EIGHTH CONFERENCE ON HOUSING IN AFRICA

UNIVERSITY OF BOTSWANA
GABORONE, BOTSWANA
30 MAY TO 4 JUNE, 1982

AGENCY FOR INTERNATIONAL DEVELOPMENT

Office of Housing and Urban Development
Agency for International Development

EIGHTH CONFERENCE ON HOUSING IN AFRICA

Sponsored by:

Government of Botswana
United States Agency for International Development (Office of Housing and Urban Development)

Host:

Government of Botswana

May/June 1982

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D C 20523

Eighth Conference
on
Housing in Africa

Gaborone, Botswana

May 30 - June 4, 1982

It is my pleasure to present the proceedings for this Conference. This year the framework for the Conference was set by a Steering Committee representing the various regions of Africa. Their time and efforts are very much appreciated, and we all look forward to even greater African participation in the programming of future meetings.

This year's theme - "Toward Self-Reliance in Shelter" - defines a goal to which we all can subscribe. The road is neither short or smooth, but progress to date has been considerable. Finance and training proved to be sub-themes that stimulated the kind of dialogue that makes this Conference important.

I know that all participants were as impressed as I was with the candor and mutual respect which has developed. This sharing of experience and insight is necessary to permit us to continue our important work.

Finally, the Conference simply could not have taken place without the enthusiastic support of the Government of Botswana. The warmth and smiles of the Batswana made the week not only memorable, but a real pleasure.

Peter Kimm

Peter M. Kimm
Director
OFFICE OF HOUSING
AND URBAN DEVELOPMENT

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CONFERENCE PROGRAM

VIII Conference on Housing in Africa
University of Botswana
Gaborone, Botswana
May 30 to June 4, 1982

SUNDAY, MAY 30

12:00 - 18:00	Registration of participants, Lobby, Holiday Inn Hotel
15:00 - 16:00	Conference Steering Committee, Meeting Room, Holiday Inn Hotel

MONDAY, MAY 31

08:30 - 13:00	Late registration of participants, University cafeteria
09:30 - 10:30	Opening Session
	Mr. S. T. Ketlogetswe, Mayor of Gaborone
	The Honorable Lenyeletse M. Seretse, Vice President, Republic of Botswana
	Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, U. S. Agency for International Development (USAID)
	Mr. Peter O. Molosi, Permanent Secretary, Ministry of Local Government and Lands, Botswana
	Hon. Horace G. Dawson, Jr., U. S. Ambassador to Botswana
10:30 - 11:00	Break
11:00 - 12:45	First Plenary Session
	Report by the Interim Steering Committee, Mr. R. M. Makhwade, Chairman, Conference Steering Committee
	Developing Sound Housing Policies to Achieve Self-Reliance in Shelter
	(1) The U. S. Experience--Encouraging Housing Finance through the Private Sector, by Jonathan Lindley, Executive Vice President, National Savings and Loan League, Washington, D. C., USA
	(2) The African Experience, by Mr. Callisto E. Madavo, Urban Development Department, The World Bank, USA
12:45 - 14:30	Lunch
14:30 - 16:30	Training for Self-Reliance in Housing, by Mr. Phillip Langley, Pan African Institute for Development
18:30	Cocktail Reception Hosted by: Government of Botswana (Note: Please board buses at the hotel entrance at 18:15 hours for the ride to the National Museum and Art Gallery)

TUESDAY, JUNE 1

09:00 - 10:00	Discussion Groups
	(1) Savings Mobilization and Non-Formal Finance, by Mr. Callisto E. Madavo, Urban Development Department, The World Bank
	(2) Employment Generation: Housing and the Creation of Local Jobs in West Africa, by Mr. Soumana Traore, African Society of Lands and Development, Upper Volta

(3) Pricing and Cost Recovery Policy

by Mr. Theodore R. Britton, Jr., International Affairs Department, U. S. Department of Housing and Urban Development, and

by Mr. Lazore Yeboue, Director General, Banque Nationale pour l'Epargne et le Credit (BNEC)

(4) Self-Help Labor Mobilization as a Factor of Cost Reduction,

by Mr. Gilbert Njau, Nairobi City Council, Kenya, and

by Ms. Diana Lee Smith, Mazingira Institute, Kenya

(5) Training for Para Professional Skills, by Mr. James Kayila, Kenya Institute of Administration, Kenya

(6) Housing and Self-Reliance in Africa: The Role of Manpower

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(7) Case Study--Education of Beneficiaries, Mr. Isaac Mwendapole, Lusaka District Council, Zambia

(8) Case Study--Community Involvement in the Management of Self-Help, Low-Cost Housing, by Mr. Stephen S. Mulenga, National Housing Authority, Zambia

(9) Case Study--Training of Implementing Staff, by Mr. Ronald Campbell, CHF Consultant to Selebi-Phikwe Town Council, Botswana

10:30 - 11:00 Break

11:00 - 12:45 Repeat of Small Group Discussions

12:45 - 14:30 Lunch

14:30 - 17:00 Trip to visit low-income housing projects (Note: Buses will leave Holiday Inn at 14:30)

19:00 Films about Housing in Africa and Botswana Culture Hosted by: Mr. Louis Cohen, Director, USAID, Mission in Botswana (Note: light refreshments served during films)

WEDNESDAY, JUNE 2

09:00 - 10:30 <u>Second Plenary Session</u>

AID Panel Discussion on Self-Reliance and User Charges

Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, Director, Office of Housing and Urban Development, U. S. Agency for International Development

Housing: Increasing Local Self-Reliance Through Bottom-up Development, by Ms. Pamela B. Hussey, Assistant Director, Office of Housing and Urban Development, East and Southern Africa

Reflections on Cost Recovery, by Mr. Michael J. Lippe, Assistant Director, Office of Housing and Urban Development, West Africa

Development of Entrepenurial Capacity, by Mr. David Liebson, Assistant Director, Office of Housing and Urban Development, Near East and North Africa

10:30 - 14:45	Repeat of Small Group Discussion (C)
12:15 - 14:15	Lunch (Note: Alumni of AID shelter workshop will meet for lunch in Holiday Inn Private Dining Room)
14:15 - 16:00	Speakers and Resources persons meet in the University cafeteria to discuss reports--Delegates free
19:00	Cocktail Reception Hosted by: Hon. Horace G. Dawson, Jr., U. S. Ambassador to Botswana (Note: Please board buses at the hotel entrance promptly at 18:40 hours)

THURSDAY, JUNE 3

09:00 - 10:00 Third Plenary Session

Finance: Small Group Discussion Reports

(1) William Karg, Minister of Local Government and Lands, Cooperative Housing Foundation, Botswana

(2) Miata Beysolow, National Housing and Savings Bank, Liberia

(3) Pierre-Yves Nicolas, ENDA, Dakar, Senegal

(4) Mr. Bernard G. Sesinyi, Selebi-Phikwe Town Council, Botswana

(5) Driss Kharchafi, Ministere de l'Habitat et de l'Amenagement du Territoire, Morocco

(6) Michael Beresford, City Council of Harare, Zimbabwe

Training: Small Group Discussion Reports

(1) David Benson, Regional Training Officer for East and Southern Africa, USAID

(2) In-Country and Regional Training Institutions, by Matthew Othow Deng, Regional Ministry of Housing and Public Utilities, Sudan

(3) Training for Paraprofessionals, Halim S. Scandar, Joint Housing Projects Agency, Ministry of Housing, Egypt

(4) Education of Beneficiaries, by Richard Jullion Martin, Ministry of Works and Housing, Kenya

(5) Training of Implementing Staff, Fabian Phaladze, Lobatse Town Council, Botswana

12:30 - 14:00	Lunch
14:00	Optional Field Trip to Nearby Villages
19:00	Dinner (served at Holiday Inn Hotel) Hosted by: The Government of Botswana

FRIDAY, JUNE 4

09:00 - 10:30 Fourth Plenary Session

Country Presentations and Summary Reports

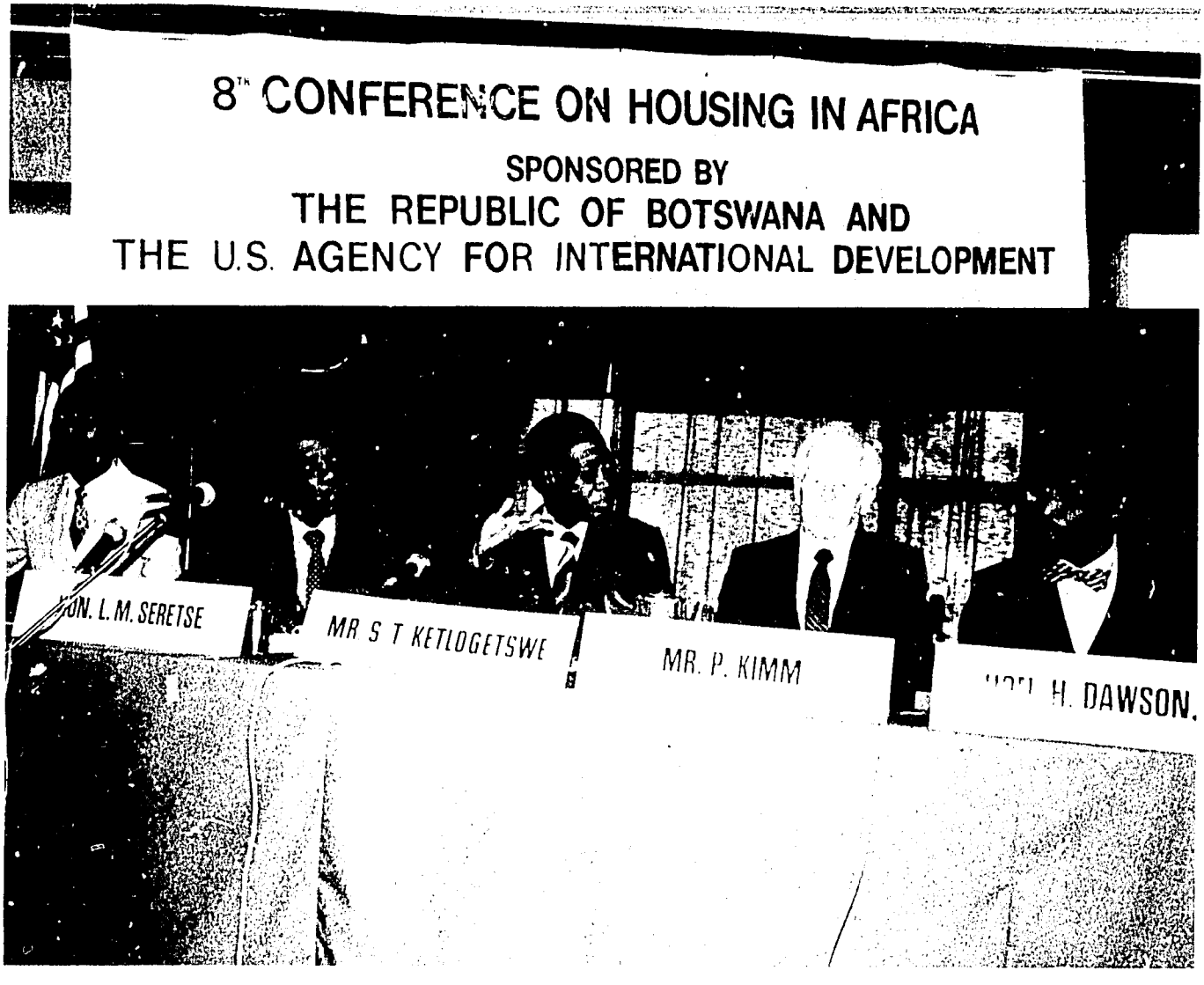
10:45 - 11:15	Break
11:15 - 12:00	Closing Ceremonies

(1) Mr. S.T. Ketlogetswe, Mayor of Gaborone

(2) Mr. Peter O. Molosi, Permanent Sec., Government & Lands, Botswana

(3) Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, USAID

(4) Hon. Archibald Mogwe, Minister of External Affairs, Botswana



The Eighth Conference on Housing in Africa was officially opened on May 31, 1982 in Gaborone, Botswana. From left to right: Mr. Peter O. Molosi, Permanent Secretary, Ministry of Local Government and Lands, Botswana; The Honorable Lenyeletse M. Seretse, Vice President of the Republic of Botswana; Mr. S. T. Ketlogetswe, Mayor of Gaborone; Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, U.S. Agency for International Development, and The Honorable Horace G. Dawson, Jr., U.S. Ambassador to Botswana.

OPENING SESSION

Chairmen: Mr. S. T. Ketlogetswe, Mayor of Gaborone

Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, U. S. Agency for International Development

Participants: Hon. Lenyeletse M Seretse, Vice President, Republic of Botswana

Mr. Peter O. Molosi, Permanent Secretary, Ministry of Local Government and Lands, Botswana

Hon. Horace G. Dawson, Jr., U. S. Ambassador to Botswana

OPENING SPEECH BY MR. S. T. KETLOGETSWE, MAYOR OF GABORONE

Your honor the Vice President, Mr. Kimm, my co-chairman, members of Diplomatic Corp., ladies and gentlemen. It gives me great pleasure to have been given the honor to co-chair this important conference. In my capacity as Mayor, I'd like to take this opportunity to welcome you all to Gaborone. I believe there are 25 countries being represented in this conference. It is indeed a great honor for Botswana to have been chosen by the organizers for this eighth conference. I'd like to thank the United States Agency for International Development who have done everything in their power to make this conference a success. As you are aware, this conference is co-sponsored by the Botswana Government, and to you all, I'd like to say welcome to Botswana. I hope you will enjoy your stay in Gaborone. I'd like to introduce his honor the Vice President, Administer of Local Government and Lands. The Vice President happens to have a very extensive experience with the problems faced by local authorities. We, in local government, regard ourselves very lucky to have a man of his standing leading the affairs of local government. He, himself, has been involved in local government and, therefore, he understands the problems that we, in local authorities, are facing. With those few remarks, I would like to call upon his honor, the Vice President.

Mr. S. T. Ketlogetswe, Mayor of Gaborone and Conference Co-Chairman.

OFFICIAL OPENING SPEECH BY HIS HONOUR LENYELETSE M. SERETSE, VICE PRESIDENT, REPUBLIC OF BOTSWANA

Mr. Chairmen, distinguished delegates, ladies and gentlemen, I wish to extend to each one of you, a warm and cordial welcome to our Country. Many of you have come from far up the continent to give us the honour of playing host to this very important conference to discuss a matter that is of great concern to us all, namely; housing. The importance of an occasion such as this one cannot be overemphasized. The Government and the people of Botswana have been looking forward to your arrival. We are grateful you came and we hope you will enjoy your stay among the people of Botswana.

It is indeed a great pleasure to the Government and people of Botswana to see your conference taking place in this part of Africa, a part of our beloved continent commonly known as Southern Africa, a part of the continent of Africa characterized by tension and a sense of insecurity resulting from the political and military arrogance displayed by White minority ruled states.

We in Southern Africa are experiencing a lot of tension deriving from the serious conflict raging within the borders of the neighboring white minority ruled states. Such is their internal political situation and the frontline states have and still are experiencing these conflicts spilling over into their countries. This is a sad situation destined to escalate the conflict thus endangering the peace of the region and that of the world at large. The internal political situation in these states has got us all deeply worried and the future stability of the subcontinent remains less certain.

I am telling you all this because, we in Botswana are always glad to have the opportunity of sharing with our brothers and sisters from other African countries, further north, some of our experiences. No matter what your particular interests or orientation may be, it is important that you, as Africans, should gain some direct understanding of the Southern African region and its problems. Botswana lies at the heart of that region. You will no doubt agree with me that Africa is forever looking forward to the day when the total liberation of our beloved continent will be achieved. Indeed little do the enemies of freedom realize that time is definitely not on their side.

Mr. Chairmen, distinguished delegates, the purpose of your gathering here is not, of course, to dwell on the Southern African political problems. You are gathered here to participate in a broad forum to clinically analyze that thorny and nagging issue of housing which indeed has become a problem of major concern the world over. The problem of housing, like many others, is common to us all. We are pleased to be able to take part in this carefully structured program of discussions, together with our brothers and sisters from other parts of Africa, because Botswana has always worked deligently to promote cooperative ventures among African nations. Our activities with the recently established, Preferential Trade Agreement (PTA) and the Southern African Development Coordination Conference (SADCC), for whom we have the honor to be serving as the Secretariat, are two examples of our interest in African Cooperation.

This conference is a further expression of that spirit. We are also pleased because we feel we have much to share with you regarding our experiences in the field of housing.

Mr. Chairmen, with a 12 percent urban growth rate, one of the largest in the world, we have been able to stay ahead of squatter settlements here in Gaborone. This has been achieved by offering sufficient numbers of site and service plots to low-income self-help builders. In using self-help, we have been able to capitalize on our human resources, resulting in an affordable home for the beneficiary and an efficient housing investment for the Government. Armed with the National Settlement Policy and the newly approved National Housing Policy, we will be seeking ways to improve the standard of housing in our rural areas to bring more balanced benefits to the entire country.

Prior to the introduction of self-help Housing Programs, which are entirely the responsibility of my Ministry of Local Government and Lands, housing at a national level and for all categories of people has been provided by the Botswana Housing Corporation. The Corporation, as you will discover during the course of your deliberations, was created in 1970 to implement housing policy throughout Botswana particularly in relation to low, medium and high cost conventional housing, and caters for the housing needs of all sectors of the community with the main concentration at present being in the main urban centers where the growth, and therefore, the demand for housing is the greatest. Since its creation, the Corporation has more than quadrupled its housing stock but still maintains long waiting lists for permanent houses of all categories in the four main urban areas. The Corporation has managed to provide a substantial amount of housing but the problem of shortage of accommodation still remains.

It is precisely for the purpose of augmenting the efforts of the Corporation that Government, in 1973, introduced the Self-Help Housing Agency. This is an encouraging effort and it is expected that by mid 1983, in the Agency's first ten years of existence, 12,000 new plots

will have been serviced and a further 6,300 upgraded. As a result, less than 5 percent of the total urban population can be regarded as squatters. It is planned to complete the upgrading program by 1986. Already, Government has commissioned a study to examine the appropriate form of Self-Help Housing Agency for the major villages as the first step in extending the activities of the Agency to the rural area. To augment these efforts to relieve the housing shortage, further, Government, as I have said earlier, has come up with a National Housing Policy the main ingredients of which are:

a. The transfer of subsidies to low-income and rural housing;

b. The encouragement of greater participation of the private sector in the high cost market thus enabling Government to focus reserves on the low income and rural needs; and

c. To encourage greater home ownership.

This it is hoped, will enable us to tackle the housing problem in a more realistic manner.

Distinguished delegates, I notice that you have before you a formidable agenda which you must discuss today and in the next few days or so. But, before I conclude my brief remarks to you this morning, I must emphasize that, as you sit here in the next few days or so, debating and exchanging views on the issue of housing which closely affects the lives of your brothers and sisters in our various countries, proper development can never be achieved if development processes in our countries neglect the plight of our rural majorities. One of the sore points that is always apparent in our developing economies is the glaring disparity between urban and rural development.

A successful development process is the one which will ensure that the benefits are conferred on the majority of the people in the rural settlements. The development of our countries should be balanced between and among the rural and urban areas so that there is no depopulation in one and overcrowding in another type of settlement. All types of settlement should be rendered attractive to industry and technological revolution. After all, we are all members of the same society with equal right to the benefits it confers on its members.

Distinguished guests, ladies and gentlemen, I have had a chance to look at your program of activities starting from today and I am impressed with the amount of work that lies ahead of you. I consider it only fair that I take as little time as possible from your program. We have very little to offer, but whatever little we do for you, we do it with sincerely open hearts. Once again, I must say how grateful I am, for the opportunity you have accorded me to address this conference; we remember other occasions when Botswana delegates have enjoyed the hospitality and friendship of other sister countries. May this spirit of brotherhood and dedication continue to flourish for the common good of our fellow citizens.

Mr. Chairmen, it is now my great pleasure to declare this Conference officially open.

Thank you.

The Honorable Lenyeletse M. Seretse, Vice President of the Republic of Botswana, declares the Conference officially open.

WELCOMING REMARKS BY MR. PETER M. KIMM, DIRECTOR, OFFICE OF HOUSING AND URBAN DEVELOPMENT, U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT

It is my pleasure to join with the Government of Botswana and my ambassador in welcoming you. This is my first visit to this beautiful country, as I know it is for many of you. I consider it a great opportunity and I am sure we will all find our time here both useful and enjoyable.

It seems hard to believe that a year has gone by since we last met in Mauritius. This is the eighth time that we have held this meeting and the basic underlying situation--an urbanizing world and a massive need for shelter and services is still very much with us. Some of the basic problems of recent years including inflation, increasing costs and high interest rates are also still very much with us. Nevertheless, in the past year a great deal of progress has been made.

Our theme this year is, "Towards Self-Reliance in Shelter," a goal to which all of us can subscribe. In today's complex interdependent world, self-reliance does not imply isolation. Indeed, it is now almost impossible for anyone to do anything all by themselves. What is implied by self-reliance is the capacity to utilize available resources in the best possible way. To manage and to orchestrate the various components to produce the results we want to achieve.

This year we will devote a good part of our time to workshops as we did last year. This will provide an excellent opportunity to share experiences, since we all still have much to learn from each other. This is not to say that we have not already learned a great deal about urbanization and shelter in Africa. On the contrary, I think there is a growing consensus about the basic principles which need to be applied in order to achieve self-reliance with appropriate modification in each country for its cultural and historic situation.

These principles are not theoretical--they have evolved from experience, in Africa, and around the world. Given the opportunity, people house themselves and they have been doing so. Government is to provide the opportunity for the greatest number of people to build, buy or improve the shelter they can afford. The existing housing stock should be considered a precious resource to be improved and upgraded. It seldom makes sense to destroy an existing unit, no matter how humble.

