

HOUSING AND CITIES IN BRAZIL AND LATIN AMERICA

Globalization, poverty and some reasons for hope

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The impoverishment of Latin American countries in the last twenty years is evidenced by an increase in the number of informal human settlements in Latin American cities. These settlements include mainly *favelas* – which result from illegal occupation of urban land – and the so-called *pirate allotment* – which are land subdivisions that disregard urban or land property laws and regulations. In the short period between 1990 and 2001 the number of informal settlements in Latin America increased from 111 million to 127 million, a consequence of the rapid urbanization process taking place in the region (ECLAC, 2004).

These dwellings were built without any kind of technical support from engineers or architects, or of funding from the government, and without complying with the laws and regulations on the occupation of land and housing. Not all dwellings considered to be informal are precarious and, among them, we also find middle-class dwellings. This fact reveals a complex relationship between urban laws, the private market and social exclusion.

The gigantic rate of illegal occupation of urban land has led to disastrous consequences not only to the people who live in them, but to society as a whole, and to environment sustainability. The unlawful occupation of steep hills, river margins, swamps, dunes and flood plains adversely affect the life of the occupiers – who are in risk of being killed under landslides. Moreover, this kind of occupation can be the cause of deforestation, water pollution and silting.

In 2006, more than 80% of 170 million Brazilians live in cities. According to the demographic census carried out in 2000, 32% of the total population – approximately 55

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million people – lived in 11 metropolises (209 municipalities). 82% of the people who dwell in substandard housing (mostly *favelas*) lived in these metropolises; and the same area is responsible for 33% of the housing deficit (2 ,192,296 units).

The Brazilian economy grew by an amazing rate of 7% a year between the 40s and the 70s, and after this period the economy began to decline steeply. The new international context and neoliberal policies were responsible for a lack of social policies, and this took place in a deeply unequal social and historical scenario (the universal rights of the Welfare State only applied to a small portion society) which was marked by outdated political relationships (a tradition in authoritarianism, political clientelism, patrimonialism, and limited rights and the privatization of the State).

In cities in countries like Brazil, the deregulation and commodification of public services because of privatization, the tax war, the increasingly weaker social role of the State, and the economic policies have had a dramatic impact on a territory which has always been partially unregulated because of the tradition of informality. It is a substantially segregated territory characterized by highly exclusive and speculative land and real estate markets.

The inexpressive economic growth that followed the 1980s worsened the typically urban problems and contributed to new issues concerning big cities such as unemployment and violence. Violence was a virtually unheard-of national phenomenon in Brazilian urban areas until the beginning of the 1970s.

This was the context in which a strong social movement for Urban Reform was born. Movement leaderships fighting for housing, professionals, researchers and government employees support the movement. Despite the increasing forces of globalization these movements have managed to obtain several victories in the past two decades. A new generation of more democratic mayors was elected after the end of the military dictatorship in the 80s. These mayors implemented a number of significant experiments involving housing and urban planning. A federal law was enacted after 13 years of fight: the City Statute, which aims at enforcing the social function of property and, finally, a Ministry of Cities was created by the Federal Government. All these achievements promote participative processes which foster the dissemination of knowledge about cities, their problems, conflicts, and solutions.

ON PARTICIPATIVE URBAN MANAGEMENT

The context in which the new generation of more democratic mayors took office, in the 80s, is rather contradictory. It is characterized by a decrease in the economic growth rate, a decline in government funding for public policies, an increase in democratic participation as a result of movements against dictatorship, a lack of national policies for Brazilian towns and cities, and the mounting pressure from the urban population, which having been affected by unemployment and dropping income, begins to demand from the city authorities more public services. The City Halls are closer to the population and are, therefore, the first target concerning demands related to housing, transportation, education, health, among others. Examples of democratic administrations committed to social policies can be found throughout Latin America, however this paper shall only talk about Brazilian experiences².

The São Paulo Metropolitan Region, one of the largest in the world, with a population of almost 17 million people, was deeply affected by unemployment resulting from restructuring measures taking place in the automobile industry. The cities where the factories were based were also the birthplace of a workers' movement that was responsible for changing the political history of Brazil by giving rise to a political party, an important workers' union, and electing a President. These cities, however, experienced a dramatic fall in tax revenue at the same time as the population became increasingly more dependent on public services. In this region there are several examples of innovative goals and methods applied to urban management practices: São Paulo, Diadema, Santo André, São Bernardo, among others.

However, it was not only in this industrialized portion of the Brazilian territory, which shares some features of first world countries, that the City Halls innovated. Innovation also took place in less industrialized regions such as Belém and Recife. However, it was another large Brazilian metropolis, Porto Alegre, which became internationally known for its participatory budget.

² A few examples in Latin America are: the city of Rosario in Argentina, and the cities of Pereira and Bogota in Colombia, and Montevideo in Uruguay (the architect Mariano Arana was the mayor of Montevideo for two terms) among others. Please refer to the Lincoln Institute of Land Policy www.lincolninst.edu for information on urban management and social housing policies in Latin America.

A participatory budget, which is an experience that has been repeated in several Brazilian cities, enables the population to remove from the hands of traditional lobby groups (building contractors, real estate developers, entrepreneurs in the transportation industry, medical product suppliers or other products acquired by the local administrations) the decision-making process involving government expenditures. Therefore, information concerning sources of income, legal contracts and agreements, and drafting a city budget ceases to be a mystery to the population. Moreover, investments allocated to under-resourced areas started to contribute to bridging the century-old gap of social inequality in Brazil.

