Doherty and Meert, “can itself create poverty even where government assistance to housing costs is available.” (Edgar, Doherty and Meert 2002: 59.)¹ When housing is unaffordable, financial coping strategies are even further limited for people without family support, for example, women seeking divorce, families in transition, and families in crisis (Edgar, Doherty and Meert 2002: 59). UN-Habitat noted the importance of improving slum housing as an entry point into achieving a broad range of goals related to poverty alleviation. According to UN-Habitat writer D. Mehta, “by improving the lives

of slum dwellers, one is also combating HIV, improving environmental sustainability, addressing gender inequality, and all the MDGs [Millennium Development Goals] in the most efficient manner.” (UN-Habitat, 2005: 10.)

B. EFFECTS ON SOCIAL AND POLITICAL STABILITY

Inadequate housing conditions are closely tied to social fragmentation, instability and violence (Cook 2006). Martin Lux² argues: “Housing is . . . perceived as a basic social need of human beings and its standard greatly influences the standard of welfare of the whole society. Housing insecurity can have far reaching consequences for the labour market, as well as for the political stability of a particular country.” (Lux 2003: 9.) Unbridled urban growth undermines social cohesion in Pacific Island countries, which has wide-reaching effects on the ability of individuals, families and communities to “cope with and address poverty.” (UNESCAP 2004: 6.) In the Asia-Pacific region, housing policy has become a lightning rod for social unrest in different countries at different times. Civil unrest in China around the government’s forced eviction practices manifested in 74,000 protests and

riots in 2005 alone, according to the Centre on Housing Rights and Eviction (COHRE) (Macan-Markar 2006: 2).

In a recent report on “Measuring Transformation through Houses,” Habitat for Humanity found that improved shelter conditions, especially through a participatory approach in which the household takes a strong role in the improvements, serves to enhance a broad range of factors affecting quality of life and strengthening civil society (Weir 2004: 1-2). These factors include increased participation in civil society by marginalized groups, better relationships among different ethnic groups, increased school attendance by children, heightened self-confidence for women, fewer days of work missed due to poor health, and increased household economic activity, including new economic activity, increases in household income and increases in expenditure on clothing and furniture (Ibid).

Inadequate, insecure housing leaves residents vulnerable to violent crime, especially in cities. This is aggravated by the absence of professional, non-corrupt law enforcement (see Cook 2006: 16, for the point on increased violence in slums).



C. EFFECTS ON HEALTH

Housing that is overcrowded or lacks access to basic services such as safe drinking water and improved sanitation poses higher risk of death and disease to inhabitants (UN-Habitat 2006: ix). Higher mortality rates in slums, especially for children, are linked to the hazardous location of many slums, to inadequate water and sanitation services³, and to poor air quality (Ibid: 109-10; see also World Bank MDGs 2004: 1; Jack 2006: 9; UN Special Rapporteur on Adequate Housing 2005: 15).

Two pervasive diseases, pneumonia and diarrhoea, are responsible for killing four million children in developing countries each year (UN-Habitat 2006: 111). While pneumonia is related to overcrowding and poor ventilation in slums, diarrhoea is linked to inadequate water and sanitation, especially the use of pit latrines shared by hundreds of households (Ibid).⁴

The Asia-Pacific region's urban areas are also subject to air pollution, industrial discharge, destruction of mangroves and wetlands, increased runoff including faecal contamination, and inadequate wastewater and solid waste collection, all of which threaten health

and social well-being (UNESCAP 2004: 6). Many low-income housing communities, for example, in the Pacific Islands are built in precarious zones, subject to natural and man-made disasters. In the event of either, faulty construction and the use of substandard materials increase exponentially the damage to residents' lives and property.

D. EFFECTS ON ECONOMIC WELL-BEING

Improving housing conditions can be a powerful economic catalyst for both individual households and the broader community. Housing activity, states Schlomo Angel, "has important effects on, among other things, the GNP (gross national product), household savings, the accumulation of wealth, and wages." (Angel 2000: 73.)

Inadequate housing, on the other hand, is financially crippling. According to one study, those without homes or with inadequate housing are unable to partake in either of the two income-generating potentials associated with housing (Centre for Urban Development Studies 2000: 4):

- **The use of housing for microenterprise.** Land and building account for 25 to 45 per cent of

the investment required to establish a micro-enterprise (Ibid).

- **The use of housing as an income-producing asset,** either through renting out property or through increases in market value at the time of sale. One survey found that 35 per cent of households participating in SEWA's slum upgrading program reported an increase of 35 per cent in average weekly earnings, due in large part to the benefits of loans for home improvement and water and electric connections (Malhotra 2004: 278).

Also, slum conditions such as overcrowding, location hazards, and the threat of eviction affect inhabitants' capacity to obtain and keep a job (UN-Habitat 2006: ix).

The ability of Asia-Pacific cities to realize their economic potential may turn on their ability to better house their workforces. The potential for long-term economic benefits from urbanization will depend on whether and to what degree urban workers have decent living conditions, including: "sustainable access to land; housing and infrastructure; social and economic services; and participatory decision-making." (UNESCAP 2004: 2; Jack 2006: 8.)⁵

END NOTES

1 Bill Edgar and Joe Doherty are the coordinators of research for the European Observatory on Homelessness and directors of the Joint Centre for Scottish Housing Research.

2 Martin Lux, of the Socio-economic of Housing at the Institute of Sociology at the Czech Academy of Sciences, has written extensively on social housing in Central and Eastern Europe.

3 In India, the government cites the lack of safe drinking water and improved sanitation as the “main reason for prevailing ill health and morbidity levels in the country.” (Government of India Planning Commission 2002-2007: sec. 2.1.25.)

4 Studies have shown that living conditions for slum children are an even greater factor in determining whether they will have diarrhoea than their family's access to healthcare (UN-Habitat 2006: 111).

5 UNESCAP's 1995 statement on the economic importance of slum and squatter households remains true today: “Many governments have a tendency not to realize the role of squatters in, for example, the construction, industrial and service sectors. Economically and politically weak, squatters provide crucial inexpensive labour for the development of the booming Asian economies. Instead governments emphasize the fact that a sizeable land area is occupied by the settlements as well as the problems related to health, economic and social issues. However, in terms of microeconomics, squatters are actually the most intensive users of land both in terms of population density and economic productivity. (UNESCAP 1995: chapters 4-5.)”