Also essential for self-reliance are the concepts of affordability cost recovery and substantial scale of operations. A very large number of units must be created in a relatively short time, and there is no magic wand with which this can be done. It must be done utilizing the resources of which we are now aware, and this is only feasible if modest, affordable initial solutions are pursued. Governments should set as their highest priority the provision of access to land, water and other basic services which individual and the private sector cannot do for themselves.

Despite the enormous problems still to be faced, I remain very much an optimist. I believe that the shelter problem is solvable, and indeed is beginning to be solved. I do not think it will be easy, but I do believe that each country represented at this meeting has the capacity to achieve self-reliance in the forseeable future.

I want to pledge the continuing assistance of the Government of the United States in pursuing this goal. We plan to continue to work with you as long as we are welcome

Thank you very much.

Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, U.S. Agency for International Development and Conference Co-Chairman.

KEYNOTE SPEECH, GIVEN BY MR. PETER O. MOLOSI, PERMANENT SECRETARY, MINISTRY OF LOCAL GOVERNMENT AND LANDS, BOTSWANA

I welcome you to the Eighth Conference on Housing in Africa and welcome you to Botswana.

This being the eighth conference of its kind, it might seem to some observers that we have had ample opportunity to discuss the complete range of topics relating to housing; and what is more, based upon what we have learned at these housing conferences, by now, we would have solved our individual country's housing problems. Obviously, those who would say that we have had enough time do not understand the enormity of the problem, or of the effort that is required to provide our populations with shelter. They do not understand that during the decade of the 1980s, urban poor households in Africa will increase by over 12 million to almost 30 million people, and the rural poor households will increase by a total of over 30 million to 90 million poor households. They do not understand that to provide each poor family with a basic housing unit by the year 2000 will require about $17.5 billion (US) in 1975 terms, and more than double that amount in today's terms, over $35 billion (US).

The present size and growth rate of our poorest populations together with the cost of providing them with shelter could easily overwhelm us if we do not keep this problem in perspective. What is required is both an historical perspective and a look at the real constraints which prevent us from meeting our housing goals.

International attention for and assistance to, self-help housing is a relatively new phenomenon. In 1947, the United Nations saw it as an issue and published some of the first manuals on self-help assistance to developing countries. USAID gave their first housing assistance in Africa to Mali in 1961, just over 20 years ago. In the relatively short period of the last 20 years, when the energies of most of our countries have been expended on gaining independence and beginning development activities on all fronts, the African continent's commitment to, and progress in, the field of self-help housing has been substantial.

We should be encouraged that we can see progress in our relatively new housing programs and we should also be encouraged by some housing experts who claim that with a correction of certain institutional and financial constraints, we will be able to house our entire populations by the year 2000. The housing experts claim that if every country is able, on an average, to spend 8% of its Gross National Product on housing investment (most countries now spend between 3% and 5%) there will be sufficient funds to house the needy populations of the affected countries. What is required, therefore, is to improve upon the institutional constraints to facilitiate the supply of land, public services and finance.

The supply of land, per se, is not the problem. It is the availability of this land to the self-help builder which is the issue. There are many reasons why land may not be available to the self-help builder, for instance, high free-hold land costs, plot size or occupancy restrictions, and cumbersome and expensive conveyancing processes form some of the difficulties. Once these constraints are overcome and affordable land is made available, the companion piece must be secure land tenure. With a sufficient quantity of available land and security of tenure, a stable condition will have been created for the self-help building process to begin.

Public services are particularly important to self-help communities. Resident priorities in household surveys will often place housing programs lower on the list of priorities than water, sanitation or even street lighting. One of the major constraints on the adequate provision of services is a standard which is too high, and therefore, too expensive. The net result is often the absence of services rather than affordable services at a lower standard. As with the land supply constraint, the self-help builder can and will supply his own housing if certain public services such as education, water and health care are provided.

In most countries, financing for low-income self-help families is non-existent. Most low-income housing is financed out of the savings or resources of the low-income family without the involvement of a financial institution. Governments often contribute to this with the financial restrictions they place on the loan terms of financial institutions. Another major reason for the unavailability of financing for self-help builders is insecure land tenure. For the very reason that a self-help builder finds it insecure to build, the financial institution finds it insecure to lend. Reaching resolutions on the issue of land tenure will not only encourage the self-help builder, but greatly enhance his ability to develop housing by creating the proper climate for the infusion of capital from financial institutions.

All these constraints are surmountable, especially when put in the historical perspective that Africa has only been receiving housing assistance for 20 years and in another 20 years it may be possible to have housed all our citizens. Rather than be overwhelmed by the task ahead of us perhaps we should be congratulating ourselves for a journey we have half completed.

I believe Africa is particularly well suited to successfully complete this journey. We have traditionally been self-reliant and self-help builders of our own houses. This fact will continue to be our strength due to the rural nature of so many of our communities and the

fact that self-help building is usually practiced more in the traditional rural setting than it is in urban areas. While other developing countries have already become urbanized (67% of Latin American population lives in urban areas), in Africa the vast majority of the population still resides in rural areas. It is predicted that even by the year 2000 more than 50% of Africa's population will still be rural; and for the rest of the population which will have moved to the city, if we are careful to retain our tradition of self-reliant building, most governments will be able to provide housing for the urban populations through affordable self-help housing programs

Botswana's achievement record in urban self-help housing has been impressive indeed. We have found answers to the institutional constraints of land and public services, and now our self-help program has gained sufficient respect that the lending institutions are beginning to loan money to plot-holders. As His Honour the Vice President noted in his remarks, we have been able to stay ahead of our urban squatter problem; first by overcoming it and upgrading our squatter areas, and then by anticipating it and providing an adequate number of site and service plots to satisfy urban growth.

While our population growth begins from a small base, the urban growth in this country (for example, 12% in Gaborone) is among the highest in the world. That growth rate initially led to large squatter settlements which in some towns amounted to 40% of the population. At that point we had to take corrective measures to upgrade the squatter settlements and provide for the anticipated demand. We presently have reached a point in our development history where we are about to begin to take preventative measures. Our National Settlement Policy and our recently approved National Housing Policy give prominance to a more balanced form of development. This balanced form of development would aim at developing improved infrastructure standards and creating employment opportunities in major rural villages. One of the objectives is to discourage people from contributing to the very high urban growth rate by keeping them at home or at least dispersing them among the village and town centers. If this works, our preventative solution will make future curative measures unnecessary.

I am sure you will be able to see our self-help program for yourself. I encourage you all to take the tour tomorrow afternoon as guests of the Gaborone Self-Help Housing Agency. They have prepared a suitable program for you and will be happy to answer any questions you may have.

I have noted the particular relevance that the conference theme, self-reliance, has traditionally played in African housing. His Honour the Vice President has also noted that it is one of Botswana's National Principles and it is certainly included in the many self-help housing schemes throughout the country. Our discussion of self-reliance during this conference, however, will be somewhat more focused, allowing us to look at how finance and manpower training can enhance self-reliance. Mr. Jonathan Lindley and Mr. Calisto Madavo will make the Plenary presentation on finance entitled: "Developing Sound Housing Policies to Achieve Self-Reliance in Shelter," and Mr. Phillip Langley will give the Plenary speech on training entitled: "Training for Self-Reliance in Shelter." To allow sufficient time for discussion of these two sub-themes, components of the sub-themes will be shared in small groups. The small group discussion topics have been carefully selected to include the current issues in finance and training facing most countries. This is of particular interest and relevance to Botswana because it is consistent with our present aspirations and plans.

The first discussion group in finance is saving mobilization and non-formal financing. The availability of financing can complement the public investment in housing with private capital, and allow people lacking the means, but not the will, to afford their self-help house. It unlocks the human potential. In order for this financing to be available, however, people must be encouraged to save. Mechanisms which will encourage lending on the part of institutions and saving on the part of self-help builders will be investigated by this group. Alternatively, non-formal financing will also receive attention.

Employment generation is another important small group topic. Construction in many developing countries comprises as much as 25-30% of formal sector employment. While self-reliant housing often means self-help housing, this group will weigh the advantages that certain housing programs can bring to job creation, investigating this in light of the larger issue of national self-reliance.

I talked earlier about some of the institutional constraints which are impediments to achieving our housing goals. Certainly one additional one is the allocation of scarce public money to housing subsidies which are non-productive when this money could better be allocated for housing development. However, a country which may be allocating sufficient public money to housing development may still not offer all the ingredients for self-reliance, because the standard of housing may be too high to be afforded by many of the target self-help population. This group will discuss the importance of appropriate public investment and standards as essential components of a self-reliant housing program.

Self-help has long been recognized as an important community building function and a way that an individual could "invest" in his own shelter. Related to the issue of finance, self-help

becomes an important factor in cost reduction and the creation of a more affordable product. This small group will measure how self-help, this most important tenet of self-reliance, has reduced costs and, therefore, reduced the need for external financing.

Financing is important for enabling the capital formation and the actual construction of self-reliant housing. As financing is crucial for the physical development, then training is crucial for the human development of this self-reliant process. The small discussion groups on training will investigate some of the components which are necessary to encourage the human element in self-reliance.

Training will be used to refer to two broad categories during these small group discussions. The one category will be beneficiaries and the other category will be the housing staff who work with the beneficiaries. The first small discussion group will focus on the latter. The lack of qualified manpower can be a major impediment in a self-reliant housing program. Manpower development and training often must be at a national level, take place over long time frames, and at all times must be planned and designed to address the identified training needs. The translation of these identified needs into a training program necessarily interfaces with training methodology and curricula. This group will discuss identifying training needs, planning to meet those needs and moving that plan into an effective training program.

There are often substantial demands placed on housing sector staff, and because they are fulfilling a very important role in the development of their country, the staff feels compelled to respond in a professional manner. However, it is somtimes the case that a staff member does not have the necessary skills to, with all the best intentions, carry out his duties. This small group will discuss the best techniques for improving the skills of the para-professional housing staff.

These conferences, and their growing attendance, are a testimony to the fact that we feel we have much to learn from each other in the field of housing. Accordingly, as we discuss training institutions, we should consider these institutions as a resource for more than just one country. This group will exchange information about in-country or regional African shelter sector training institutions and study the possibility of greater inter-country utilization of these institutions.

Case studies are an important way to bring reality to a discussion which has perhaps wandered off on too much theory. One case study group will focus on a case study of an effort to prepare beneficiaries to carry out their responsibilities in a self-reliant housing program. A second group will discuss a case study on the training of the self-help housing staff. Because a self-help housing program requires a high level of beneficiary responsibility and an intensive housing staff input, both of these discussion groups will play an important role in the conference.

I hope that your shared experiences and ideas during these small group discussions and during the rest of the schedule for this week will enrich the already extensive experience and commitment that each of you brings.

In conclusion, may I express my congratulations to you on your efforts during the first 20 years since the beginning of self-help housing assistance in Africa, and may I sincerely express my confidence that the next twenty years will bring us to the achievement of our intended goal of providing a decent, affordable basic shelter for every citizen of our continent.

Thank you.

Mr. Peter O. Molosi, Permanent Secretary,
Ministry of Local Government and Lands, Botswana.

WELCOMING ADDRESS BY HON. HORACE G. DAWSON, JR., U. S. AMBASSADOR TO BOTSWANA

Ever since I came to Botswana nearly three years ago now, I have been impressed by the example set here for the rest of Africa and, indeed, for much of the developing world.

Botswana is a multi-party democracy with a tradition of full and free inquiry.

It provides protection for the individual in the enjoyment of his rights guaranteed in a Constitution that is meaningful to him.

Botswana has a stable government which, as recent events have shown, sustains an orderly and peaceful transfer of power.

Moreover, this is a country in which the leadership takes serious y the task of economic development, which is promoted in such a way that its benefits are shared by the many, not limited to the privileged few.

One such benefit is what you have already heard about this morning and what you have come here to discuss. It is typical of this country and of its leadership that much of the new housing goes to families with the greatest need--those with incomes below the median. In a country of rapid urban growth, this is an important consideration.

It means government assistance in the reduction of squatter areas. And here in Botswana, particularly in Gaborone, it has meant the development of interesting and rewarding programs to improve squatter areas until better housing can be provided.

This is enlightened leadership which, as I have said, is typical of this country and no where better shown than in the recent Presidential Commission Report which commits the Botswana government to finding housing solutions for all people, both urban and rural.

My government is proud to have played a part in these developments through its AID program, and we are pleased as well with our role in helping to sponsor this important conference.

I wish you success in your deliberations, and I would encourage you and your associates, Mr. Kimm, to give the visitors an opportunity to see for themselves the splendid work that has been done here. In shelter, as in so many other ways, this country provides an excellent example. I am pleased that you have come and that you will be able to witness this for yourselves.

Thank you.

The Honorable Horace G. Dawson, Jr., U.S. Ambassador to Botswana.

Mr. Richard M. Makhwade, Undersecretary (Urban), Ministry of Local Government and Lands, Botswana and Chairman, Conference Steering Committee.

PLENARY SESSION

REPORT BY THE INTERIM STEERING COMMITTEE, MR. R. M. MAKHWADE, CHAIRMAN, CONFERENCE STEERING COMMITTEE

For the first time in the history of USAID sponsored housing conferences, a Steering Committee was formed to plan the 8th Housing Conference.

A meeting of the Interim Steering Committee was held in Nairobi on the 2nd, 3rd and 4th of December, 1981. It was attended by representatives from Botswana, Ivory Coast, Tunisia, Kenya; officials from USAID Regional Office of Housing and Mr. James Upchurch, a CHF official and the coordinator of this conference. It was agreed that as I represented the host country for the 8th Housing Conference, I should chair the Interim Steering Committee meeting.

The Committee selected the theme, "Toward Self-Reliance in Shelter." We discussed sub-themes, conference format, small group discussion topics and proposed conference schedule.

One important item discussed by the Committee, was the Africanization of the Housing Conference. There was general agreement that the USAID Housing Conference has a valuable forum for developing countries in Africa, to exchange ideas about low-income housing. It was observed that participation in the conference had increased and become stronger in recent years. The conference itself had become a permanent institution in Africa.

The first seven African Housing Conferences have been sponsored and organized almost entirely by the USAID Office of Housing. The involvement of a steering committee to plan the activities for the 1982 African Housing Conference represents a first step towards handing over responsibility of the conference to the participating African Countries. The Interim Steering Committee was in general agreement with the concept of Africanization of the Housing Conference. Greater control of the conference would be consistent with most African development objectives and the goals and principles of USAID.

While it was agreed in principle that Africanization of the conference should be investigated, some members of the committee expressed concern about losing USAID's financial and logistical support.

The Steering Committee learned about the history of similar conferences in Central and South America. It was, however, recognized that there were important differences in the African situation. Africa is a vast continent with neither a common language nor a homogenous cultural background. This diversity would present special problems in organizing an African controlled housing conference. In addition, it would be expensive to organize these conferences, unless some institution could be found to help sponsor the conference. A number of alternatives were considered, but none seemed feasible, as it was noted that no housing institution in Africa currently, represents all African Countries.

After discussing these concerns, the Steering Committee agreed on the following:

1. The committee accepted the principle of participating African countries assuming greater responsibility for the conferences.

2. The Steering Committee and USAID will jointly investigate possible methods of increasing African involvement in the planning,administration and funding of future African Housing Conferences. Any recommendation will be presented to future conferences and USAID for approval.

3. The future Steering Committee will be selected by the full conference. Until such time that a more formal selection process was adopted, future Steering Committee will be made up of members selected from the countries that had indicated their willingness to serve in the said committee.

4. The Steering Committee should meet at least once between conferences, and a day before each conference.

5. For the time being, the role of the Steering Committee will be to continue to assist USAID with conference planning while USAID would be responsible for the conference administration.

Opening Session at the University in Gaborone with the Botswana Delegation in the foreground.

Delegates assemble for first plenary session. Participants from Kenya in the foreground from left to right: Mr. Gilbert Njau, Nairobi City Council; Mr. Kithinji Kiragu, Coopers and Lybrand Associations; Mr. David Githiomi Manyara, Nairobi City Council; Mr. Elija Nqungu Mwengi, National Housing Corporation, Kenya; Ms. Diana Lee Smith, Mazingira Institute; Ms. Pamela Hussey, Regional Housing and Urban Development Office, USAID Nairobi; Mr. Richard S. Martin, Ministry of Works and Housing, Kenya.

THE U. S. EXPERIENCE--ENCOURAGING HOUSING FINANCE THROUGH THE PRIVATE SECTOR, BY JONATHAN LINDLEY, EXECUTIVE VICE PRESIDENT, NATIONAL SAVINGS AND LOAN LEAGUE, WASHINGTON, D. C., USA

The Premise

A very sophisticated and extensive housing finance system has evolved in the United States. It is our view that that housing system can be wedded effectively with a range of different physical solutions to the housing problem. Although an effective housing finance system does not assure that safe and sound housing can be provided to lower-income groups, it is clear that it is extremely difficult to implement viable physical solutions to the problems of housing low-income groups without a well-developed housing finance system that attracts substantial private sector savings and stimulates the whole housing production and ownership process by the widespread availability of housing credit.

One example of public-private partnership that has been highly successful in mobilizing substantial savings capital and channeling it into the housing sector is the experience of the U. S. savings and loan system. That system is now facing many of the same difficulties that other housing finance systems have faced, particularly those in countries with sustained inflation rates. Accordingly, the U. S. system is undergoing a major transformation in its structure and methods of operation. The lessons of the U. S. experience may be both interesting and useful to other countries that are trying to develop private sector approaches to the problem of mobilizing consumer savings and assuring that a sufficient volume of long-term housing finance will be available in order to achieve housing goals and objectives.

The longstanding mutually supportive public-private relationship in the United States has been based on three simple suppositions:

1. Savings and loan institutions will aggressively seek out and mobilize private savings.

2. Savings and loan institutions will devote a substantial portion of their resources to financing housing and homeownership.

3. To a substantial degree, the economic activity generated in the housing sector will be additive--the resources committed to housing will provide additional jobs and income for both the local and national economies.

A Quick History of the U. S. Savings and Loan Industry

The savings and loan system in the United States is now more than 150 years old, and over that period of time the thrift industry has been gathering the savings of many depositors, pooling those resources, and making mortgage loans to finance the purchase of homes. And, today, it is the primary source of long-term mortgage lending. Until fairly recently, the savings and loan institutions (or building and loan institutions as they were called in many parts of the country) were quite small in size, served a local community or neighborhood, and enjoyed a pronounced spirit of the "common good" among depositors. Depositors joined together in establishing savings accounts in expectation that some day there would be enough funds so that they could obtain a loan to buy a house, and if sufficient funds were available, the savings and loan or building association would draw lots to determine which depositor would receive the mortgage credit. Those not initially successful in obtaining a home loan, remained faithful to the local savings and loan institution in the hope that eventually their turn would come to be granted mortgage credit. Thus, until the last few decades, most of these institutions tended to be small, community-oriented, and highly specialized housing lending organizations.

Another important historical characteristic of the U. S. savings and loan system has been its form of ownership. Until the last decade almost all of the savings and loan institutions were owned by the depositors, and this "mutual" form of ownership persists today for about 85 percent of the savings and loan associations, although the stock form of organization with a separate group of equity owners has become increasingly popular over the last decade as a means of increasing the capital base of the institution.

Prior to the 1930s, all savings and loan associations in the United States were chartered to do business by state governments. However, as the result of the Great Depression in the United States in the 1930s, it became obvious that a much more integrated system of associations would have to be developed in order to insure that a healthy, sound housing finance mechanism would be recreated after the bank holidays of the early '30s.

Thus, in the 1930s, the federal government established the basic institutional framework to attempt to encourage a steady and growing flow of funds into the housing finance sector. Three

basic steps were taken:

1. The Federal Savings and Loan Insurance Corporation was created to insure the savings of depositors at federally insured institutions.

2. A federal system of chartering and regulating savings and loan associations was established.

3. A central credit facility for savings and loan associations was established.

These actions have had a profound impact on the development of the savings and loan industry in the United States and on housing, housing finance, and homeownership in the United States and have resulted in a highly sophisticated system to encourage the flow of funds into the housing sector and to assure homeownership for almost two-thirds of the families in the United States.

To stimulate consumer savings and attract savings into the capital market, the federal government assumed a preeminent role in insuring the deposits of savers. All but about 500 of the nation's 4,000 savings and loan institutions are members of the Federal Savings and Loan Insurance Corporation, and more than 95 percent of the total deposits of savings and loan associations are now federally insured. Most of the remaining deposits are insured by insurance plans established by several states.

This guaranty by the government of the safety of the depositors' accounts played a major role in the growth of savings at savings and loan institutions. For instance, at the time the Federal Home Loan Bank System was established in 1932, there was $1.9 billion in savings in 11,400 savings and loan institutions. Today total savings in the U. S. savings and loan system aggregate more than $500 billion at about 4,000 savings institutions.

In addition to this development of a sophisticated and extensive system of housing finance institutions, the housing system in the United States was greatly aided over the last 40 years by two other national policies designed to assist housing and promote homeownership.

First, national tax policy has been used to assist homeownership. Mortgage interest (as well as other interest payments) has been deductible from gross income for the purpose of establishing the income on which individuals are taxed. In brief, this has been a powerful incentive or tax subsidy to encourage borrowing on the part of the American consumer. (Parenthetically, today that policy is being questioned, particularly by conservative economists who argue that this tax policy in effect directs too much of the nation's savings resources into the housing sector rather into "more productive" uses of credit.)

Secondly, development of government mortgage insurance guaranties greatly reduced risks to housing lenders and permitted housing finance institutions to safely offer longer-term and lower-downpayment housing credits. And in recent years, a variety of private mortage insurance plans have emerged so that lenders or mortgage purchasers are able to substantially protect themselves against credit risks on those investments.

In short, our modern system of savings and loan institutions was developed as an integral part of an institutional framework that encouraged the mobilization of savings in the consumer sector, reduced the credit risks of long-term lending for housing through mortgage insurance and guaranties, and reduced the costs to the homebuyer of borrowing through the special tax treatment of interest expenses.