Among other major programs taking place were the forums and/or conferences discussing the future of cities (in Belém, Porto Alegre, Caxias do Sul), food supply policies aiming at reducing the costs of supplies (in Belo Horizonte), fostering cultural diversity (in Recife), among others. In order to meet the UN Millennium Development Goals, several cities, such as Diadema, São Paulo and Santo André, have taken significant action to urbanize *favelas* and promote housing with the participation of the local community. Rio de Janeiro introduced the largest national program to urbanize *favelas*. This program improved the living conditions of over 300,000 people.

Another program taking place nation wide is one to legalize informal housing, which despite facing a number of so-called legal issues, actually faces political obstacles: because law enforcement in Brazil is marked by social prejudice (Maricato, 1996).

The commitment of a number of architects to these projects and works gave birth to a new generation of Brazilian architecture professionals. In the end of the 80s, young architects organized NGOs, which rendered services to community associations or movements fighting for the right to housing. These NGOs gave advice on land issues, architecture projects, urban legislation, building costs, and rules and regulations for obtaining loans. In Brazil, the official private real estate market is only available to 30% of the population; thus, limiting the field of work of architects. This market ends up only meeting the needs of the upper class and, therefore, ignoring the necessities of the larger part of the population. We cannot state that a new attitude involving a greater social commitment is widespread in the profession and in teaching; what we can state is that this new attitude has been extending its influence over the country.

In the field of urban planning, this new reality requires certain changes. To be able to plan together with the community requires a new federal law, the City Statute, which is not an instrument with which most architects are familiar.

NEW FEDERAL LEGISLATION³

The social movement fighting for the right to housing and urban justice also fights for the inclusion of the urban issue in the national political agenda and against the invisibility of poverty in Brazilian cities. Community leaderships, experts, researchers, and government employees support this movement. Among some of its main achievements are: provisions in the Brazilian 1988 Constitution, federal laws, such as the City Statute enacted in 2001 and the Social Interest Housing Fund Act enacted in 2005. The latter resulted from a bill proposed by the public initiative to the National Congress in 1992. Over 1 million voters signed the bill.

The City Statute establishes a new legal framework for dealing with urban issues. The main instrument provided by the act for the use of the public authorities and the social movements is the definition of the *social function of property* and what one must do to enforce it. The social function of property contradicts the traditional Roman law principle according to which the owner is free to do whatever he wishes to his property (*usus, fructus* and *abusus*). According to the City Statute, property rights are subject to its *social function*, which must be defined in the City Master Plan.

Enforcing the social function of property in a country marked by patrimonialism tradition, like Brazil is not an easy task. According to this tradition, economic and political powers are closely related to holding property, which, for almost 200 years, has meant owning real estate. The forces of the past are powerful, so enforcing the new legislation shall for a long time demand a strenuous effort of those who bravely wage the war against shameful social inequality.

³ Besides Brazil, Colombia is another Latin American country, which has also passed modern federal laws on land, but is also facing the same law enforcement problems as Brazil.

THE MINISTRY OF CITIES AND THE NATIONAL CONFERENCES OF CITIES⁴

In 2003, the newly elected President Lula created the Ministry of Cities, which the existing social movements for Urban Reform had been demanding. The Ministry of Cities strived to unite sectarian housing, transportation and sanitation policies to land policy and urban planning. The latter is the responsibility of the city, but the Ministry is an important institution that fosters and promotes training for drafting City Master Plans, which were then developed by means of a national campaign.

In order to start a wide-ranging participative process and drafting a National Policy for Urban Development, the Ministry of Cities held the first National Conference of Cities in 2003 and the second in 2005. The National Conferences were preceded by City and State Conferences in which previously prepared thesis and proposals were discussed and elections for city and state delegates for the National Conference were held. The rules for the National Conference of Cities were drafted with the participation of 43 Brazilian entities, and established the number of delegates according to social or institutional sectors (e.g. social movements; corporate entities; workers' unions; researchers, universities and NGOs; architecture, engineering and geography professionals; in addition to delegates from the government and the legislature). About 2,800 delegates participated in the national meetings. Most of them were elected during the State Conferences and others were appointed by Brazilian entities involved in urban policies.

The principles, directives and priorities of the National Policy for Urban Development were voted during the first National Conference of Cities, and during the second National Conference the national policy deserved even more attention.

The Council of Cities, elected during the first National Conference, and the four Specialized Commissions that make up the Council started working in the beginning of 2004. The Council approved the proposals of the National Housing Policy, the National Sanitation Policy, the National Traffic Policy, the National Mobility and Public Transportation Policy, the National Campaign for Participative City Master Plans, the

⁴ In the end of 2002, the author was invited by the newly-elected President Lula to be part of the transition team responsible for creating new ministries, among which the Ministry of Cities. Between 2003 and 2005, the author was appointed Vice-minister for the Ministry of Cities.

National Program to Support Sustainable Urban Land Regularisation, and the National Policy for Capacitating Cities, among other issues.

Many of the accomplishments mentioned here are the first steps of a necessarily long and continuous process aimed at transforming, through institutional changes, an ancient tradition marked by authoritarianism and inequality, which have deeply affected Brazilian cities. Despite the fact that so far the achievements do not suffice to face up to the increasingly poor conditions of Brazilian cities, which are subject to the hegemonic forces of globalization, they do make up a participative and democratic environment that helps in the fight for a better future for the cities in Brazil.

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