This system worked smoothly and generated massive flows of funds into the housing sector from the mid-1940s to the mid-1960s. In the mid-1960s, an additional national policy was implemented to assist the housing sector. In 1966, rate controls were imposed by the federal government on deposits in regulated depository institutions--commercial banks, mutual savings banks, and savings and loan institutions. These rate controls prevented frequent changes in the interest rates paid on savings accounts and fostered the lending of funds for housing at fixed interest rates for long terms. In addition, these controls provided a means for savings and loan institutions to attract additional funds by permitting them to pay a slightly higher rate of interest on savings accounts than commercial banks were permitted to pay. This interest rate differential, known as the thrift differential or the housing differential, was a conscious decision by the federal government to promote homeownership by channeling funds to the housing market through savings and loan institutions.

Within this public policy framework, however, the main task of mobilizing savings and making mortgage loans in the United States has been left to the private sector--primarily the savings and loan institutions and other thrift institutions that specialize in housing finance. Thus, it has been a public-private cooperative venture, with the government setting an institutional framework that assisted private savings institutions in developing a sophisticated mortgage lending system. And, indeed, this system worked well until the 1970s.

In retrospect, this system was not without its defects. The U. S. savings and loan system also remained a highly regulated industry limited by law to a very narrow range of asset powers. And until very recently, the Federal Home Loan Bank Board, the industry's principal regulatory agency, had severely circumscribed the freedom of savings and loan managers in the operational area. This tight regulation of the activities of the savings and loan institutions was carried out, in theory, to protect the safety and soundness of the institutions and thus the safety and soundness of the depositors' accounts and of the depository insurance funds. This high degree of regulation by both federal and state authorities led to an unhealthy dependence on governmental administrators by savings and loan management over the years. It sapped much of the creativity and innovativeness that should have arisen among savings and loan managers as economic and competitive environments changed.

A relatively highly regulated savings and loan system worked remarkably well during periods of interest rate stability. Savings and loan institutions could borrow funds from savers on a short-term basis and lend those funds at fixed rates for long terms to homebuyers with confidence that they would make a reasonable profit on the loan over its term. This was possible because the national inflation rate was low and stable. It averaged 2.5 percent per annum from 1950 to 1965. Short-term rates moved in tandem with the inflation rates, and long-term rates were usually higher. Savings and loan institutions traditionally paid savers interest rates slightly above the inflation rate and charged the borrower approximately 2 percentage points above the savings rates for mortgage loans. In 1969 and again in 1975, it became apparent that this traditional system would no longer suffice. In those years where short-term interest rates rose rapidly, funds flowed out of savings and loan institutions into more attractive investment media for the consumers, and by the end of the 1970s, it became very clear that fundamental changes in the asset and liability powers of thrift institutions would have to be made if the savings and loan system were to continue to mobilize substantial personal savings and provide long-term housing finance on a sustained basis.

Current Condition of the U. S. Savings and Loan Industry

By 1978, financial regulatory agencies had decided that the way for thrift institutions to cope with the outflow of funds to other investments was to provide new savings instruments paying a market-determined rate of interest. The first such instrument created was a six-month money market certificate--a certificate whose rate of interest was pegged to the rate of return on a comparable government security. This began the process that is still going on today of deregulating the liabilities of savings and loan associations and other regulated financial institutions. And, indeed, there is now a timetable established by law for the deregulation of savings instruments. By 1986, there will be no more government-imposed ceilings on interest rates that savings and loans, savings banks, and commercial banks can pay on consumer savings deposits.

Unfortunately, the process of deregulation on the liability side of the balance sheet was well underway before Congress and the regulatory agencies provided any substantial broadening of asset powers and the authority to utilize new mortgage instruments. U. S. savings and loan associations until 1981 did not have the authority to offer a wide variety of mortgage instruments. In 1981 the Federal Home Loan Bank Board provided savings and loan associations authority to offer short-term rollover mortgages and other types of flexible, adjustable-rate mortgage instruments, but this is just the beginning of the process of deregulating the asset side of the balance sheet. The U. S. Congress is now considering major structural changes in the authority of savings and loan associations to permit them a wide range of new asset powers, and before the year is over, it is likely that new powers will be enacted by the Congress.

Today, the savings and loan system in the United States faces several major challenges simultaneously.

Inflation

The United States has been suffering from double-digit inflation for several years now. Obviously, this has eroded the value of the existing portfolio of loans that were made at lower interest rates so that savings institutions can only sell their existing portfolios at substantial losses. Moreover, the high inflation rates have forced savings and loan institutions to pay high rates on savings accounts to either retain existing balances or to attract new savings. In fact, most savings and loan associations in the United States are paying more for their savings accounts than their mortgage portfolios are yielding in terms of interest rates.

Obsolete Mortgage Instruments

Until last year, most of the savings institutions in the United States had few choices of mortgage instruments that they could utilize. For example, federally chartered institutions could make only fixed-rate long-term mortgage loans and could not utilize various other types of indexed or adjustable-rate mortgage loan instruments. As indicated previously, flexible mortgage loan authority is now permitted to associations throughout the United States, but there still is substantial consumer resistance to the new types of mortgage instruments.

Competition

Over the last several years, new forms of investment have developed rapidly that offer market rates of interest on consumer savings. For instance, money market funds in the United States have grown over the last several years from approximately $25 billion in total assets to almost $200 billion in total assets today. Interest rate controls on savings deposits for thrift institutions turned out to be counterproductive by holding rates of return to savers below what the free market would offer. Controlled interest rates, unless speedily adjusted to market conditions, induced a flight of capital from the regulated depository institutions into the unregulated sectors of the consumer savings marketplace.

Low Savings Rates

Historically, in the United States, approximately 7 to 8 percent of personal income is saved. Over the last several years, this rate has dipped down to 5 percent or even lower. Thus, competition for funds has focused heavily on the existing stock of funds as well as upon the newly created flow of funds from the consumer sector into financial intermediaries. Also, the low savings rate has put pressure on financial markets today to make interest rates both relatively high and volatile.

Changing National Priorities

The United States has traditionally thought of itself as a capital-rich country. However, our slow rate of economic growth is attributed in large part to an inadequate level of investment in plant and equipment in the industrial and other business sectors over the last few years. Correspondingly, major changes have been made in tax laws to encourage a greater flow of funds into plant and equipment investments in U.S. industry to improve productivity rates and generate faster economic growth. Tax policies are also now being devised to induce a greater rate of savings in the consumer sector of the economy. At the same time, there is a strong opinion in the current Administration that in recent years too great a flow of investment capital has been directed toward the housing sector in the United States. In short, there is a fundamental reordering of national priorities underway in the United States. The Administration will not attempt to maintain high rates of flows of funds into the housing finance sector, preferring to see savings flow into the industrial and other business sectors.

Deregulation of the Savings and Loan System

Current government policy is to substantially reduce the protectionist devices that have encouraged the flow of funds into savings and loan institutions. Indeed, savings and loan institutions themselves are being cut adrift to compete effectively in the open market for funds on the savings side and are being granted greater asset power so that they may place their funds in the most productive investments in the future. In short, there is a substantial movement underway to make the savings and loan system a less specialized housing finance system and a more generalized type of financial intermediary with a variety of investment outlets and profit opportunities in the future.

The results of all of these forces mean that in the short run, the savings and loan industry in the United States faces an earnings crisis. As indicated previously, most thrift institutions are paying more for savings deposits than they are earning on their existing portfolios.

The longer-run result is that there is now a substantial consolidation of the thrift industry underway in the United States through the merger process, and we are witnessing the winnowing out of the weaker units in our system of housing finance institutions. The best estimates are that perhaps only half of the institutions will survive in the long run.

It is also clear that savings and loan institutions in the future will not enjoy the same margins of earnings that they have in the past. Historically, thrift institutions in the United States have operated on a margin of approximately 200 basis points--i.e., the difference between the cost of funds and the yields on their investment portfolios. It appears that in the future, thrift institutions in the United States that wish to remain in housing finance will have to be able to operate on margins or spreads around 100 basis points between the cost of funds and the yields on their mortgage and other investment portfolios. Competition has forced spreads down to that level.

The Future of Housing Finance Institutions in the United States

Clearly the housing finance system in the United States will be substantially reorganized both by market forces and changes in government policies. Until the 1960s there were few competitors for the consumer savings deposits. Many if not most commercial banks were not actively seeking consumer savings, but were relying on demand deposit balances as their sources of funds for their lending portfolio. About 20 years ago the commercial banking industry began to aggressively seek consumer savings. Within the last five years new competitors have arisen outside of the arena of the traditional regulated depository institutions. Securities firms, through money market funds, have aggressively invaded the savings marketplace. These changes and these new competitive challenges in the savings market appear to be irreversible.

In the past, most savings and loan institutions in the United States have been highly similar in terms of their asset and liability portfolios. These similarities were not due to the operations of the marketplace, but were the result of restrictive laws and regulations. In effect, the savings and loans were the captive financial arm of the home-building industry in the United States.

In the future, as thrift institutions continue to be deregulated and face the full force of competition in the marketplace for funds, we will see much greater diversity in their operations as each institution responds to the needs of its particular marketplace and as each institution gains increasing expertise in offering new financial services. These services will be provided not only to the consumer and the housing sectors, but to a lesser degree to the business sector. And although the current process of deregulation will probably permit savings and loan institutions to diversify greatly and permit some to even abandon long-term housing finance, we expect that the great majority, by management choice, will stay specialized in real estate, housing, and home finance.

Once the burden of existing portfolios of long-term fixed-rate loans is lessened (only time will solve that problem--unless the government should decide to purchase those low-yielding loan portfolios), we expect a bright future for the savings and loan industry in the United States, but a future that will require institutions to continuously adapt to new competitive challenges in the deregulated marketplace environment.

Therefore, we face, in the thrift business, a Darwinian situation: only the "fittest will survive," and the merger trend in the savings and loan business will continue. These "new" savings and loan institutions that emerge will tend to be larger than their predecessors (realizing economies of scale); their geographical scope of operations will tend to be broader--a number of firms will operate with a nationwide system of branches and many others will operate on a regionwide basis with branches in many states. Nevertheless, a large number will probably continue in the traditional mode of providing savings and financial services to primarily local markets.

A strong and healthy housing finance system in the United States will be restored once we have weathered this period of transition, during which the old low-yielding loan portfolios will steadily shrink. In fact, we would have a healthy savings and loan system today if flexible mortgage instruments with rates that could be adjusted in some manner to the inflation rate had been authorized in the past.

As we look ahead, what are the models for success for housing finance institutions in the United States in the future?

In our view, there are several different models that can both survive and thrive in the increasingly competitive environment ahead. But all these models share one factor in common. We expect that all of the following models of successful savings institutions and mortgage lending institutions in the future will have to derive a substantial portion of their income not just from the traditional spread between the cost of funds and the yield on loans, but from a wide variety of earnings sources on new products and financial services. It appears now that, given the acute competition for consumer savings, the traditional spread of 200 basis points cannot be realized by thrift institutions in the future. In fact, it appears that to be successful, thrift institutions will have to be able to live on a spread of not more than 100 basis points between the cost of funds and yields on their mortgage portfolios.

Savings and loan institutions are emerging into several distinct "new" financial institutions:

1. A traditional specialized housing finance institution:

   This institution offers a broad range of housing finance services, including not only mortgage loans but a wide variety of other construction loans, second-mortgage loans, perhaps property insurance services, construction financing, etc., but generates substantial fee as well as interest income.

2. A mortgage banking-savings and loan:

This type of institution will tend to originate mortgages and sell them quickly in the secondary market to large institutional investors. Returns will be earned primarily from the fee income on the origination of loans rather than from the earnings on holding loans in portfolio.

3. A real estate finance and development company:

Some savings and loan institutions will become equity partners in land acquisition and land development as well as specializing in construction financing and originating permanent loans, etc. This institution may also mix these levels of activities together with mortgage banking activities so that it again acts as a developer, an equity participant, and as a mortgage banker. It would sell its loans to other large institutional investors in the marketplace that do not have the expertise to engage in these types of activities.

4. A family financial center:

This type of institution will offer not only housing finance services but will also aggressively promote checking accounts, consumer lending, insurance services, and all other types of financial products that are attractive to the consumer. The purpose is to provide "one-stop shopping" for the consumer so that the thrift institution will become the primary source for financial services for the individual. This type of institution will, of course, compete directly with commercial banks for consumer allegiance.

Lessons from the U. S. Experience

Several lessons can be drawn from the U. S. housing finance experience that may be relevant and useful in helping to design or alter savings and housing finance institutions in other economies.

1. In the absence of a complete system of price controls, it is very difficult to attract savings at below-market rates. Indeed, through the last 15 years of our period of rate controls, there have been several instances of substantial disintermediation, i.e., a capital flight from regulated depository institutions as other investment media became more attractive to consumer savings and investors. In short, to develop a long-term program to mobilize consumer savings it will probably be necessary to pay current market rates for those savings and offer a variety of savings plans to appeal to different segments of the population.

2. In a world in which price stability cannot be taken for granted--in which the United States has faced double-digit inflation for the past several years--private sector mortgage lenders cannot be expected to provide long-term mortgage loans at fixed interest rates. If these institutions are to be forced to pay current rates for short-term liabilities, their long-term mortgage loan portfolios or mortgage rates must also be indexed in some manner to protect the viability of the mortgage lending institution. In a capital-short economy, which we now have in the United States, we cannot expect consumer savers to subsidize consumer borrowers in the housing finance marketplace.

3. Housing finance institutions have been forced to become much more aggressive in developing and penetrating new savings sources. Savings institutions are not only competing in the traditional consumer savings markets but are attempting to attract retirement savings funds (we now have new tax incentives to encourage individual savings for retirement purposes), and many institutions are borrowing funds directly from the wholesale capital markets and channeling these funds into mortgage lending.

4. As indicated previously, housing finance institutions are finding it necessary to offer a variety of new potentially profitable services. They cannot rely on narrowing spreads between the cost of funds and the yields on loan portfolios to enable the institution to operate profitably throughout the long term, or even through a normal business cycle.

5. Given the rise in interest rates in the United States and a relatively high interest rate scenario for the foreseeable future, it is likely that cost factors will force us to develop more economical housing

units to meet the growing demands of first-time homebuyers and of lower-income groups in the U. S. market. Over the last 20 years, the housing market in the United States has been characterized by a steadily increasing quality of housing units, increasing quality usually in terms of better amenities included in the house as well as more livable space per occupant. Although there may not be any great diminution of the amenities, clearly there will be economies to be realized in providing smaller housing units and providing housing units that utilize land more effectively (that is, higher density housing developments in the future).

6. We have experimented with a wide range of subsidies for housing over the last 50 years. In the United States, the most effective and least costly in reaching the mass housing markets have been the deductibility of mortgage interest from personal incomes for tax purposes and the widespread provision of mortgage insurance, first by the government and now by private mortgage insurance companies.

Mr. Jonathan Lindley, Executive Vice President, U.S. National Savings and Loan League, presents the U.S. experience in Housing Finance at the first plenary session.

THE AFRICAN EXPERIENCE, BY MR. CALLISTO E. MADAVO, URBAN DEVELOPMENT DEPARTMENT, THE WORLD BANK

It would be very difficult to give what one might call a historical perspective on the African experience in housing finance systems. Rather, what I'll try to do in my remarks is to pick out a number of things from what has been said about the United States and try to encourage you to sift through that experience to see what elements of experience could be used in your own countries. Let me begin by addressing a point that probably some of you thought about in listening to this presentation. Namely, what is the relevance? What is in it that is really relevant? I want to suggest that there are, in fact, some very critical elements that are relevant or experienced in African countries. Although, of course, the experience from the United States has to be qualified. Now, what are some of the distinctions that one might think of? The first one is, of course, that the African housing systems are very narrowly based. They are very small; they are government dominated. And they touch, in fact, a very small percentage of the African population. In a certain sense, the housing finance system described here is a formal system. In our continent, the formal system is but a small slice of the requirement. The informal system is, in fact, a larger chunk of it. How does one then relate the informal and the formal? Here's one kind of consideration. In sifting through the elements of experience to garner what is relevant for us, one test is the informal/formal. The other thing is that the base of wealth in the African countries is again much narrower and much more shallow than it is in the United States. In other words, we are basically at the other end of the income scale. How do you devise a financing system--a housing financing system--that is viable under conditions of poverty, or relative poverty? That is another consideration. A third consideration is--that the system of the United States that we described is a robust system, a sophisticated system and a system that is very adaptable. It's adjusting itself. The point is, though, that the system is developed over a number of years under conditions of relative stability. Prices remained stable. Economic growth was vibrant. How, then, do we pick from this experience and integrate it with the African situation, under conditions of relative poverty and relative instability? And, by the way, not that I'm not just talking about financial stability and economic stability. I'm also talking about political and administrative stability, which, in fact, is a strong presumption in the development of this system. There is another point which is implicit, to this system. It is the amount of expertise and the amount of management. Mr. Lindley didn't dwell on that. But, in fact, when you start pulling the elements of the experience and Africanizing them you've got to ask yourself: Do we have the expertise? Do we have the management? And, if we don't, how are we going to get it? Which elements are we to adopt that, in fact, are consistent with the kinds of expertise and management that are available to African countries. What I am saying is that this experience is relevant but we'll have to sift it. I'm saying, in fact, that the major challenges that face African financial systems are to integrate the formal and informal. You've got to charter a vision. Now, I think we have to look at the experience.

Let me tend to a second point; that of national priorities. Mr. Lindley indicated that the economy of the United States has become capital short. Because of this, the question of the relative priority of shelter is being asked once again. In fact, in most African countries this is the question that you have been dealing with. In persuading your own finance ministers and your own finance ministry building secretaries and the budgeting officers that the shelter sector demanded attention, there had to be a strategy; there had to be a knowledge of what the facts were. You had to convince these officials about the uses and the benefits that are going to be derived from channeling more money into shelter. You had to insure that there was political support for investments in shelter. And I am, in fact, suggesting that there is somewhat of a convergence between what the United States' system is experiencing today and what you have been experiencing all along. The issues are the same. And, therefore, the experiences, or something there, should bear a certain amount of commonality.

Let me move to my third point. I was intrigued by the use of the phrase public sector/private sector partnership in laying out the evolution of the U. S. housing finance system. Now think a bit about the partnership. Could you describe it as a partnership of the public and private sector? And if you could--to what extent? To what extent do our systems rationalize the manner in which the public sector functions are cleared and spelled out and the private sector functions are cleared and spelled out? To what extent does the public sector serve to facilitate the market of the private sector? In fact, the African systems that I know of are, for the most part, public sector dominated. The public sector generates the savings; the public sector allocates the things that are built. The public sector, the public sector. What then, can we learn from this U. S. experience in which the public sector role appears to be somewhat limited? It has facilitated, it has promoted. Is there anything we can learn there? There is another important consideration, it seems to me, in this split of the public sector/private sector. It is the fact that most of the resources that we're talking about--the 600 billion or so--are, for the most part, generated by the private sector, with the public sector facilitating. Look at the housing finance systems in African countries today. What proportion of the resources are private sector generated? Are we neglecting the private sector? Let me define the private sector for the purpose of my remarks here. I'm not talking about big companies and so on. I'm talking about the ordinary man and woman who walk on the street in Gaborone. They are the private sector for us. I'm talking about the man and woman who till their field in the rural areas. That's our private sector. To what extent are we

asking that sector of our economies to provide service? I propose a third element which I think is also worth looking at. It is that most of our housing finance systems in a number of sustainable countries, and also in a number of unsustainable countries depend, to a large extent, on a housing tax. In other words, taxing from either the employer side or from the employee side, collecting money and trying to create a special sector to channel that money into shelter. The question is, to what extent is a system based on that housing tax stay stable over a long period of time? To what extent is that system going to be able to be broad based enough to serve various elements of the people? I'm suggesting we ask ourselves the following questions: What should be the role of government or the public sector in a housing finance system? What should be the role of the private sector, broadly defined, and as I said, is a system that is purely based on public resources sustainable in the long term?

Let me move on to my fourth point. I was struck as an African by the discussion of deregulation. Someone compared deregulation with policy reform. In other words, even in the U. S., people are playing around with regulating the system and deregulating the system in the name of serving those who we consider not to be well off. In other words, that interest rates were kept low, that certain things were done in order, presumably to improve access to financial resources for shelter to everyone. In fact, to the extent that this was introduced in the 60's it is now again being dis-introduced. What does that tell us? After all, the African systems are highly, highly regulated systems. The rates of interest that are paid, the loans that aren't met and so on. And, what are the results of all these regulations? They are certainly not to improve access for everybody. We know what the results are. The results are to create subsidiaries for a small minority who have the ability to go through the gates into the system. Which suggests that we in the African System might, in fact, have to face the issue of deregulation. We may face deregulation in order to reduce subsidiaries, to increase the resources that are available in the housing finance system and to increase access across income groups to which the resources are available. Which is, as you all know, not going to be an easy thing politically. But nevertheless, it has to be taken on.

I hope these remarks have planted some questions--perhaps some items for debate in the subsequent sessions in the conference.

Mr. Callisto E. Modavo, Urban Development Department, The World Bank, addresses the plenary session on issues related to the African experience in Housing Finance.

Mr. Philip Langley, Pan African Institute for Development, presents "Training for Self-Reliance in Housing" at the second plenary session. Mr. Langley (right) and Conference Co-Chairman Mr. S. T. Ketlogetswe, Mayor of Gaborone (left), and Mr. Kimm, Director, Office of Housing and Urban Development, U.S.A.I.D (center), listen to delegates comments.

Plenary sessions are simultaneously translated in French and English. From left to right: Mr. Temaduth Ramdin, Ministry of Housing, Lands and Country Planning, Mauritius; Mr. Mohamed Mahmoud Mohamed Aly Ould, SOCOGIM, Mauritania; Mr. E. R. Mapetla, Lower Income Housing Corporation, Lesotho; Mr. Magdalene J. Hansen, National Housing Authority, Liberia; Ms. Miata Beysolow, National Housing and Savings Bank, Liberia; Mr. Alfred T. Gbedee, National Housing Authority, Liberia; Mr. Luis A. Perez, Clapp and Mayne, Inc.

TRAINING FOR SELF-RELIANCE IN HOUSING, BY MR. PHILLIP LANGLEY, PAN AFRICAN INSTITUTE FOR DEVELOPMENT

A New Function of Housing Development

Besides the rural settlements--villages and hamlets, "hills" and camps--where 70-80% of people live in most of the African countries (1), it is in the popular neighborhoods of the larger cities that housing needs are most obvious. The needs are those of a younger population, with mixed ethnic groups, occupations and socio-economic groups being found together often even on the same compound; numerous tenants and a few owners--or at least people who claim under customary law to be the owner; housing of vastly different quality, although most are temporary buildings with a tendency to "harden up" on the spot; rain water drainage is poor and huge puddles of stagnant water are found next to heaps of garbage; in a few rare cases, a water connection exists in the compound but usually one public tap serves 200-500 families or more (2).

The open air market can also be seen, each saleswoman with a few heaps of leaves and vegetables or a pyramid of rice or gari placed on a sheet of plastic spread on the ground.

School children, swatting for secondary school leaving exams, look for a quiet place at night under the street lamps on the main avenues while their seniors try to make ends meet by odd-jobs, reselling watches and clothes or by "making out." (3) In spite of a lively informal sector, however, incomes remain low.

For many urban dwellers, their environment is that of the "other" city, built at the start with waste material salvaged from the industrial sector, but which now is slowly--too slowly--giving way to permanent buildings using cement blocks and tin roofs; plots have no drainage and access roads are unpaved.

If a water carrier is not employed, fetching water is a long and tedious task and the municipal authorities find that water bills are a drain on their budget.

Sanitary conditions are a menance to health, especially of children; garbage dumps become the only play space available and waste kitchen water can only be disposed of on the path going in front of the compound. The result is a perfect ecological niche for disease vectors, such as filariosis, malaria and intestinal infections. Minor ailments are also often made worse by an unsatisfactory nutritional status, especially among poorer families. Few preventive measures are taken and the lack of medical facilities makes treatment accessible only to those willing to wait patiently or to "encourage" the medical staff.

Even if schooling rates are high in earlier years, classes are overcrowded and repeating is frequent; success rates are unsatisfactory, especially for secondary school entrance and particularly for children from families whose parents have low wages or are employed in the informal sector. But education is not merely a question of schooling; it is also a family and a community responsibility. Traditional institutions are disturbed by the influence of values proper to a dominated urban society. The result is that when children behave badly, parents accuse the school and the teachers whereas the latter blame the parent and the community. Age sets, informal neighborhood associations and groups, therefore, play an important role in socialization of youth, in situations where parents feel that they have lost control of their own offspring.

Housing construction is of poor quality and over-crowding frequent, not only for each room of each house, but also on a neighborhood level. Space lacks for all activities, especially to prepare and store food, for personal hygiene and for washing and storing clothes.

The combination of these different aggressions, the continual insecurity and anguish are made worse by the daily struggle for a minimum cash income in order to survive.

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(1) 197, estimates of urban population are 19% of total in West Africa, 12% in East Africa, and 24% in Central Africa, while the Southern African figure is 44%, mainly due to the high proportion in South Africa (48%). Only eight mainland countries have an urban population of over 30%: CAR, Congo, Gabon, Gambia, Equatorial Guinea, Namibia,Senegal and Zambia (MYERS, 1977)

(2) A few years ago, one neighborhood in Douala had 3 taps for 50,000 inhabitants, consumption of water in towns is around 10-15 liters/pers/day at public taps, 40-45 liters/pers/day in subdivisions with separate house connections and sometimes over 300 liters/pers/day in high quality residential areas.

(3) In the 15-24 age group in Douala, a quarter of the active population is without work; in the same age group, inactive persons (students...) make up one third of the total active and inactive yet many of them have given up their studies but declare themselves as students or pupils for fear of having to pay tax. (MAINET).

At the other end of the scale of housing situations, let us take a look at the example of human settlements in the forest area of South West Cameroon; linear villages with a single row of houses on each side of an earth road; houses mainly built of planks, a roof either of woven palm leaves or corrugated metal sheets depending on the owners wealth and a floor of rammed earth, rarely cemented. The kitchen is in a first, separate shelter and in some cases, a second shelter has been built for the pit latrine.

Around the house, no compound fence, but a small sty for the pigs to sleep, and a garden with taros, plantain and avocado trees; in front, a drying area for coffee and cocoa which is occasionally paved in cement. If there is a school, it is built by the community through individual subscriptions, and using timber cut from the surrounding forest; a meeting room--usually the chief's main parlor--houses the community meetings to discuss their business and to judge marriage and land disputes.

A store for harvest might belong to the local section of the Cooperative Society but more likely be owned by a representative of an urban trader; sometimes a nearby building houses a coffee huller and cocoa drying ovens are also in the vicinity. A few small shops, some bars and palm wine sales stalls complete the picture, with the paths which lead to the fields and to two or three springs or the stream, often seriously polluted. Around the village, the nearest plots have older coffee and cocoa trees; further away, young trees are interplanted with food crops.

Between the two extremes of the city and the villages is the whole spectrum of urban situations from larger regional centers or rural market towns often with an administrative function and serving the surrounding areas with social facilities.

What can we observe from this rapid sketch of different housing situations? Three principal aspects emerge.

First of all, the specific housing conditions change in relation to the environment, widely interpreted to include not only geographical and natural but also economic, social and historical components. In setting up a housing activity, it is, therefore, essential to learn about the environment not only as it appears to us, but also in its underlying structures and changes.

Secondly, habitat cannot be thought of simply as the houses and even less as the building of houses: the way the housing is used by people is an important aspect, as are such questions as the economic and social life, health and environomental hygiene, children's physical and social development, employment of adults and youths which are all indissociably linked, in particular through the buildings which are the physical support for these activities.

However, although it is necessary to include the whole of the built environment and the activities which take place when considering the habitat, it is on the cycle of production and sale of housing that remarks will be made during the rest of this paper. In so doing, the third important aspect will appear: it concerns the changes which have come about in the process leading up to the accomplishment of this cycle. Traditionally--and it is still true partly in some rural areas--housing had no market value as the supply of materials, their processing into building components as well as the construction itself were all undertaken by the users themselves, aided by kins people and neighbors and sometimes by craftsmen with special technical skills; housing design was as much the result of decisions taken by the users as of the groups knowledge and the relations between space and social practices shared by all members of the community: that set of social practice which we normally call tradition.

With progressive monetization of economic relations and increased division of labor, the craftsman--contractor enters into the process not only in rural areas, but above all in urban areas: users now only undertake a minor portion of the building work, the production of building materials; design of the building is as much the craftsman's task as that of the users. Although a somewhat similar process still exists in larger urban centers, particularly as one of the survival mechanisms in the "other" city, it is now paralleled by another process which ensures the production of an increasing amount of housing as a marketable commodity. In this last process, whether it be a matter of a few houses (or rooms) built by an individual owner or larger housing layouts, the user is no longer in anyway able to take part in the design and rarely in the building, except in the case of a few innovative housing programs. Marshalling the land and the builders, technical and spatial team to design the houses and the layouts as well as the research and management of the necessary funds are now undertaken by new economic agents who also have to ensure that this special type of commodity is actually sold so that the capital loans can be repayed, even if this means setting up rental agreements over a period of several years.

These activities are linked to the specific function of housing development, which becomes necessary as a result of new structures which are being set up between the holders of different types of capital: financial, productive and land (TOPALOV, 1974).

Different Actors Undertaking the Function of Housing Development

The basis of our thought process on training for housing authorities should be, it seems, a study of this function. This function has to ensure that sufficient and compatible quantities are brought together of land suitable for building, building producers, and housing clients prepared to purchase a finished product; in order to do this, the actors who undertake the function have to manage financial capital, to convert it into a housing commodity and then retransform that commodity into money in conditions which satisfy the holders of these different types of capital, by ensuring sufficient income on the capital as compared to other possibilities which exist on the market. (4)

To a certain extent, the function first came into being thanks to the innovative approach of a new type of entrepreneur either public or private (5); the property (housing) developer acts as an intermediary between builders, land owners, users and the banks and insurance companies; in some cases the developer also undertakes connected functions which are necessary to complete the cycle such as the technical design and control of the housing and the services.

However, the autonomous structure of property developing entrepreneurs was strongly linked to the way the function came into being in the economy and the innovative approach at a period when other economic agents did not realize the need for the function and its potential. In other words, they were not prepared to take the risks. However, nothing prevents another economic agent from undertaking part or all of the activities involved. In fact, this is what is seen to be happening for although we all know cases of independent housing developers, we have also come across examples of developers who are bank subsidiaries, or linked to building companies or even set up by land owners or the owners of design and engineering offices.

This last group who also undertake connected functions of technical design and control are often independent, but may also have different links: integrated into a construction company, a bank or the services of a public or private housing development company. Even when the design office is a private independent entrepreneur, it often works on a contract basis for one of the other actors, unless it acts as a property developer itself as suggested above.

It is the balance of power between these different actors in a society--balance which is gradually changing--which will be the major determinant of the division between them of the different activities which go to make up the housing development function. Many of the organizations which undertake some of these activities will be tempted to take over others nearer to the financing as well as nearer to the construction, in order to have more control in the overall process and thus attempt to gain more income on the capital being used. Regarding the construction, it could include a take over of the design of the housing and the layout, then the technical control of the operation and even the planning and programming of the actual building operations. Such activities could be controlled by sub-contracting to engineering offices or a general contractor. In the other direction, that is as concerns land owners and the banking system, it seems more difficult to extend activities.

As for the political-administrative structures, there is certainly a good reason for a housing developer to have close liaisons, in order to have some influence on the general conditions which make up the framework within which the housing development takes place. Several fields can be mentioned where contacts and liaisons would be useful:

--general orientation of housing policy;
--legislation concerning savings, loans, rental agreements, sales and hire purchase;
--activities to encourage credit unions and savings in general particularly among potential housing clients;
--the rules for contracting;
--activities to promote crafts and small scale production of building and producers of building materials and components;
--the land laws, especially as regards relations between customary land practice and private property, purchasing conditions, including expropriation, pre-emption, sub-division, common property, control of speculation, etc.

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(4) For larger housing schemes other authors have analyzed the housing development function in overall socio-economic terms as being to ensure the reproduction of the labor force in material and social conditions which satisfy those forces which together are dominant in the productive process of a country (PRETECEILLE, 1971). These two analyses are complementary.

(5) In terms of political-economy, the role of the State in regulating relationships between different fractions of capital to ensure that the overall socio-economic system will not be analyzed here.

Parallel to this movement, in which each agent attempts to obtain better control of the process and links to the political-administrative structure, similar interrogations appear among these agents.

These interrogations are due partly to the attempt by housing authorities to reply to the needs of low-income urban groups and cover particularly the relations between quality and cost of housing and the improvement of productive capacities. In some cases, the authority may explore the problems linked to the enouragement of master craftsmen and smaller building firms as well as the possibility of user groups undertaking part of the construction of houses and services themselves.

Secondly, the interrogations cover the economic status of potential clients: although considerable efforts can be made to reduce the price of land, services, and building work, as well as the costs of loans and management, it is still not always possible to ensure adequate housing for all low-income groups. The question is then should some action be undertaken to increase the financially solvent demand for housing by activities which are aimed at increasing incomes and the percentage of income which is saved.

Thirdly, in order to ensure that sales move smoothly, it is often necessary to set up long term rental arrangements and mortgages. Building maintenance, therefore, becomes quite important and consideration has to be given to the actual way housing is used by low-income groups as well as public space and facilities; this follows the general hypothesis that a better "fit" between the product design and its actual use, together with better (community) management of social life will result in lower maintenance costs. If a better image of the housing development exists in the occupant's mind as a result of better maintenance, this will lead to better relations between the housing managers and the users.

These questions are all linked to that of how to ensure a better use of limited resources and finally leads to more far-reaching interrogations in the field of development. Of course, just because one has queries and explores them, or sets up links with the political-administrative structure, it does not mean that the agents who undertake the housing development function will necessarily be involved themselves in activities in these other fields.

Training Needs Based on the Housing Development Function

Whatever tasks and roles are undertaken by housing development authorities (or which they claim they ought to undertake) in a given society and whatever the manner in which the function of housing development is shared between different partners, there is a coherent set of activities which are essential to the function:

- --set up a legal framework of operations;
- --make land available for construction;
- --mobilize funds for purchase of land and payment of construction and manage those funds;
- --ensure that houses, facilities and basic infrastructures are actually built;
- --control the risks which are being run by the capital which is advanced. This includes such activities as specifying the performance characteristics of a marketable product; technical and financial control of building operations during a period which ends with the housing commodity being converted into money--capital (i.e., the final sale, even if this includes maintenance during a hire purchase or a rental agreement); the act of actually selling the individual housing units.

These activities are closely inter-linked; even if there are good sales service and adequate advance funds, it will not lead to an improvement of the housing situation if any one of the other activities is carried out inefficiently. For instance, if there is a lack of available building plots, supplies of building materials and components is uncertain, if the building firms are badly organized or if the housing characteristics as defined did not correspond to the market situation.

The situation is obviously more complex once these activities are shared between several partners but in any case, training must be geared to making sure that all the activities taken individually and as a process are carried out adequately.

Even if for practical reasons, in order to start the ball rolling, training is limited to improving the execution of those tasks which the Housing Authority presently undertakes, a stumbling block will appear sooner or later among connected activities undertaken by one or several partners; at this point, it will become necessary to tackle the training needs of the whole set of operations, together with those partners. On coming across such a stumbling block, obviously, the Housing Authority could well make a claim that it undertake all the activities!

Each activity requires the accomplishment of a number of practical tasks and the use of specific tools. However efficiently each task is carried out, this is not a guarantee that the whole process will move smoothly and a training program cannot afford to limit itself to job-skill apprenticeship nor to learning how to use each tool.

Practical examples exist today which show us that in terms of workers' output, an improvement of productivity can result not only from improved tools, working methods and material rewards, but also from a form of job organization which ensures the workers intellectual interest and motivation. Absence of such intellectual interest risks bringing about a situation in which few innovations can be made to improve results of work.

In order to exist, such innovations mean that staff must not only be trained to use tools and undertake tasks with practical skills, but also to understand the underlying mechanisms and theories, as well as to undertake intellectual activities requiring various capacities: observe the environment and collect information; organize information into coherent, structured sets; identify problems; look for or invent alternative solutions and choose between them; work out a strategy for action; implement an action (and design new tools for this if necessary); control the coherence between results and initial aims.

From a more philosophical standpoint, it is perhaps difficult for a trainer to accept that a training process be entirely predetermined; especially if it is decided upon entirely by the employer. It should be noted, in fact, that an important part of a person's training depends on individual and group motivation and often results from serendipitous introduction to new ideas and fields of knowledge. This aspect is probably very important in personality development.

However, none of this must stop apprenticeship in carrying out specific tasks and in using tools becoming an essential method which serves as an introduction to theoretical and abstract aspects and unforeseen areas; on the contrary, theoretical training which did not refer to an empirical and practical base might well be learned superficially by a trainee.

Identification of Training Needs

Three complementary approaches exist to the identification of training needs, and they are already implicit in the earlier discussion of the housing development function:

--identifying the role of the Housing Authority, its activities and the detailed tasks which must be undertaken to execute its work;

--linking the activities together which are undertaken within the authority and/or shared with other partners and linking this set to overall development aims;

--linking practice and theory.

1. The first approach could be called internal. It could be based on a deductive method which theoretically will proceed from the role and the activities of the Authority in order to write up job descriptions and show their interrelations on a functional chart; for each post, the professional tasks then have to be identified; based on these tasks, the actual professional skills which are necessary must be enumerated ("must be able to. . .") and these, in turn, will be the basis for determining the starting level of a trainee and the necessary aptitudes and the training contents in terms of knowledge. Once this is done, the training methods can be worked out and the whole set can be broken down into coherent training units organized in a coherent sequence. (See Figure 1, phase A, B and C.)

   Of course, this may lead in the end to proposals for restructuring existing posts and the allocation of tasks as well as to the need to set up or eliminate some posts.

   This work is undertaken mostly within the organization by means of an investigation which will, of course, involve the management staff but also the other employees, partners and user groups; it will also refer to documentary information (Steps 3-4).

   Such an investigation could well be the support for a participative approach which includes the perception of various employees of their work tasks, the coherence between their level of training and the jobs they are responsible for, as well as their relations with other employees in carrying out their job.

   In doing this, an employee's association or trade union organization could well participate, if they exist.

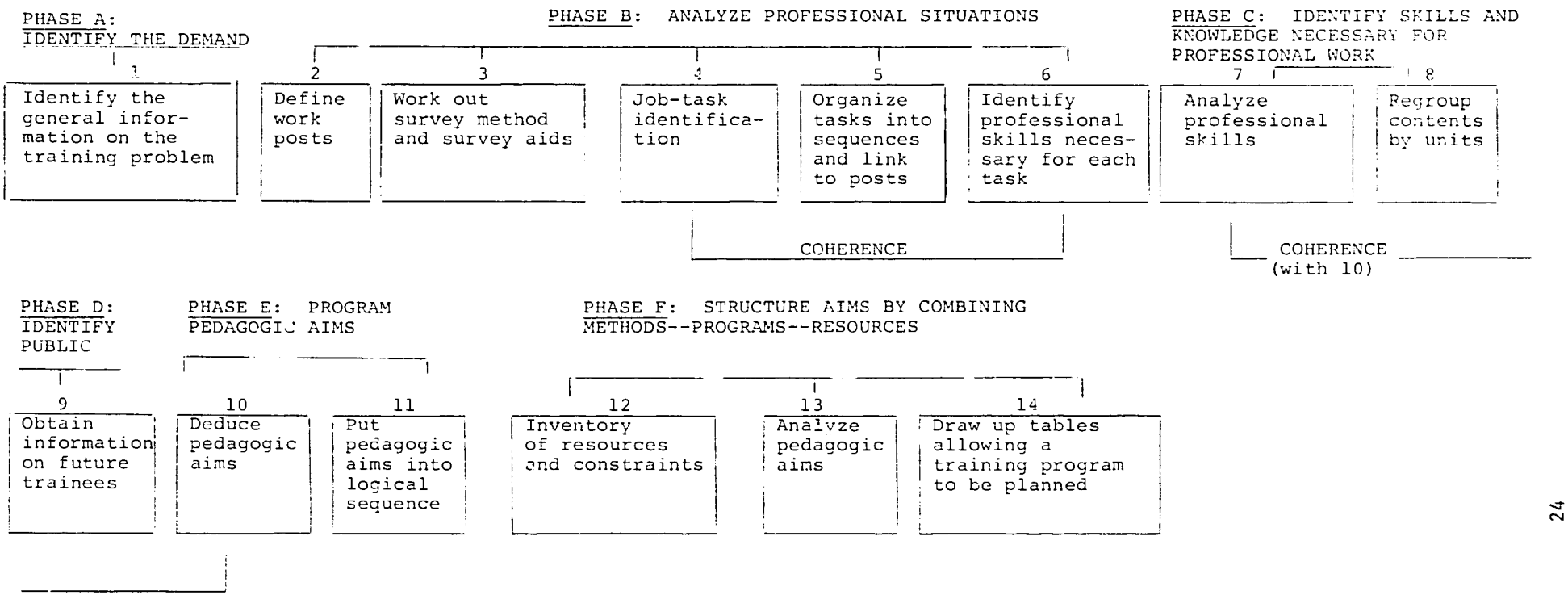

FIG. 1 DRAWING UP A PROFESSIONAL TRAINING PROGRAM USING BEHAVIORAL OBJECTIVES

From: PAID

2. A more overall view of training needs is necessary as the identification of training needs based on a method of identifying behavioral skills could be somewhat restrictive and static if care was not taken to consider it within the framework of ideas which takes into account the changing role of the Authority in relation to its other partners and the users and, through them, its relation to more overall development objectives.

   In order to be effective, this framework of ideas should first of all be worked out together by the managers and the staff; the second step is to analyze the reflection to staff of other partners and lastly, to the present and potential user groups.

   Such an approach may well appear to some to lack clarity and even induce a lot of talk for nothing; however, it can be intellectually stimulating and should encourage an innovative approach to development questions and to relations with other partners.

3. A dialectical movement between the two approaches above is, therefore, necessary in order to define training needs, but can be backed up by a third approach linked practice and theory.

   Starting with the apprenticeship of practical job-tasks can lead to a more abstract, reflective activity; this movement and a return from this to new practices is a link which can be sought for in alternating experience of the real world (either through field work or simulation) with more abstract and theoretical teaching.

   This is a second dialectical movement which is in itself a training need and, at the same time a training method; the movement is aimed on the one hand at making theory better understood in relation to empirical observations; on the other at producing a better analytical capacity of the meaning of situations empirically observed, which can only be done thanks to the way in which theory can structure "facts" and thus reveal the "hidden order behind seeming chaos." (6)

   This movement is aimed at developing an improved capacity to carry out professional tasks, within a context where the employee is able to think intelligently about his work tasks in relation to the terminal aims of housing construction. He will then be able to undertake his tasks with a critical eye as to their efficiency and usefulness, which is liable to lead to improvement in existing tools and job performance; this critical approach should allow him to make proposal for their improvement; for restructuring job-skills in relation to terminal objectives; for modifying the terminal objectives themselves and even to participate in working out alternative housing policies.

   Some aspects of the above proposals have far reaching implications for the style of management, the command hierarchy, discipline and power relations within the Authority; staff participation in studying post and job-tasks; contact between employees and user groups; the critical approach not only to an employee's job-tasks but also in relation to the structures, the role and the objectives of the Authority as well as in relation to overall development aims may all appear rather radical.

   Might it even be said that this encourages permanent disorder and contention within an organization? I do not think this is necessarily so: of course, if employees have acquired the capacity to query the pertinence of work instructions and terminal objectives and come up against a situation in which discussion is excluded then one must expect either a rather radical challenge to authority or a silent submission to authority accompanied by a mechanical execution of tasks, with little conviction and a reduced work efficiency. If, on the one hand, the whole structure of the Authority is prepared to discuss such questions openly in an attempt to discover collectively what solutions there might be to internal conflicts, contradictions and functional blockages, then is this not a guarantee of a dynamic and innovative organization, adapting itself to a situation so as to respond better to user needs and development objectives, even if this means that professional life may sometimes be quite agitated.

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(6) This is how the agronomist de SCHLIPPE (1956) describes the contribution of ecology in understanding the agriculture of the Zande people which initially appeared as having no underlying rationale.

Training Methods Based on Real Life Situations

Two major tendencies of existing training setups can be identified and commented, before giving some examples of innovative training programs based on environmental knowledge either through direct work in the field or through a simulated situation.

1. Training in a discipline which is not oriented towards a specific professional occupation (e.g., law, economics, geography, etc.) was usually aimed at a defined level of knowledge and at that discipline it allowed a graduate to find work in various economic sectors and often meant that the employer and the graduate had to ensure most of the latter's professional skill training on the job.

   A demand to orient training more towards specific jobs has now been felt at different levels (secondary school certificate, post-secondary technical studies and university) which give much more importance to practical job skills (management, finance, marketing, engineering, etc.) and this has introduced different but parallel disciplines into the training program. In some cases, in fact, there is now quite specialized professional training in high growth sectors (e.g., tourism, computers.)

   In attempting to improve professional training, three proposals can be made which follow up the identification of training needs and which are worthwhile encouraging, at least for part of the training period:

   a. vertical integration of staff within the Housing Authority have both higher and lower qualifications;

   b. extension of training horizontally towards other economic agents of the housing sector.

      Earlier in the housing production cycle, this means staff in those organizations dealing with management of funds for building and with housing policies; "downstream," it concerns employees of production units--especially those dealing with technical coordination, programming and general contracting (management of building operations) and--although this may be much more difficult to accept and set up--it also concerns user groups and technical staff whose job it is to advise and motivate them.

   c. extension of training to include staff working in other economic sectors on development activities and specialized in financial management, product design, etc.

   In all three cases, the extension or integration could well be the basis for training programs shared by several organizations, which would certainly have economic advantages for smaller Housing offices, besides advantages from the point of view of the pedagogic process and the ensuing development actions.

2. It is generally found that there is quite a close correlation between the type of training proposed and the professional rank of the trainee: employees who have to carry out tasks apparently without taking decisions usually are not trained in theory or abstract matters, in analysis, etc.; those carrying out directoral or command jobs or with program responsibilities do not always receive training in practical tasks. This latter sometimes leads to deception vis-a-vis a more academic training and subsequently tempts training officers to request with some insistence that training should be confined to apprenticeship of job skills.

However, several types of training do exist which permit theoretical aspects to be linked to practical skills through a knowledge of the environment, whatever the professional situation in relation to the division of labor.

One type of training makes use of analysis by the employee of the tasks accomplished during his work.

One example of this is the training in building trades by the Serowe Brigades Trust (Botswana); the principle is that the production of the young trainees is a marketable item (i.e., they produce building materials or construct buildings) and proceeds are used to finance the training program. A similar process occurs in the training of rural craftsmen who produce their own set of tools during their training period (e.g., CNPAR and CRPAR in Upper Volta).

Yet another example, but for design staff, is that of PROMOCA (France) which was set up in about 1970 to train salaried staff in architects' offices following a three-party agreement between the employers' organizations, the employees' trades unions and the Ministry in charge of architectural training: One of the training methods used was to base part of teaching of both technical and human sciences on the analysis of the work situation and the jobs undertaken by the trainees.

A second type of combination between practice and theory is that of a practical training period organized as part of training in which the trainees' production is actually used by the host organization as well as serving as the basis for part of future teaching. One of the most interesting examples of this is the training of students both in social sciences and law as well as in architecture in the Advocacy Planning workshops which were set up in the USA in the sixties (KATAN, 1979): these workshops were to assist community groups in poorer parts of town to design and implement projects to improve their own neighborhood or to oppose official projects.

A different way of organizing the practical training period is under the training institutes' control where the trainees' production is principally used for pedagogic purposes, even if it also made available for other actors in the environment afterwards.

The long courses organized by PAID in Buea and Douala follow this model, as does the training at the National School of Applied Economics (ENDA) in Dakar, all three institutes training middle-level development staff. In the case of PAID--Buea, trainees work in multi-disciplinary teams for a month in a village and another month, later on, in the principle town of a subdivision following each of these periods, they use their own analysis of the environment leading to their own identification of problem areas, as a basis to draw up a Suggested Development Program.

In PAID/Douala, although the actual organization is not identical, students have to use their newly acquired knowledge of the environment to propose the general orientations for development action in the micro region (IPD, 1982).

In the short-duration international training sessions for senior staff which were organized by ENDA (Environment and Development in the Third World) out of their Dakar office from 1973 onwards, although considerable importance was accorded to work by trainees together both with user groups in the villages and urban neighborhoods as well as the local authorities, the training session was still under the trainer's responsibility (BARBEDETTE, 1975).

Other forms of simulation of the environment exist which are less directly based on field work. One of these is simulation gaming, which brings trainees to take part in a game whose rules are modeled on a limited real situation and which the trainee would have to face up to in reality. Following joint work between UNESCO and ENDA, twenty games on human settlement management were described in a publication, following the test of some of them in Morocco, Ivory Coast and Senegal in 1976-77 (PERIER and GUIBBERT, 1980).

A last type of simulation is interesting to mention and this is the use of case study methods, largely adopted since sometime in teaching management: this is, for example, the case of the training given by the World Bank group for project management. In 1966 onwards, the method was used by ENDA to prepare students for field work in a village; at PAID it is usually incorporated into both long and short courses.

In all these examples, the pedagogic process consists of starting with the field experience (real or simulated) and moving towards an analysis and reflection in more abstract and theoretical terms; this is quite different from more conventional training where exercises--if they do exist--are used to illustrate a teaching sequence already given.

TOWARDS A STRATEGY TO IMPLEMENT TRAINING ACTIVITIES

These different examples, even if they may be interesting for different reasons, must appear to lack overall organization as they do not, as yet, figure in a framework of action-oriented strategy.

It seems that such a strategy could be seen as establishing the linkages between four elements:

--the responsibility of the organization itself to work out and implement a training policy;

--activities within the organization;

--activities outside the organization;

--appointment procedures for new staff.

1. Working out and implementing a training policy

No policy could be worked out and even less implemented without people and some institutional structure responsible for deciding and actually doing the work: this means time for them and resources with which to work. The exact structure adopted will depend on the size of the office, its hierarchy of command and its links with its partners; several possibilities can be suggested.

--Training activities attached to the personnel management section: however, this may appear to the staff in this section to be extra tasks which disturb them in the "real" work--already not easy to carry out--or a subject of disputes in a service which already has enough problems;

--Direct attachment to the head of the office: this may provide a situation allowing more initiative in training activities;

--Attachment to the Board of Directors in a consultancy and advisory capacity (Comité Pédagogique) or as an autonomous operational service.

Whatever the solution retained, it will mean one or more permanent staff or at least a consultant on a part-time or intermittent basis. In this last case, there is still need for a single person or body to be designated as the consultant's official interlocutor.

Mention has already been made of the special interest in all staff being brought to participate in the process of working out and implementing training activities: this could well give rise eventually to an institutional set-up such as a joint board (existing or to be set up), or a body including the management, the employees as well as--it should not be forgotten--the users; such a board or body could be consultative or decisional and even have its own training budget.

For smaller offices, such a board or body could be set up between several partners doing similar work or work linked to one another (See Horizontal Extension, Fig. 2). In spite of the advantages of such a structure, each partner would probably not willingly accept that it be taking decisions autonomously and it would probably be restricted to an advisory role or pedagogic design and implementation.

A training policy will have to be closely linked to and compatible with a system for the promotion of personnel which takes into account skills newly acquired through the training followed: the wish to do this may well come up against what appear to some to be rather inflexible public service rules which seem to give little credit to professional courses and especially short duration sessions and on-the-job training.

Other questions to be taken up in the relations training/employment are the conditions for study-leave, for re-employment or re-integration and the eventuality of a contract compelling the ex-trainee to give a minimum period of service after study-leave.

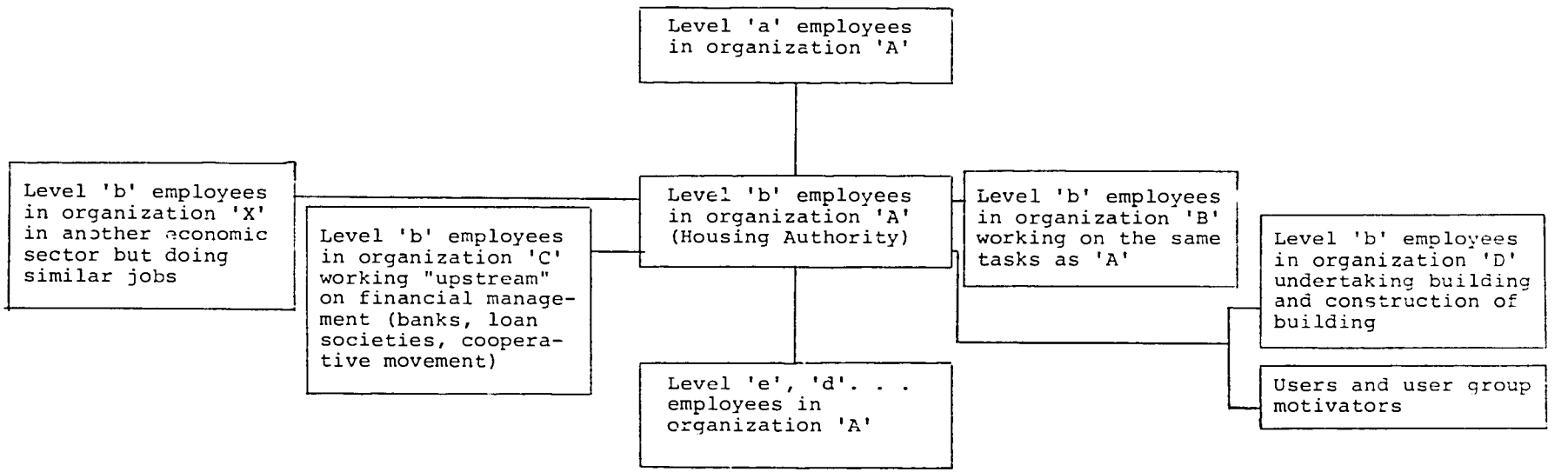
2. Undertake internal activities

In a quite simple way, it is probably possible to set up a first set of activities which will go some way towards creating an atmosphere which encourages training.

The way in which work instructions are given and work tasks are assessed could well bring an employee to improve his work, insofar as the supervisor can and wishes to take the time to explain. Such conduct would certainly be supported by the creation of a mini-library on training and work contents, as long as staff were encouraged to read and discuss; besides this staff meeting with a training content could well be organized within the office where some staff can teach others; once again the work load and the attitude of top management must give direct encouragement to this. Even group visits by staff of different levels to the office's accomplishments, to building sites under construction, to the building firms and other partners will be a positive step in training, insofar as it is followed up by discussion and analysis of the visit as this will certainly spark off among some staff the desire to understand more fully one aspect or another. Of course, the more autonomy which is given to the organizers

FIG. 2

HORIZONTAL AND VERTICAL EXTENSION OF TRAINING



of such activities, the freer the discussion and the more critical it can be: we must be aware that it seems to be a structural attribute of hierarchical organizations that a critical approach from within is accepted with reticence, as it is seen as being disloyal.

In a larger office, such meeting and visits could easily give rise to the organization of training session for some or all employees; if need be, external skills could be sought either to undertake part of the training, or to assist staff in designing and implementing the overall program, once the terms of reference had been worked out jointly.

Three supplementary steps in internal activities could be:

--promote and lead the study of training needs, especially as they are seen by employees;

--make information available to staff on training possibilities outside the office: this means an inventory of what exists, starting with the country and region and could well lead to a negotiation with training institutes to set up training sessions adapted to the needs of the office;

--support employees who make requests for working conditions which allow them to continue their studies: this could mean special arrangements for working hours, study leave with or without salary and assistance in paying costs of training (including correspondence courses).

3. Make use of external training activities

Most of the actual training activities will have to take place outside the office structures, and will be entrusted to, or undertaken in collaboration with specialized training institutes.

Five different arrangements can be envisaged:

a. Practical training periods in other organizations undertaking similar work to the office or work linked to the objectives of the office. In every case, the Training Service (of the office) must draw up a protocol which defines the objectives of the practical training, the work which will be undertaken, the commitments made by the partner and the way in which the trainee will capitalize on the training period.

   Whenever possible--especially for longer periods--a trainer from the employee's own organization (or a consultant of the office) should make a visit and study progress with the trainee first and then with the host organization.

   This is the method used by PAID/Douala for students who return to their own country in the middle of their two-year study period: a seminar lasting several days is organized for all trainees in a country together with the trainer in charge of the practical training period.

b. Training sessions organized on request from the office (or a joint organization common to several partners) which could last from a few days to a few weeks. A variant on this is to spread the session over a longer period but taking up a reduced amount of time each week or even one or two weeks together, followed by professional work in a normal job situation and then another one-two week period. During the professional work, each trainee is asked to undertake a survey or make observations on his work, to read or to carry out set exercises the results of which will be necessary for the second intensive period.

   This form of organization was adopted by PAID in a session for training senior planning staff from the Ministry of Economy and Plan and the Ministry of Agriculture in Cameroon. The session follows a study of training needs limited in this case to planning posts in central and regional organizations. A similar session was earlier carried out for the staff of a regional development authority in Upper Volta (BANGA, 1981, pp. 96-119).

c. Training sessions and short courses which are organized on the initiative of a training institution: this could be private (profit or non-profit), professional (usually specialized in an

economic branch), para-university or university. What has been noticed is a considerable increase in courses which are run in addition to the normal university educational programs.

The advantage of such sessions and courses is to bring the employee into contact with trainees from other organizations often having quite different interests and professional experience. However, as such a course cannot be based on a detailed study of training needs of a particular office, there is always a risk of disjunction between needs and training received and the training service in the office must know in some detail the overall and pedagogic objectives of the courses offered as well as the contents and methods.

For this, direct contacts between the training service and the pedagogic organizers of the course will be an obvious advantage and will eventually allow modifications to be negotiated to make a better fit with training needs.

PAID has tackled a similar problem in three ways:

--setting up a scientific and pedagogic committee in each regional institute in which trainers and research workers from different countries of the region advise the institute;

--setting up a committee in each country to call for applicants and make a preliminary choice: this committee includes a representative of the civil service commission and--where it exists--the manpower planning unit as well as the major organizations using graduates;

--assessment of training needs by a survey of present and future employers in different countries, followed by an assessment of graduates' achievements, one year after their return.

Besides this, the Governing Council of PAID also echoes the Pan African nature of the Association as 13 out of 19 elected members are national senior staff often holding important appointments in Government service or in Training Institutes.

d. Regular long courses given by Technical Institutes and Universities. One tendency observed here is to orient courses more towards professional needs and a striking example of this are the University Technological Institutes set up in several French-speaking countries.

The role of a training service here is to establish contacts and to examine the aims, contents and methods of training in order to choose the Institutes best suited for staff training.

e. Correspondence courses which could be encouraged by the Housing Authority by selecting the better ones and making information available to employees.

4. Set up appointment procedures which are linked to training needs

This component of a strategy follows up automatically the section above (3d). Some training Institutes and University courses will very probably appear as better suited to the Housing Authorities' needs: would it be possible, in such cases, to encourage the training of staff in those Institutes, eventually through the scholarship awards system? Even if this is difficult, the Authority can always attempt to appoint staff having received their training in one of these institutes.

Training for Housing Development: A Prime Mover in a Strategy for Self-Reliance

By setting up a training program within a housing authority or between the different partners working in housing development, it is hoped to improve working efficiency and productivity and that in a mid-term perspective, there will be reduced delays in implementing programs, more housing on the market, a better quality/price relationship and a drop in the number of defaulters.

This is aiming mainly at technocratic goals which are, of course, essential.

But what guarantee is there that the achievement of these goals will take us further along a road to development, a road sign-posted by self-reliance?

Are there not some pertinent choices to be made by housing authorities which will contribute to effectively applying a self-reliant development strategy?

If we reply yes to this last question, then one can hypothesize three major implications for training activities:

--as concerns the employees of the different economic agents contributing to housing development, it can be suggested that training must prepare them to make choices which will reinforce this strategy and also to be able to implement these choices in a practical way;

--training could profitably be extended beyond these employees as there are complementary training activities which, in a mid-term perspective, will allow the housing developers to re-orient their choices and to put them into application;

--housing authorities are probably among those economic agents which are best placed to enable others to become aware of the extent of the housing problem and how it links into development strategy, to provoke discussion and reflection in this field, to ensure that housing production is oriented towards self-reliant development and finally, to promote the necessary complementary training activities.

Very often, self-reliance in housing is seen as the future inhabitants' contributions in terms of labor. Could the concept not be interpreted with broader scope?

African societies, economies and cultures are in a dependent situation, which is sometimes reinforced internally by indiscriminate mimicry of patterns, procedures and practices of the industrialized world.

The problem then is how to tackle this domination on all fronts, and above all, in a sector so crucial and so all-pervading in daily lives as is housing.

Housing development agencies work through the existing productive system: what then can be done to make it economically less dependent; to be a source of more employment; to set up close economic linkages with other sectors in the country and the region?

One choice sometimes made here is to use smaller scale building firms and master craftsmen for the actual building process; this field can be rapidly widened when it is realized the numerous obstacles to their efficiency which include supply of building materials and components, management, loans, building techniques, tools and machinery. We can see, therefore, that a housing authority might well contribute actively to this field of promoting small scale business and the "informal" sector.

A second choice which is being made, here and there, is to link housing development to the overall promotion of social and economic life within the neighborhood and, more specifically, the training of user groups: this includes applying the encouragement of small scale and informal activities to the housing occupants in order to improve their employment situation and thus their incomes (which, in a long-term perspective, is probably the best way to reduce defaulting). But the actions extend to the whole sphere of neighborhood life: physical and mental health, food supplies going so far, perhaps as to produce locally (urban agriculture: see LEDOGAR, 1978), education and community management of the neighborhood. The activities of the Housing Project Unit in Lusaka go some way towards this; in other cases which started off with general neighborhood improvement motivation, such as Nylon ward in Douala (SENGHOR, 1980; BARBEDETTE, 1978) or the Grand Yoff neighborhood in Dakar, activities gradually become concerned with housing, a housing authority must be ready to act and know how to intervene in an appropriate manner.

A third area which concerns housing authorities is that activities specifically directed toward lower income groups sometimes come up against entrenched administrative practices: we are still (unfortunately) not entirely finished with the period of bulldozing out shanty-town dwellers.

Are there not then some training activities to be set up for administrative and political leaders in order not only to be able to deal with people who are more understanding as to the final goals of our work, but who will become active partners in making sure that choices made are really implemented?

These three areas are, of course, not complete; every participant in this conference will certainly propose something new or at least give a good illustration of one of them.

The underlying idea here is that there cannot really be a valid training activity for housing development unless it is linked closely to the other activities which are necessary to ensure a practical application of a self-reliant development strategy. Linked to this is a second idea: housing authorities are in a privileged position to become one of the leaders in setting up integrated training programs, aimed at "another" development and an "alternative" life style.

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The author is a research worker at the Pan African Institute for Development. Ideas presented and opinions expressed are those of the author and do not necessarily reflect those of PAID or the organizers.

Delegation from Egypt. From left to right: Mr. Peter Amato, USAID/Egypt; Mr. Ali Abdel Hassen, Ms. Mostafa Shadia, Mr. Halim Scandar, and Mr. Mohamed Foda, Ministry of Housing, Egypt; Mr. Moneer Saleh, Helwan District Planning; and Mr. David Painter, USAID/Egypt.

Delegates from Ivory Coast. From left: Mr. Beugre Mambe, Ministere de la Construction et de l'Urbanisme; Mr. Vincent Affran, SETU; Mr. Sean Konan-Ferrand, SICOGI; Mr. Blaise Anoh, SOGZFIHA; Mr. Kamma Kassi, SOGEFIHA; and Mr. Kouassi Adioumani, Ministere de la Construction et de l'Urbanisme.

The Government of Botswana welcomed Conference delegates at a reception held at Gaborone City Hall. Top: Mayor Ketlogetswe and Mrs. Ketlogetswe greet guests; Mr. William Mann, Office of Housing and Urban Development, USAID (foreground); and Mr. Joseph A. Shikumo, National Housing Corporation, Kenya. Bottom from left: Mr. Henry B. Lwanga, Permanent Secretary (Housing), Ministry of Housing and Urban Development, Uganda; Mr. Jeremy Hagger and Ms. Pamela Hussey, Office of Housing and Urban Development, USAID Nairobi; and Mr. Richard M. Makhwade, Ministry of Local Government and Lands, Botswana and Conference Steering Committee Chairman.

DISCUSSION GROUPS

SAVINGS MOBILIZATION AND NON-FORMAL FINANCE BY MR. CALLISTO E. MADAVO, URBAN DEVELOPMENT DEPARTMENT, THE WORLD BANK

I. INTRODUCTION

A. Domestic savings generate some 80-85% of total investment expenditure in developing countries, including many in Africa, while external capital plays an important but catalytic role. Domestic reliance in savings mobilization has therefore been at the center of resource mobilization in these economies.* Current difficulties related to foreign aid and the slowdown in foreign investment flows from the West and Japan merely accentuate this self-reliance.

B. The degree of domestic reliance in the financing of shelter is probably even more pronounced. The foreign exchange content of shelter is generally under 40%, even in those categories of housing where imported standards are the norm. But housing with imported standards is a tiny proportion of total African housing stock; the bulk of shelter is found in rural areas and informal sector portions of urban areas with a foreign exchange content of 10% or less.** Viewed against this background, savings mobilization and informal finance for housing require attention, not so much to reduce the role of external capital but to expand supply for shelter to meet growing needs in a context of stagnating economies in most African countries. No less important is the need to assess the potential offered by the informal savings mobilization methods that low-income households individually, as extended families or other non-related groups, have used in financing their shelter. Can these informal methods extend the coverage of savings mobilization in the formal sector, which has traditionally served an elite minority in most African countries?

C. The purpose of this note is to provide some background and a possible framework for discussion of the working group. It is deliberately selective and places emphasis on increasing savings in general because I strongly believe that savings efforts limited to the shelter sector under conditions of no growth will not yield lasting results. This paper explores ways in which mobilization of savings, both formal and informal, can be improved and how the share going to shelter can be increased, consistent with priorities required for an accelerated growth of African economies. Section II outlines the context of why general savings mobilization in African economies will be relatively difficult in the 1980s at a time when the financing requirements for shelter, especially urban shelter, will increase. Section III deals with the sources and determinants of savings in general, including some of the institutional and policy measures that have been or could be tried by African countries to mobilize savings. Section IV discusses that portion of savings mobilization and informal finance directed at shelter, suggesting some measures that can be taken to augment savings flowing into shelter. Section V itemizes the key talking points made in the note as a whole.

II. CONTEXT

A. Urbanization. For Africa, urbanization will be one of the major issues of the 1990s and the period beyond. Now least urbanized among the regions of the world, the continent is urbanizing at the most rapid rate. Urban populations are growing at 6% a year in most countries and by as much as 8.5% in most of the continent's capitals.*** In 1980 roughly one quarter of Sub-Saharan Africa's population was urban; by the end of the century that proportion will be well over 45%. Today, there are roughly 30 cities in the area with populations of 500,000 or over; in the year 2000 their number will more than double, and over a score of African capitals will contain a million or more people. In short, the African continent stands at the threshold of a profound transformation.

B. Implications of the rural/urban transformation are far-reaching. African cities will have to absorb a large number of people, over a very short period. Most of the people will lack skills. Absorbing them productively into urban areas will require resourcefulness and management skills and solutions that are African, affordable, and replicable. These required skills are in short supply across the continent. In addition, African governments will have to undertake large urban investments to create jobs,

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*V. V. Bhatt and Jakob Meerman, "Resource Mobilization in Developing Countries' Financial Institutions and Policies", World Development 6 (1978).

**The Whitsun Foundation, A Credit System for Financing Low Income Housing in Zimbabwe, Salisbury (1981).

***IBRD, Accelerated Development in Sub-Saharan Africa: An Agenda for Action, Washington, D.C. (1981).

provide shelter and services, and maintain the efficiency of cities as productive units. Investments required will be on a much larger scale than in the past. Can resources, including greater savings, be mobilized to meet the task?

C. The Current Crisis in African Economies. It is clear that shelter is not the only sector requiring expanding investment expenditures in African cities and economies at large. In many cities and economies it is not even the highest priority. Shelter has to compete with other sectors for investment resources implying that overall savings have to rise if all sectoral needs are to be addressed consistent with commonsense priorities. Unfortunately, most African economies face a bleak period. The grim outlook for the 1980s is the culmination of a worsening picture from the 1960s and the 1970s. Between 1960 and 1970 and 1970 and 1980, the average annual growth rate in GNP per capita in Sub-Saharan Africa was 1.3% and 0.8% respectively and was much lower when oil-rich Nigeria is excluded.* Per capita GNP growth is projected to be negative in the 1980s. The wealth base from which to save has stood still and will shrink in the immediate period ahead. This environment will mean lower savings; already in a number of African countries the ratio of gross domestic savings to GNP has been decreasing.**

D. Foreign Flows. Foreign capital flows will not significantly pick up the slack that is emerging. African economies generally are not attractive to foreign private investment. The perceived risks are too high: political dogmatism and instability; economic mismanagement; and, in some cases, poor resource endowment. Foreign aid flows are not likely to increase in spite of pleas that may be raised.*** In Europe and North America, foreign aid no longer enjoys the support that it did in the 1960s and early 1970s. Also, there is likely to be a hardening of the qualifying requirements for such aid both as regards conditionality and borrowing terms. This could further reduce the amounts flowing to African countries and slow down investment and growth. It can be expected, therefore, that some domestic savings will have to substitute for foreign flows, leading to keener competition among the users of remaining domestic savings. Shelter is bound to be squeezed.

III. SOURCES AND DETERMINANTS OF SAVINGS

A. Formal Sector. Who saves domestically and what factors influence how much they save? The private sector defined as individual households, individually owned farms and small non-corporate enterprises, is the main source of domestic savings in many African countries.**** Public sector savings in LDCs usually account for 25% or less of total gross domestic savings. This may well be surprising to an African audience, given the dominant role that governments play in the continent's economic life. Why do governments not save?

B. Most African governments do indeed attempt to draw as many resources as possible into the public sector through fiscal policy in order to finance development. And taxes as a percent of GNP have risen in some countries, although the picture is mixed. However, only a small percentage of resources so raised have gone into development expenditure; most have been used to finance recurrent and other non-development activities, including defense. It is therefore reasonable to generalize that public savings in the form of current account surpluses, where they exist, will remain a small contributor to gross domestic savings.***** Indeed, in many African countries governments run chronic current account deficits, thanks in large measure to the proliferation of paristatals which are generally incompetently managed and rarely charge realistic prices. Government-provided services tend to be heavily subsidized throughout, and the non-payment of subsidized charges is widespread. These organizations therefore do not make money and cannot save.

C. The private corporate sector (large firms) is generally small to non-existent in most African countries. Its contribution to gross domestic savings is therefore negligible. Even in developed countries such as Japan, the U.S.A. and Germany, the savings contribution by the large corporate sector is estimated to range between 2-5% of GNP--a relatively small amount.

*IBRD, Accelerated Development in Sub-Saharan Africa: An Agenda for Action, Washington, D.C. (1981).

**Sami Geadah, "Private Savings Mobilization in African Countries", IMF (1981).

***IBRD, Accelerated Development in Sub-Saharan Africa: An Agenda for Action, op. cit.

****Geadah, op. cit.

*****They have not generally exceeded 2-3% of GNP in LDCs.

D. We should therefore be clear about one thing: the bulk of the savings that occur in LDCs, including Africa, come from the non-corporate private sector, and in that sector one has to target in order to increase savings.

E. A recent study* showed the following instruments through which the private sector saves in LDCs:

1. 50% of the financial savings are held in the form of fixed deposits (savings passbooks, etc.);

2. next largest portion is in insurance, pensions and provident funds; and

3. bonds and other equities.

However, information is not readily available on the percentage of disposable income that the private sector (both formal and informal) actually saves. In developed countries it ranges from a high of 20% in Japan to a low of 7% in the U.S.A. Given that African economies are not the highly developed and sophisticated type of consumer economies as in the U.S.A., Africans probably save relatively more of their disposable income. How much more is not known.

F. A number of factors appear to influence how much the formal sector saves. These include:

1. per capita income;

2. degree of development of the financial structure;

3. reasonable returns and security; and

4. socio-demographic factors.

G. The level of per capita income and its rate of growth over a reasonable period is usually a good measure of the extent and depth of a society's wealth: the higher the per capita income, the higher the potential savings rate. The second factor--degree of development of financial structure--refers to the availability and familiarity with financial instruments through which people can save. It also refers to the availability of suitable institutions with adequate reach and penetration into a society to mobilize savings, such as: savings and loan associations, building societies, post office savings, banks, commercial banks and so on. It follows that in those economies where suitable and accessible instruments exist and where savings institutions command wide acceptance and use, savings will be held in financial asset form instead of cattle, land, jewelry and so on. Savings in the form of financial assets make resources accessible to investors across wide geographical areas and promote their efficient use by enabling them to flow into those activities that pay the highest returns.

H. Positive interest rates within a framework of reasonable security usually raise the savings rate. Negative real rates (nominal rates minus inflation) discourage saving.

I. Finally, and probably most important in the case of Africa, the savings rate is influenced by socio-demographic factors. At a simple level, the economic literature on savings has taken the proportion of workers employed in agriculture as a proxy measure for this factor. It has then been observed that the higher the proportion, the lower the rate. The interactions are probably more complex; a society's values very much influence such things as the outlook on family including the extended family, children and the future, which in turn influences the saving rate. Thus, for example, in many African societies interpersonal transfers among members of extended families are an important source of income.** On the other hand, children's education is highly prized and cited in many surveys as an important reason for saving. Similarly, conspicuous consumption beyond certain limits is discouraged by the obligation to share, leading many to save rather than to reveal their wealth.

J. The Informal Sector. Because of the limited financialization of most African economies, a large proportion of their people and enterprises have limited access to the formal financial structure--instruments as well as institutions. The bulk of them are found in rural areas. For them formal savings institutions are far away; these institutions often offer low returns on their assets and may expose wealth to greedy relatives who form the extended family. Further access to loan funds through such

*V. V. Bhatt and Jakob Meerman, op. cit.

**D. Kaufmann and D. Lindauer, Basic Needs, Interhousehold Transfers and the Extended Family, World Bank, Urban and Regional Report No. 80-11 (1981).

institutions is limited because subsidized interest rates limit the resources available for loans, and complicated procedures and collateral requirements give an undue advantage for the well-to-do and the educated--a small minority. Does this apparently isolated private sector save? How much? Through what instruments and institutions? What determines how much they save?

K. A number of studies published in the past decade have argued strongly that the people and enterprises of the informal sector contribute significantly to investment expenditure at least in the informal sector itself. Although the studies have concentrated on Nigeria and Cameroon and are more rural than urban, there is some evidence that informal savings mobilization is widespread, covering at least some two dozen African countries. The amounts of savings are considered significant; in Ethiopia, for example, the informal sector was reportedly handling savings and loans equal to 8% of national income.*

L. The instruments and institutions through which informal savings have been mobilized are historically easy to trace. They derive from the labor and other resource pooling arrangements that were common in African traditional societies: people coming together to clear a homestead, weed a field, or roof a house. Although a little beer might lubricate the gathering, the expectation was that the person whose house is built or field cleared would so help the other participants in turn. With the monetization of African societies, these traditional arrangements evolved and informal savings/loan associations emerged. Some of these took the form of fixed fund and rotating fund associations with names ranging from njanji in Cameroon to ekub in Ethiopia. Under the former, each participant gives savings at regular intervals to a fund for safekeeping which returns the money in lump sum to the contributor after a fixed period of, say, one year. Under the rotating credit, a group's proceeds are given to members in turn at the monthly, weekly and daily meetings.**

M. The advantages of informal sector mechanisms for mobilizing monetary savings or labor for capital projects are obvious. The mechanisms are:

1. native to the societies in which they operate;
2. low risk because participants personally know one another;
3. accessible since they organized on geographical or other regular associative activity, e.g. church; and
4. cheap to operate and involve low defaults.

It is equally clear that these instruments have limitations. They are usually geographically fragmented and insular and the potential for building a nationwide system based on these mechanisms remains doubtful.

IV. CHANNELING SAVINGS INTO HOUSING

A. This note has devoted considerable space to placing savings for shelter in perspective because many African economies are under great stress and a shelter savings mobilization strategy that does not take into account the general macroeconomic situation will not work and should not be undertaken. Many African countries need to take drastic steps to save their economies from total collapse. Increased savings can only be channeled into shelter if the economies are restituted and savings in the economy as a whole grow. Without growth, available savings will be increasingly pre-empted and correctly so, by other higher priority users such as agriculture and foreign exchange earning/saving activities. Under such a scenario, meeting shelter needs would increasingly be based on reallocation of resources already available in the sector and through self-help arrangements. This scenario is likely to happen and deserves serious exploration and discussion. The topic is, however, outside the scope of this discussion note.

B. The alternative scenario is that of a restituted and expanding income base. Should, and how can, a larger proportion of such resources be channeled into housing? The starting point ought to be a good understanding of the shelter situation: what is the

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*M. Miracle, et al. "Informal Savings Mobilization in Africa" Economic Development and Cultural Change, 28 (1980). See also M. L. Delancy, "Credit for the Common Man" Journal of Modern African Studies, 15, 2 (1977) and V. Gerdes, "Precursors of Modern Social Security in Indigenous African Institutions" Journal of Modern African Studies, 13, 2 (1975).

**An interesting example of daily ekub was that practiced by shoeshine boys in Addis Ababa.

relative priority of the sector in the economy as a whole? Within the sector what are the key problems? Is it a lack of land, services, materials or finance? How well do both the formal and informal housing markets work? What role do the private and public sectors play and how effectively? In short, a good diagnostic is a prerequisite for a sound shelter policy and strategy including finance and savings mobilization. This would then provide a basis for bidding for resources from the central budget. Housing, narrowly defined, currently has a share of about one percent of government financial expenditure and has captured only about one percent of the governmental increase in Sub-Sahara Africa over the decade of the 1970s. This compares to about 11% and 10.5% in the share for defense and its growth over that period.* Clearly some scope exists to increase the housing share provided its priority is appropriately developed and persuasively presented to the politicians and high level government decision makers. No less important, broader popular support would be required to affect such a reallocation. That, in turn, requires that housing expenditure benefits be broadly distributed. In the African context this means reallocating a larger share of existing housing resources down the income curve. In short, increased allocation to shelter is both a technical and political issue requiring a strategy that addresses both aspects.

C. In many African countries, public funds for housing are channeled through housing banks, housing corporations, mortgage banks, building societies and so on. Most of these institutions are parastatals and obtain almost all their funds from governments in the form of equity, loans, and grants. The scope for increased financial resources flowing to them is highly dependent on the buoyancy of government revenues as a whole, and the allocation decisions by government officials and politicians. These aspects have already been discussed above. Another way in which public resources have benefited housing is through a housing tax on the total wage bill with the proceeds going to a housing or mortgage bank. Cameroon and Tanzania are examples where this approach is being used and raises substantial resources. It is important to emphasize that a housing tax is still a tax and government can dictate the use of such resources on things other than housing. For example, in Brazil and Tanzania where the housing bank collects such a tax, the Ministry of Finance from time to time directs the bank to purchase government bonds. Nor does it necessarily follow that institutions with money provide shelter adequately for all income groups.**

D. In few countries do housing institutions raise money and predominantly from private lenders and where they do, such as in Zimbabwe, they tend to serve only the top end of the markets.*** Yet for reasons already discussed, in the long term, resource mobilization for shelter for all income groups must tap the private sector. The private sector saves, the public sector generally does not. Shelter finance institutions must compete for deposits in the market place from individuals or institutions such as commercial banks, provident, insurance and social security funds. To do so, housing finance institutions must be managed efficiently and in accord with sound financial practices. They must be accessible to the majority of citizens and inspire confidence in the owners of capital available for deposit. In practice this means:

1. widening clientele through simplified procedures and opening branches and other outreach mechanism in areas not served;

2. paying positive rates of interest to the lenders and charging realistic prices for their services;

3. creating more appropriate financial instruments including the provision of a basic motive to save; and

4. improving the running of housing finance institutions by looking carefully at ownership and management and financial operations.

E. The note has indicated that the borrowers of most African housing finance institutions remain a small minority. The housing banks, housing corporations, etc. remain largely accessible only in the capital and a few large cities; there are no branches or other intermediaries that collect deposits or make loans in the rest of the country. We have already indicated that greater accessibility must be created, especially given

*IBRD, Accelerated Development in Sub-Saharan Africa. Tables 41 and 42. These figures must be interpreted with care. They probably do not include expenditures on land and services associated with the housing superstructure. Nor do they include the informal sector.

**The Tanzania housing finance and situation in general are well analyzed in S. M. Kulaba, Housing, Socialism and National Development in Tanzania: A Policy Framework, Ardhi Institute, Dar es Salaam (1981).

***The Whitsun Foundation, Finance for Low Cost Housing (1979).

the large proportion of saving in the informal sector. Creation of branches and greater use of intermediaries with strong outreach programs in the informal sector are indicated. In this way larger numbers of small potential savers could be reached.

F. Instruments through which people save also need to be closely examined. In most African countries only one instrument exists which is widely understood and used--the passbook fixed deposit. There is a need for creating other instruments which can compete with the traditional holders of wealth such as cattle. In urban areas, this gap can in part be filled by creating real investment possibilities that give people a reason to save. We have found, for example, that serviced plots with secure tenure on which a family can build a house encourage families to save and invest larger amounts than their reported income would at first suggest.*

G. Yields on savings in housing finance institutions have to be made attractive enough to generate additional flows. The principal determinant is interest rates. Historically interest rates paid in African countries on savings through, say, the Post Office Savings Banks have been low and, when adjusted for inflation, have been negative in real terms. In order to attract greater savings, the real rates paid on savings have to be positive in order to compete against alternative uses. This means in practice using, indexation, monetary correction and similar techniques to maintain the purchasing value of the dollar saved. Latin American countries have pioneered the use of some of these techniques in part because their inflation rates have been exceptionally high. Another way of making saving attractive is to exempt the interest earned on savings and/or the capital appreciation exempt from taxes.** The effect of such tax incentives on savings, however, is not all that clear. For example, the U.S.A. introduced the All Savers Certificate in 1981 under which interest earned is tax exempt. To date, most analysts maintain that the tax expenditure has not significantly increased savings.***

H. We have stressed that housing finance institutions must be operated only on a financially sound basis, if they are to attract savings. This means they have to make money: they will have to attract savings by offering attractive yields; yet they will have to charge realistic prices for loans and services they offer. Interest rates and other charges on loans for a typical institution's portfolio as a whole have to cover costs and yield a reasonable return on capital. A sound pricing policy is essential and this topic is being dealt with in greater detail under cost recovery in the third working group.

I. Finally, both the ownership and the caliber of management in African housing finance institutions may need to be reassessed in order to create institutions that can attract increased saving. Do these institutions need to be parastatals, especially since parastatals have a record of losing money and being poorly run?**** Shouldn't consideration be given to returning these institutions back to the people by privatizing them: selling blocks of ownership shares to groups--such as cooperatives, private corporations, and individuals. Government need not withdraw completely from the sector--it could control a small but influential block of shares. Management of the institutions would be determined and controlled by the owners who would bring greater efficiency and accountability.

J. The paper has not dealt with issues of new institutions, sophisticated mechanisms such as secondary mortgage markets, etc. The author believes some of these are diversionary in the present African context. The focus should be on making existing institutions and practices work better and not on creating new ones. For example, secondary mortgage markets make sense only where primary market systems exist. The primary systems do not exist in many African countries.

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*D. Kaufmann and D. Lindauer, Basic Needs, Interhousehold Transfers and the Extended Family, op. cit.

**D. Jol, "The National Housing Bank." The National Housing Authority, Zambia (1979).

***Professor Mahima of Tanzania makes an important observation that some of these measures have to be applied in packages in order for them to work. See "Is Devaluation a Cure" in the Daily News (Tanzania) April 22, 1982.

****IBRD. Accelerated Development in Sub-Saharan Africa: an Agenda for Action, op. cit.

V. KEY POINTS

A. This discussion note has attempted to make the following points:

1. urbanization will create large investment needs in the coming decades;

2. unless the growth of African economies is restored, savings mobilization in general will be difficult and competition among sectors keen. Shelter is not the highest priority in these economies and savings to the sector will not substantially increase unless total savings increase;

3. private individuals and small enterprises generate savings; governments and parastatals usually do not;

4. assuming growing wealth, greater financialization of the economy, attractive yields, a reason to save for, etc., will increase savings;

5. in African countries most housing finance institutions (housing banks, mortgage banks) get funds from government budgets, housing taxes, government loans, etc., ultimately these sources have severe limits;

6. housing finance institutions must tap private individuals and institutions. To do so, they must be efficiently and soundly run, offer owners of capital reasonable returns, and serve the broad mass of the people;

7. to reach the largest numbers, housing finance institutions should link up with informal sector institutions;

8. housing services must be appropriately priced to enable financial replication; and

9. consideration should be given to greater privatization of African housing finance institutions.

EMPLOYMENT GENERATION: HOUSING AND THE CREATION OF LOCAL JOBS IN WEST AFRICA, BY MR. SOUMANA TRAORE, AFRICAN SOCIETY OF LANDS AND DEVELOPMENT, UPPER VOLTA

The world economic crisis of the last few years, due to successive increases in oil prices according to some analyses, and according to others due to the setting of consumer prices in industrialized countries, has accentuated employment problems. The unemployment level has become an indicator of the state of health of affairs in northern countries not only at an economic level but also politically and socially. Recent reports (including those of the World Bank*) agree on the need to give priority to programs for the production of basic infrastructure (linked to the target of political integration) to create a new start of economic growth in the African Countries south of the Sahara. Human development thus becomes linked to the creation of productive jobs and to the supply of goods and services aimed at meeting essential needs.

In the special case of African Countries south of the Sahara where the population is mostly rural (from up to 90%), and where, in spite of their small number, the paid jobs (from 20 to 30% of the working population) takes up an important share in public resources (more than 50% as an average), the approach to employment problems is quite complicated. In rural areas, activities linked to seasonal cycles create high employment demand periods followed by under-employment periods. The modernization of agricultural and husbandry activities will not change the climate nor the seasonal distribution of work and will have little effect on the work cycle in rural environments.

In the urban environment, the nature of activities, being related primarily to the service and industrial sectors, demand skill specialization levels and investments that bear little relationship to the quality and the quantity of the available human and financial resources. In Upper Volta, the cost for creating an industrial job in the modern sector is estimated at over a million CFA on an average while the average cost for creating a job in the so-called informal sector is between 200,000 and 1.5 million CFA. Thus in most African Countries south of the Sahara, employment promotion will be largely influenced by the incidence of the choices in economic policies and will mostly apply to urban areas where a big share of the national resources is concentrated, de facto resulting in an in-migration of rural populations.

These populations, having hardly any means of integrating themselves into the modern sector, subsist within the framework of the so-called informal sector activities. Ouagadougou, with over 200,000 inhabitants, offers about 15,000 salaried positions (60% of Upper Volta salaried jobs) while Bamako, with over 500,000 inhabitants, offers only 60,000 salaried jobs. In Dakar it has been estimated that 37% of the city's population is engaged in the informal sector. Thus, a great number of city dwellers are unemployed or engaged in informal or non-structured sectoral activities which, according to the BIT can be defined as the "economic activities producing goods and services parallel to those in the modern sector."

In the context of global underemployment, what impact might housing projects have on job creation?

I. URBAN AND HOUSING PROJECTS

Generally speaking, housing problems are part of urban development projects and are very seldom found in rural environments (settlements, new villages, etc.). The main justification for urban projects lies in the need for a better use of urban space by means of specialized zoning, according to the needs of a modern city and, above all, in the integration of an urban population into a modern economy and, secondly, in the need for an infrastructure which reinforces and develops the integration of these zones. Zones of residence of all varieties must benefit from appropriate measures (land allotment, building credits, construction standards, etc.) in order to fulfill the functions assigned to them.

Standards of living, largely influenced by the industrialized world and the constraints imposed by attempts to control urban space, determine building standards and the types of housing to be developed. Specifications for both private and commercial or industrial buildings in most African cities are based on standards for materials, techniques and equipment that require methods of work and exchanges different from the traditional system. Mastering these techniques and putting them into practice requires a specific training--a knowledge of and an adaptation to the working of a modern economy. Thus, these prerequisites tend to limit to specialists, as individuals or associated with companies, the ability to respond to the demand for building services for the setting up of a modern city.

The rapid development of nonconventional neighborhoods, so-called spontaneous settlements, in the African cities and the political and social need of integrating this constantly growing population into the modern city, have influenced the urban policy approaches of past years. In Ouagadougou, where nonsubdivided areas represent more than half of the urban space, the yearly growth rate is over 12% as opposed to 5% for the subdivided areas. In the planning of physical space, the economic viability of systems providing the essential services and amenities at minimal cost, implies a reduction in urban design and building standards.

* Development project in African countries south of the Sahara, Implementation Program, 1980.

Even though a certain building type and standard attempts to offer guarantees of being solidly constructed and aesthetically pleasing as well as being compatible with its urban context, it must also take into account the income level of the population concerned. The legitimate concern of a need to integrate spontaneous settlements into the rest of the urban environment is posed with the constraint of a lack of means to do so. This situation, together with limited resources, has led to the research of housing types and materials compatible with local socio-economic conditions. The Association for the Natural Development of an African Architecture and City Planning (ADAUA) located in Rosso in Mauritania and in Kamboinse and Ouagadougou, in Upper Volta, has tried to popularize this concept of architectural standards adapted to local conditions.

II. HOUSING AND EMPLOYMENT PROMOTION

The dearth of means available for the construction of low income housing means that one must use inexpensive materials and also techniques which rely on inexpensive, nonspecialized labor, which are plentiful in almost all the countries concerned. Taking this concept a step further, some approaches have proposed the implementation of housing projects for low income populations through self-help schemes based on community mutual aid. The small businesses and individuals able to implement housing projects adapted to low income populations are potentially numerous and can act with some efficiency if some precautions are taken.

A. Research and Conceptualization: Training.

If a current opinion favorable to a technology better adapted to local socio-economic conditions has clearly appeared in the past few years in debates about technology transfer, the research that has followed has not measured up to the claims. The promotion of appropriate technology in West Africa has generally been the work of associations and institutions richer in goodwill than in technology and in real decision power. It is very important that the implementation of new, better adapted building techniques be taken as seriously as the more conventional existing techniques employed in the modern sector. The results realized in Upper Volta in the use of stabilized earthen brick have not been widely disseminated but do, nonetheless, warrant our attention.

The problems of cost recovery and construction reliability standards must be well discerned in the implementation of these new techniques. The conventional modern sector offers, even though at a high cost, construction reliability standards which provide enough margin that the errors of poorly trained workers can be compensated. It seems that low cost approaches being researched sometimes require highly skilled workmanship; therefore, a well-trained individual.

In the experience of using small baked clay bricks in Upper Volta, under the direction of the Chinese, which in theory would permit solid construction at relatively low prices (not using metal girders), it appeared that local masons, who were not highly trained, could not master the technique. In spite of the close proximity and availability of local materials in the town of Banfore (population in excess of 15,000), one can count only two villas constructed over a five year period by only one mason who was able to master the technique.

B. Problems of Financing: Training.

In addition to technical training, the promotion of construction methods, based on use of local materials and workers, will also have to consider the problem of training workers in financial management and supervision. The construction of housing, as in the case of commercial and industrial buildings, requires a certain understanding of the problems of management with respect to materials used as well as financial resources.

The implementation of housing types which are adapted to local socio-economic conditions is part of an assistance package to low income populations.

The financial aids granted generally describe a loan account sufficient to permit beneficiaries to erect their house assuming that they have adequate management skills. We do not question this approach, but in realizing the implementation difficulties encountered in self-help programs and the desire to in fact promote employment, the financing efforts should also consider means of developing the capabilities of craftsmen to undertake such activities either individually or as small businesses.

This implies a study at two levels:

1. At a general level it should deal with an assessment of the socio-economic environments and identify the problems related to local as well as imported building material supply and should propose solutions.

2. The second level should analyze the different stages of the building process according to the craftsman or his business, thus determining financial needs.

Generally speaking, the building sector creates jobs even in the conventional approach of the modern sector in African countries where the development of economic and administrative infrastructure will still prevail for a long time (in spite of the outcry favoring production!).

In the future, the building sector can still contribute in part to absorb urban job demand if a national approach for the use of local resources and skills is based upon a realistic outlook in which techniques are practiced, men trained, and financial operations benefit from the same technical analyses and plans as do modern sector activities. In any case, employment problems are related to development strategies which have left their imprint on the next few years to come in favor of modern sector construction practices.

PRICE AND COST RECOVERY POLICY BY MR. THEODORE R. BRITTON, JR., INTERNATIONAL AFFAIRS DEPARTMENT, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

In his March 12th letter, our Conference Coordinator, Mr. Upchurch, suggested that this discussion group, being concerned with Pricing and Cost Recovery Policy, is one of the most important in this conference. He recommended that the group consider types of financing strategies with the following objectives in mind:

A. Capital formation by pricing housing higher than cost;

B. Reduction of non-productive subsidies that can be applied to capital investment; and

C. Achieving self-reliance by the selection of affordable standards.

Lastly, he suggested that the issues raised in this discussion are critical to most African countries.

During the past year, I have travelled in eleven countries, including my own, and one African country not involved in this conference. Every one of them is concerned with these issues, and have asked that we share the results of our discussions and conclusions.

Almost every country on Earth today is struggling to cope with the housing demands of its citizens--be it in the form of subsidies, as in my country, or in others, including the African continent, where the supply almost never adequately meets demand. The rising cost of money, materials and services places increasing pressure on National Governments to set more rational charges for housing services and meaningful sales policies for home-ownership. In short, Governments now find it necessary to take a more businesslike approach to the provision of shelter and other services to its citizens. Experience has shown, particularly in some democratic and socialistic-orientated countries, that while the public takes Government services for granted, including housing, Governments themselves are poor businessmen and fail to insist that citizens pay for costs and services on a productive and timely basis. While it should be the good example, Government sometimes promotes bad habits in its citizens, including its lower-income ones, by viewing them as poor relatives receiving a dole from the rich uncle. I will cite some examples from my own country.

This view is not intended to suggest that all citizens are undeserving and must pay for all services. There is always the unfortunate, the handicapped, the elderly, who simply have no resources for housing and other needs, and are totally dependent on the State for their support. Sometimes the need is temporary; at other times, it's permanent. Governments, too often, fail to distinguish between the two, even when the poor unfortunate changes into a well-to-do unfortunate. The cost of housing and housing services is always needed for recycling back into the financial pool to provide new housing and services.

Last year, at the United States Department of Housing and Urban Development, after some direction of the President's Office, it was found necessary to appoint a departmental debt collection officer. For the first time in its history, the Department had a business-like view of its work, and found that it was owed a total of 13.9 billion by people and organizations throughout the country. Of that total, 1.8 billion was delinquent, some debtors having paid nothing in years. Worse, some had never been asked to pay, even after they defaulted. Lastly, because much of this money had been borrowed from private citizens on repayments guaranteed by the Government, it was necessary for the Treasury Department to repay the interest and principle, where it should have been paid by others. This may explain to you in part why the Government has found it increasingly necessary to reduce aid and other international contributions. My Department was not alone, I assure you. Americans owed their Government a total of 258 billion, with a large amount delinquent. Yet, we expect prompt payments where Government owes us!

Some of you may want to look seriously at your own methods of recovering your housing loans, or securing timely repayments for housing services. Civil Servants or not, Ministers of Government have been known to crack down hard where they are embarrassed by seeming incompetence or desultory performance. Most countries cannot afford the luxury, nor are they guaranteed the ability, of borrowing or receiving gifts from other Governments for housing and other services which ought to be paid in whole or in part by the citizens who receive them.

In a talk with some African Housing colleagues recently, they indicated that they had not examined their rent charges in the past eight years. Further talk pointed to the fact that today, it costs perhaps twice as much as it did eight years ago to finance the cost of housing. In the same vein, while speculating that household income had increased, so had the cost of maintenance and administration. In my experience managing large housing developments, I do not ever remember an American tenant volunteering to have his rent increased. Africans, of course, may be different. Like those mentioned above, however, you may have to

look seriously at what you charge for rent, along with ability to pay, if you are to continue providing services. We have found incidentally, in the United States, that our regulations sometimes impede managers from making adjustments in rents. Do be supportive of your local managers as they try to cope with the demands of their tenants.

While on the subject, I would like to share some of the problems we uncovered in recovering our costs, or securing repayments on our debts. After all, you should know as much about the Department of Housing and Urban Development's failures as you do its successes.

One problem turned up in the form of poor accounting records and controls. Despite the high-speed computers and other machines available in Department of Housing and Urban Development, our records for cost recovery were in such shape that we had difficulty in keeping up with our accounts. Thus, managers almost never received the kind of information on which they could make decisions. Management simply cannot function without adequate accounting reports. We did not, and we are paying for it today. If your country has limited resources, your recordkeeping has to be all the better.

Another problem turned up in the underwriting procedures and criteria for the insurance underwriting or direct loan commitments made by my department. There is a continuing need to reevaluate and/or reexamine the standards used for construction and for loans. Our Western educated architects are too often trained to call for high standards in their work. I do not oppose standards! The problem is that limited resources, and high demand, place substantial limitations on how much housing and service can be given per family, in order to reach a higher number of families. It is interesting to note that young, college-educated American couples, frequently purchase what amounts to a shell of a house, and renovate it or build it up, over time. It may be necessary to educate your prospective owners, if you do not already, to start off modestly, both to save cost and to provide shelter for their neighbors. Over the years, the square footage for American homes has been progressively reduced.

Lastly, the problem of subsidies. Traditionally, in the Department of Housing and Urban Development we have put the subsidy into the structure. Quite often this has been by reducing the cost of construction, a long-term reduction in interest, or a reduction in rent. Quite often, after granting the aforementioned subsidies, we have come right back with additional subsidies to pay maintenance and other expenses. There is a limit to how much subsidy a government can afford. I strongly urge you to avoid concealing housing costs by these indirect subsidies. It may be heroic, but vitally necessary, to remind policy makers of cost. There is always the political temptation to defer charging recipients, only to borrow, beg, or in the end levy unpopular taxes.

In the sessions ahead, I hope that we will share a host of ideas and experiences, learn from, and teach, each other. After many years of searching, no country has yet turned up with a monopoly on wisdom where housing production, affordability, or cost recovery are concerned. Even owners of castles are today renting rooms and charging tourists fees to recover costs, or in common language, make ends meet.

Let us manage our housing in such a way that ends always meet!

PRICING AND COST RECOVERY POLICY BY MR. LAZARE YEBOUE, DIRECTEUR GENERAL, BANQUE NATIONALE POUR L'EPARGNE ET LE CREDIT (BNEC)

The eighth housing conference has chosen the theme: "Toward Self-Reliance in Shelter." Fundamentally it is about:

A. A technical and financial autonomy on a national level;

B. An autonomy in the choice of a market system in offering fair prices.

The problems relating to technical autonomy are examined by several discussion groups whose topics are professional training and the local production techniques for building materials.

The discussion group, "Mobilization of Savings Funds and Financing from Traditional Sources" deals with a part of national financial autonomy. The discussion group that the BNEC is honored to introduce whose theme is "Policies in the Setting of Prices and Cost Recovery" debates the problems of national financial autonomy and individual autonomy.

If costs are not recovered, the state, in one way or the other, subsidizes housing construction and thus increases its dependence on outside financial assistance. If the beneficiary of housing does not entirely support the building and upkeep costs, plus the loan cost and mortgage, it creates housing sectors outside of the market, in which the beneficiaries isolate themselves in order to go on profiting from their privileges, preventing others who would replace them from also benefiting. The choices are made by the administration; the housing attributions are made according to the criteria it introduces or according to personal relationships without any objective criteria.

Along with the idea of national and individual independence, the discussion group will have to define the aims of a price policy at real prices. It will have to look into the permanent and conjunctural obstacles with which this price policy is confronted. It will have to look for actual solutions that can be realized, an example of which BNEC will present at the end of its introduction to the debate.

I. OBJECTIVES

The first objective is to reduce direct or indirect subsidies until they are phased out. The second objective is to include in the costs the establishment of an individual or collective housing capital.

Currently different types of subsidies are commonly used. As we have pointed out, these subsidies heavily burden public budgets, they create privileges, they upset the whole housing market. Therefore the idea, in principle, is to also abolish them. Nevertheless, it is obvious that the sudden discontinuance of all subsidies would bring about unbearable social and economic upheavals.

The discussion group will have to consider the limits of a policy of subsidies reduction. It will have to study ways for the state of progressively phasing out ways of substituting incentives for direct subsidies. The aim in discontinuing subsidies is to establish a sales price and cost recovery equilibrium.

The cost recovered includes every cost, even financial management costs. It must be evaluated with up-to-date values that must be paid off so that, in the end, the house residual value added to the asset value (monetary or real estate) created by amortization will be equal to the up-to-date building costs of similar housing.

If we assume that a real estate company or building society owns a group of rental housing units which are financed to the extent of 10% by its own funds, and 90% by a bank loan payable in 20 years, at the end of this period, the residual value of these units must come up to 10% of the current building cost of a new identical group of housing so that the initial capital regains its real value. Of course, this reasoning is valid regardless of the length of the cycle under consideration.

The discussion group will have to examine the opportunity for a real estate company or building society to sell its housing in tranches, in terms of a certain number of years, in order to accelerate the turnover of its capital. If, for instance, we take a ten-year term, on the tenth year the residual value of the housing plus the capital value created by the amortization schedule but reduced by the loan balance, must allow the financing of new housing starts identical to the ones sold and under the same conditions as previously cited.

The recovery of the initial capital invested in constant value terms is obviously the minimum objective. In fact it is insufficient. It is not possible to not take into account:

A. Population increase;

B. A minimum rate of economic growth accounting for a betterment and a change in the standards of living;

C. The phenomenon of urbanization that increases the need for housing capital.

Consequently, a rental level must be calculated so that at the end of the term of the financing cycle, the initial invested capital must be recovered in current value and multiplied by a coefficient which quantifies the three elements we have just mentioned.

II. OBSTACLES

The two main impediments to a dynamic policy of cost recovery and capital development are:

A. The general and permanent unbalance between needs and resources;

B. The international economic crisis which is currently characterized by stagnation (or even depression) and inflation.

In rural areas, at the village level a certain balance is naturally established between available resources and housing construction activity. There is a necessary limitation of self needs by what can actually be realized. This may be viewed as an "Equilibrium of Misery." Urbanization breaks that balance.

Housing in urban areas, because of many constraints, is much more expensive than housing in a country with the same level of services.

When construction is left to individual initiatives, housing standards necessarily adjust to the resource level; but on all accounts, the negative aspect of this Laissez-Faire option is that the problem of spontaneous settlements becomes more pronounced.

When, directly or indirectly, the State takes responsibility for the construction of low-income housing, the tendency is then reversed and specific housing standards are determined according to certain criteria of minimum services, without any reference to the real resources of beneficiaries. The discussion group will have to try to arbitrate the conflict between what is necessary and what is possible and find a compromise.

A few simple criteria can guide this research:

A. The standard housing value per family is equal to 30 months of net income available for meeting family needs;

B. The monthly rent equals one hundredth of the initial housing value.

Let's take a monthly income of 100.000 CFA, the housing to be built for this target-income level is a 3 million CFA unit. The monthly costs will be 30.000 CFA amounting to 30% of the target income. The limitation of a monthly rent equaling one hundredth of total income is hard to maintain, even in cases of special financing.

If we take the case of home ownership and assume 100% bank financing where the personal down payment covers only the varied acquisition costs and eventually supplementary improvements, we establish that the monthly payment equal to one hundredth of the total credit necessitates a 15-year amortization period at an interest rate of 9%.

Whether the housing is to be privately owned or rented, the 1/100 standard rule can be respected only when long-term bank credits can be granted at a total effective rate (basic rate, record costs, insurance and taxes) not exceeding 9% per annum. In the case of ownership, the maintenance and management costs are reduced to a minimum; in the rental sector, on the other hand, these are quite heavy.

However, because of a quasi-permanent inflation at high rates, it has become impossible for banks to grant credits at rates lower or even equal to 9%.

When rates exceed this 9% limit, the lengthening of the amortization period soon becomes inoperative in reference to the monthly payment guideline. At 11%, a 25-year amortization period is required in order to respect the 1/100 rule; let us point out that especially for credits to individuals, this period is already much too long.

III. PARTIAL SOLUTIONS

Given these obstacles that seem to be insurmountable, one must try to make every effort to implement a series of partial solutions. In the course of the discussions, the BNEC will give a detailed example of a USAID program which financed the construction of 830 housing

units in Abidjan in 1978. We shall raise only the main points at this juncture:

A. Reduction of Road Work Costs.

1. The land to be improved was given free by the state.

2. The costs of road works and related physical infrastructure were cross-subsidized under two sub-projects:

   a. a program of moderate-income housing on highly desirable lots situated on the banks of the lagoon;

   b. a low-income housing program financed by USAID.

Thus, the road works and related costs charged to the latter program had been considerably reduced.

B. Tax Exemption.

The program benefited from an exemption from the standard goods and services tax which was counted as part of the Ivory Coast counterpart contribution to project financing.

This tax at 25% is very high. It would not, then, be abnormal for housing construction activities to benefit from a reduced rate. Might one not consider that the maintenance of a high tax rate and an exemption for some low income programs is better rationalized by a cross-subsidy scheme rather than a direct subsidy by the government?

C. Strict Housing Cost Limitation.

1. The target income was 55,000 CFA per month.

2. A monthly housing payment of 25% was agreed on (the 30% rate of the previously quoted in Section II having been reckoned too high); the objective was then to limit the housing cost to 55,000 x 25 = 1,375,000 instead of 55,000 x 30 = 1,650,000. This objective was met, tax-free with the total cost of a 4-room unit of 57 square meters being 1,387,325 CFA.

D. Low Interest Financing.

The project benefited from an exceptional USAID credit at 8.6% to be amortized in 25 years, with yearly amortization rate of only 9.85%.

E. Progressive Rental Services.

The management and maintenance charges are 4.9% yearly. Thus the yearly theoretical rent is 14.75% (9.85 + 4.90). That is, 1.23% monthly when the rate to be attained according to the standards previously mentioned above is 1%.

The rent agreed on for the four-room housing unit of 57 square meters was 12.500 CFA, representing 0.91% of the tax-free cost. In order to make up for the difference, it was decided to have an 18% increase in rent every 5 years, which would account for all costs during the total loan/amortization period.

This partial taking into account of nominal income increases is justified as a means of keeping up with the development of the rental market and maintaining fair market values. However, such a long term financial management scheme is not in itself satisfactory because it requires access to long-term credit.

In conclusion, it appears that partial solutions to the two problems of income adequacy and inflation conceal the problems more than they solve them.

The objective of cost recovery must be relentlessly pursued, but beyond specific limits, one has no choice but to find compensatory measures in order to deal with very low income levels and inflation. A discussion of these problems and constraints is, therefore, wide open.

SELF-HELP LABOR MOBILIZATION AS A FACTOR OF COST REDUCTION BY MR. GILBERT NJAU, NAIROBI CITY COUNCIL, KENYA AND MS. DIANA LEE SMITH, MAZINGIRA INSTITUTE, KENYA

The Dandora Community Development Project of the Nairobi City Council was started in 1975 with the assistance of a $16 million loan/credit from World Bank. By December 1976 the infrastructure and wet-cores for 1,000 out of the total 6,000 plots were complete, and people who had been allocated plots started to move on site. This was the first very large-scale attempt to mobilize self-help labor for housing construction in Nairobi, and the first case where it was institutionalized within local government. During the intervening years, a great deal has been learned about how self-help works and about how local government institutions need to work if they are to facilitate self-help construction. In the beginning there was the need to pull together the relatively new concept of owner-built urban housing with the established institutional procedures for dealing with building contractors. A lot of knowledge has since been acquired about how the process of construction can best be organized.

In order to implement the 6,000-plot site and service scheme, a special Project Department was set up, with a technical section to supervise construction and give technical assistance to house builders, a community development section to provide orientation and advice to families, a finance section to disburse loans and collect repayments and an administration section including a legal unit. This Department was absorbed within the normal structure of Nairobi City Council as its Housing Development Department in 1978, to manage all of NCC's low-income self-help housing schemes.

At first there were some misgivings about the vagueness of the community development role and doubts as to how effective it could be, but in practice it proved the vital factor for successful implementation. The complexity of the self-help construction process was not fully grasped until it was experienced and it was in this respect that the small team of community development workers proved invaluable in dealing flexibly with families and their problems as they arose. They formed the essential link between the community and the bureaucracy which enabled work to proceed smoothly.

It was also difficult to predict at first how plot holders would manage the self-help construction process, especially since they all had to be at work somewhere in order to qualify for a plot. Three types of self-help construction emerged which could be clearly distinguished:

1. Building Group;
2. Individual Self-help;
3. Contractor Supervision.

They used varying amounts of paid and unpaid, skilled and unskilled labor, were involved to a greater or lesser extent in construction supervision, and took more or less time to build. Their building costs were much the same, and all represented a substantial saving over conventional construction. Almost all of them purchased their own materials, rather than delegating this task to a "contractor."

Those who formed building groups were generally the poorest, with least access to supplementary savings and loans, and were often women. Those who used "contractors" (skilled foremen running a small business) were generally better off, with a source of additional capital. Self-help builders formed the majority (62%).

Building groups were all registered societies with about 10-20 members. They collected contributions every month and pooled these to purchase materials. Building was done on each plot in turn, with members working on each other's plots as well as hiring the necessary skilled and unskilled labor. Sometimes groups employed contractors to execute the work for them, establishing the estimated cost before hand, but still substantially offsetting it by contributing their own free labor.

Contractors were generally skilled artisans with half or more of their total business in Dandora. They provided a cheap and efficient construction service to plot holders and the project enabled their businesses to grow.

Figure 1 gives some of the basic data on the different self-help construction methods. Although building groups spent less on labor, they often spent too much on materials because they did not have the knowledge about where to buy cheaply or access to transport to "shop around." Individual self-help builders often ended up spending too much on labor because they could not provide adequate supervision while out at work all day. Although the popular perception was that building groups built slowly, this was mainly because they had to save between building one room and the next. Once money was available, they would often build a room faster than the other methods.

The comparison with Nairobi contractor costs shows a 46% saving for a similar level of construction, indicating the saving that is made through omitting management overheads and profit, as well as some labor costs.

After acquiring this basic data in 1978, the Housing Development Department was able to assist plot holders and groups in controlling their costs, and the construction process, better. It was clear that a lot of plot holders lacked the skills and knowledge to control costs and supervise construction economically. The initial technical assistance concentrated on aiding conformity with plans and overcoming of technical constraints, while community development staff also lacked training in construction and building materials costs.

Over time this was remedied, and the community development staff were able to systematize advice on materials purchase and group fund management. In particular, the group constitution was amended to include group management of the income from subletting of the first rooms built.

Figure 2 shows some building costs data for a group in February-March 1982. Groups have kept a good control on costs by supervision of labor and materials costs through advice from HDD staff. Another measure that has been introduced is standardized bookkeeping by the groups, again with assistance from community development staff. Building costs in Nairobi generally have risen at a very high rate. However, another interesting development is competitive bidding and cost-cutting by small contractors on site in Dandora. Small contractors were quoting Shs. 560 per square metre for building several rooms in a Dandora plot to a similar level of finish in March 1982. That is, plastered walls, cement screed floor, no ceilings, no external works, no electricity, but including painting. This is well below comparable building costs in Nairobi generally.

It appears that when faced with competition and example from self-help construction, small building firms will cut their profit margins substantially. It is not surprising that they see the advantage of wholesale materials purchase and commercial management of construction on a series of plots where the site is as large as Dandora. Nor is it surprising that they can successfully compete on price with the private self-help builder.

However, it would be unwise to draw the conclusion that such sites should therefore be left to commercial contractor development in the cause of cost efficiency. Looked at from the allottee's point of view, this is not the case.

One of the major difficulties for low-income self-help builders is having enough capital to start construction. At the time of project design it was estimated that plot charges would be about Shs. 39 per month, but in practice they were Shs. 72 per month minimum. With rent to pay elsewhere before the building was ready and water costs, minimum monthly expenditures on housing came to Shs. 160 or more while the target income group started at Shs. 280.

This made it virtually impossible for the lowest-income plot holders to start construction unless they had other savings, or could save with a building group and pool their resources. Regardless of economic efficiency, individual self-help construction and building group construction are the only ways that low income people can start building without capital. A question that raises itself is, inevitably, what is the role of the housing agency in providing the right management resources to increase the efficiency of self-help construction.

All of the groups started in Phase I of the Dandora project successfully built their members houses, and many went on to start other income-generating activities. In retrospect, the building group may be seen as the most crucial aspect of the success of the Dandora Project in making it possible for the poorest plot holders to build. Over time, the new Department refined its understanding of what services it needed to provide in order to facilitate self-help construction:

1. Advice on materials costs and where to purchase;

2. Assistance with financial record keeping;

3. Training in group management skills;

4. Planning for group's budgets, based on estimated cash flows from savings, expenditure and income.

The form building groups took in Dandora was based on the experience of non-governmental organizations such as the National Christian Council of Kenya (NCCK). It was very much of an innovation to include them within the purview of an urban local authority, even on an advisory basis, but their success has proved the innovation worthwhile and pointed in the direction which self-help housing institutions need to take in order to increase their effectiveness.

The role of the Housing Development Department has mainly been advisory. There is therefore a need to get its involvement extended to cover such areas as group management and financial support as well as general guidance in decision making. However, being a public agency and

due to the nature of these groups, deep involvement of the department would be problematic. To avoid such a situation, it is felt that involvement of voluntary agencies should be intensified. Such agencies include churches and other voluntary welfare organizations. It is felt that voluntary organizations are capable of being closer to the people and are more flexible in their approach, hence they are capable of responding to the needs of the community.

In pursuit of this objective, the department has sponsored a welfare committee made up of voluntary organizations. The committee collects funds which are used to assist the most needy allottees. Although the amount so far realized through voluntary contributions has been relatively small, the approach has proved worthwhile. There is a need, however, to extend the role of this committee to cover such areas as management of groups and training of group leadership. The department therefore has initiated moves to bring more agencies into the committee and to extend the scope of their work. If this proves a success, the workings of the groups will be greatly improved with enhanced output of housing construction. In addition the approach could be extended to other aspects such as neighborhood improvement or cottage industries.

FIGURE 1

COMPARISON OF SOME INDICATORS FOR SELF-HELP AND NON SELF-HELP CONSTRUCTION

	SELF-HELP CONSTRUCTION, DANDORA			NAIROBI CONTRACTOR
	BUILDING GROUP	INDIVIDUAL SELF-HELP	CONTRACTOR SUPERVISION	
PLOT OWNER WORKING FREE AS LABORER	62%	56%	29%	-
PLOT OWNER SUPERVISING CONSTRUCTION	71%	72%	35%	-
PLOT OWNER PURCHASING MATERIALS	78%	94%	94%	-
NUMBER OF LABORERS PER ROOM BUILT	5.5	3.4	2.5	-
COST OF MATERIALS PER ROOM BUILT. (DEC 1977 PRICES)[1]	Shs.3 091	Shs.2 740	Shs.2 551	-
COST OF LABOR PER ROOM BUILT (DEC 1977 PRICES)[1]	Shs. 866	Shs.1 172	Shs. 988	-
COST OF MATERIALS PER ROOM BUILT (MID 1978 PRICES)[1]	Shs.3 053	Shs.3 623	Shs.6 271	-
COST OF CONSTRUCTION PER SQ. M. (DEC 1977 PRICES FOR DANDORA, MARCH 1978 FOR NAIROBI CONTRACTOR)[1]	Shs. 356	Shs. 372	Shs. 354	Shs. 658[2]
COST OF MATERIALS PER SQUARE M. (MID 1978 PRICES)[1]	Shs. 275	Shs. 320	Shs. 484	-
ROOM BUILT IN UNDER TWO WEEKS	64%	50%	47%	-

[1]Self-help construction costs are taken from MEDIS 3 for Dec. 1977 prices and MEDIS 6 for MID 1978 prices. Senga Ndeti Associates, Nairobi, for Kenya Government.

[2]This is based on MOW costs for Type E housing servants quarters: Shs.1 400 per sq. m. minus 45% for electrical, 5% for finishes, and 3% for preliminaries to give a comparable level of construction to the Dandora house.

FIGURE 2

SOME CONSTRUCTION COSTS FROM DANDORA, FEBRUARY 1982

	BUILDING GROUP	DANDORA CONTRACTOR
COST OF MATERIAL FOR ONE ROOM	Shs.6 843.55	-
COST OF LABOR FOR ONE ROOM	Shs.3 095	-
COST OF CONSTRUCTION PER SQ. M.	Shs. 600	Shs.550

TRAINING FOR PARA-PROFESSIONAL SKILLS BY JAMES KAYILA, KENYA INSTITUTE OF ADMINISTRATION, KENYA

I. INTRODUCTION

Although I have been asked to prepare a discussion paper on the subject of training for para-professional skills for the housing service delivery, I do not want to give the impression that I am in any way an expert in this field. I have no professional qualification in any of the areas related to housing delivery nor have I ever had any dealing with institute training housing technicians. However, as a trainer in some other areas, I feel that we may still find some use in discussing training methodologies we use and try to see how some of these could be adapted and applied in the training for housing service. I believe that we have a lot in common which we can discuss and share together in our attempt to improve housing service.

II. PROBLEMS OF HOUSING IN AFRICA

The need for better housing in Africa has never been so urgent and critical as it is today--a situation that has been brought about in the main by the great influx of population from rural to urban areas. This rural to urban migration has caused overcrowding in urban areas and made the local urban governments overstretch their capacities to provide the basic amenities and facilities required for an urban population. Due to the low rate of employment creating opportunities to absorb the great numbers of people moving into the urban areas, a big reserve of surplus urban labor has been found. The lack of adequate formal sector employment has forced these people to live with others, causing problems of overcrowding and generally lower standards of living.

The high cost of housing and the lack of reasonable income to support urban life has made many of these people live in squalid conditions in areas with inadequate potable water, sanitation, sewage, clinics and other important amenities that make life.

These conditions in urban areas have made it necessary and urgent for governments to allocate quite a big portion of their national budget to the improvement of urban conditions. The reasons for this have been because of the realization of the fact that the high density in urban areas can bring about dangerous health and social risks about which something has to be done to avert the situation. Plans have been made to see that the basic amenities are provided and that the employable population is made to do some work in the formal sector that enables them to contribute towards development. Government has therefore found it appropriate to adopt deliberate policies aimed at slowing down the rate of rural to urban migration while at the same time trying to improve the quality of life generally for the urban population. One of the urgent tasks in this area has been the provision of houses for the low income urban dwellers at affordable prices. This has not only made it possible for people to get houses but it has also helped to create jobs for some of the urban people, thus making them less dependent on their relatives and friends. However, because of the enormous amount of money required to construct houses and the infrastructures that go with them, it is unlikely that the cost of providing housing will be within the reach of most of the low income earners in the urban areas. It is because of this that increased amounts of government resources are now being allocated to community development to be used in sensitizing and developing the urban community to be more self-help conscious in order to supplement government efforts in the shelter sector.

The concept of self-help in housing is not a new phenomenon in Africa since it is the way housing has been provided in most rural communities. In the towns the self-help effort has been brought through schemes like owner builder in the site and service and cooperative housing which have helped to deliver housing at affordable prices for the low income workers in both formal and informal sectors. The appropriateness of self-help in housing may be argued on the basis that housing construction is basically a low technology and labor intensive activity that can readily absorb the unskilled and semi-skilled people, including those who may wish to start housing cooperatives or any other similar enterprises.

It has been said that housing often generates a stream of other services. For example, new houses, once constructed and occupied, promote new markets for furniture and other related household items which could be made locally and so help provide useful employment for those with the skills in the particular trades. Apart from these, new housing also promotes the development of new businesses that get established to serve the new communities. Similarly, a completed housing project also compels the retention of a maintenance gang to look after the buildings, infrastructural systems and the general environmental upkeep.

III. PARA-PROFESSIONAL SKILLS IN THE SHELTER SECTOR

Para professionals are among the most important groups of people who play an important role in housing development right from its planning to post-occupancy stages. The following is a

list of some para-professional skills that are considered important and needed in the production of housing:

administrative assistants	electrical fitters
bookkeepers	estate assistants
building technicians	gardeners
carpenters	general clerks
cleaning assistants	health assistants
clerks of works	masons
community development assistants	painters
drain layers	plumbers
drivers	vermin searchers

The value of these technicians, craftsmen and operators in the implementation and management of a housing program is very important as these are the people who actually do the work, apart from the sophisticated technical aspects which require high professional expertise. It is argued that unless these para professionals are given thorough training in their various skills it would be improbable for a project like housing to actually succeed. One reason for this is the fact that the supply of top professionals is always limited by the high cost of training them. Most developing countries have had, in the circumstances, to make do with the few top professionals they can get, but make sure that for every professional person engaged there are several others with semi-professional skills working under and supervised by him.

It is important to note that the availability and effective use of para professionals in housing service delivery can dramatically extend the skills of a professional where para professionals competently carry out necessary work under the guidance of the professional. In this sense it can be said that a good para professional can operate and be regarded as the right hand (and sometimes the left hand) of the professional. While making this point, I am aware that in some countries many professional people tend to look down upon and disregard workers who have not had top professional training, and argue that the professional planner, architect, surveyor, engineer, sociologist, etc., is a much more important person in the shelter sector. I would like to think that this is a misconceived and misguided argument, for long before these professionals developed there were always people with special skills within the community who would be called upon to lend a hand in shelter production. In fact, it can also be argued that the so-called top professions in this area were the result of the development and improvement of these very basic skills which the people already had, albeit rudimentary.

The para-professional skills listed above can be acquired by people at various levels, depending on their level of education. For example, a good general educational background would be required for people wanting to be trained in administration, bookkeeping, clerk of works, community development, health assistants, etc. Other technical qualifications in building technology, draftsmanship and surveying also require a good general education coupled with a number of years of technical training in the respective fields. Otherwise, the bulk of the para-professional skills listed require little or no formal education but intelligence.

IV. LEVELS OF TRAINING FOR PARA-PROFESSIONAL SKILLS

We have said that training for para-professional skills for housing delivery embraces people of varied background, ranging from people with no formal education to those with reasonably sound education of up to 12 years. Those with a good level of education who wish to train for para-professional skills should be given formal training in their respective fields. It is reckoned that institutes of administration, national polytechnics and other specialized institutes and colleges are suited to training these people. Among those to be trained at these institutes will be found a few who will show great aptitude and capacity to take higher level courses and who should be encouraged to pursue these, even up to full professional levels.

Another level of training for the para-professional skills is one catering to people who have had between 7 and 10 years of education. Most of these people may either train at the local village polytechnics or on the job for technical proficiency. Like with the first group, among these may also be found people with great ability to try higher skills and such people should be encouraged to go for them at the national polytechnics and other colleges and specialized schools.

The next level comprises people who have had no formal education, including primary school dropouts. Some of these people, who would otherwise only be employed as general laborers, could be trained as craftsmen in various fields like carpentry, painting, welding, masonry, etc. This kind of training should assist them acquire the skills and thereby help improve their contribution to shelter development and other related fields. The best place to train such people is within the community and on the job, as they will lack the capacity to absorb highly sophisticated courses normally associated with training institutions. The trainers for these people are expected to be from the middle level para professionals who will have graduated from the local village polytechnics. The role of this category of para professionals is very important as these would be the people to rely upon for shelter construction, especially in the rural areas where building standards are not enforced.

Along the same level would also be community leaders who, by their status in the community, can provide a useful link between the beneficiaries (community) and government institutions. These people can be identified with the help of community development assistants and the local chiefs and should be trained within the community. This category of people can play a significant role and help in the mobilization of the community for self-help activities, and generally in the development of an orderly community life full of purpose. These leaders should also help the beneficiary communities understand why they should repay housing advances and mobilize them to save and generate funds for their basic needs.

The training of community leaders is of critical importance because it has been observed that government agencies have planned and implemented many development projects which have later turned out to be complete failures due to lack of community support.

It is now recognized that to avoid this kind of wastefulness the local communities for which the projects are intended to benefit must always be involved in the decision-making process and consulted during the planning and implementation stage of every such project. There must also exist a sense of goodwill between the community and the government agencies coupled with a feeling of respect for each other's role in the process of development. It is for the government agencies to go to the communities and find out what they (the community) consider as their priorities and to help the communities plan how to meet their basic needs.

This kind of penetration into the community can only be successfully done through people who are recognized as community leaders. Through them the agencies should be able to understand not only the priorities of the community but also its traditions, norms and special beliefs which are of vital importance to any planner.

The community leader therefore requires some kind of exposure that makes him an effective leader. In this respect, he will need training in role playing, decision making, effective communication and community development, and a general understanding of group dynamics.

Perhaps I should point out here that intelligence and education are not necessarily the same thing. In fact in many developing countries where there is still high competition for few places available in the formal education system, or where the high cost of education has made it difficult for children from poor families to go to school, it is possible to find many people of high intelligence who have never set foot in a schoolroom. In situations like these what is required is a good selection method that allows people of good intelligence to be trained to capably handle many of the para-professional jobs. While I believe that for some para-professional jobs a good general education plus a number of years technical training are absolute requirements necessary to make good technicians, I also feel very strongly that for certain types of para-professional skills what is required is good intelligence and ability to learn the crafts. For some skills the trainees need not know how to read and write good English or French to make good craftsmen since, once they are established as trainable material, their training can always be conducted in the local languages.

Appropriate training programs, once properly conceived and implemented, can always prepare people with little educational background to be competent craftsmen in brickmaking, drain laying, painting, gardening, carpentry, etc. For those who have had no formal education but are of average intelligence, their training and work performance will be greatly enhanced if the adult literacy campaigns also helped them at least to know how to read and write the local language.

V. APPROPRIATE TRAINING METHODOLOGIES AND TECHNIQUES

The kind of training methodology and techniques to be applied will depend upon the type and level of training to be given. Trainers should as much as possible make sure that those selected for training are properly guided so that none of them is made to discover he is taking a wrong course where he has no special talents. It is expected that for those who have had formal education of between 7 and 12 years the career masters will have helped them discover their special aptitudes. This would help the school leavers avoid making wrong choices and wasting time trying different occupations which usually results in disappointments and general unhappiness. As a German saying puts it, "a man does not learn

anything that he does not love," so it will be a waste of time trying to make a person a motor vehicle mechanic if his interests are not in automobiles. Persons wishing to enter a training program should therefore be carefully screened to determine their aptitudes and interests while the training programmes themselves should give a variety of courses and opportunities to cater to the different tastes.

Once the right people have been selected for the right level of training in the skills of their choices, training methodologies used should be carefully chosen that will make the courses interesting and stimulating. Most commonly used methodologies and techniques suitable for the various groups include lecture method demonstration, field work, on-the-job training and case studies, which are discussed below:

A. Lecture Method.

This implies a classroom situation and requires small groups of trainees. It involves classroom meetings, group discussions, and other forms of meetings where the lecturer talks to an audience, the trainees.

The lecture method is a technique of communicating knowledge characterized by a steady flow of information from the lecturer to a group of trainees. It presupposes careful preparation by the lecturer in a logically organized sequence. The lecture method can be made more interesting when used in combination with motion pictures, still projections, posters, charts and other illustrative materials.

Although suited to teaching situations in institutions of higher learning, the lecture method can, theoretically, be used with any group of listeners, including large audiences, provided such audiences have the same goals to achieve by such lectures. The lecture method makes it possible for the presenter to analyze problems and issues and to provoke the audience to discover for itself additional information by carrying out further study or inquiry.

In the training for para professionals the lecture method is appropriate for all levels, but more so for those who have attained a reasonable level of education and whose training requires a combination of theory and practical work. At these levels the lecture method enables trainees to discuss general principles and their application in real-life situations. The lecture method may also be used for lower level para-professional training and community groups where short speeches may be given to help explain issues and problems and thereafter turned into discussions once the audience is sufficiently provoked. Otherwise, the lecture method may be said to have little or no value to the lowest level of para-professional training where demonstration and practical on-the-job training would be found to be much more appropriate.

B. Field Work and Field Trips.

Field workis a technique whereby the trainee is sent out to put into practice work he has learned in the classroom. It provides an evaluation process where classroom learning is applied and tested in the field under real-life conditions. The experience and learning that is gained during field work may again be taken back and processed in the classroom. Seen this way, field work is an important extension of the classroom training and should, therefore, be carefully planned and adequately supervised and managed in order that it may play that valuable role in the learning process of the trainee. Field trips, on the other hand, are a method intended to stimulate the trainee to learn by observation rather than doing. They are often of shorter duration than field work and do not usually allow the trainee to get his hands soiled.

It can be generally said that field work and field trips are useful when they illustrate the principles and points which are of vital importance to the trainees. Any field work or field trip made should provoke and enrich discussions and search for more information by the trainees who should make references to issues and points experienced or observed as illustrations whenever they are confronted with similar situations.

All levels of para-professional training in housing delivery need field trips to make their training fuller and richer in the development of ideas through observations. For those taking short courses like seminars and workshops the field trips may be restricted to observations only, but it would be a good idea if those taking longer courses are not only made to make observations during their field trips but also made to have the practical feel of the actual operations during field attachments so that they may see and feel the problems in their right dimensions. In this way it can be said that field work makes it possible for the trainees to gain knowledge through experiential learning. Through field visits case study materials may be compiled from the various reports made by the trainees and their instructors.

C. On-The-Job Training.

As the name suggests, on-the-job training is a kind of training given at one's place of work with the employee's immediate supervisor acting as the trainer. It is an informal method of training which is distinct from formal training or courses of instructions and consists of brief oral instructions accompanied by demonstrations given from time to time to enable the employee to improve his efficiency and general work performance.

On-the-job training is claimed to be the best approach to training which is likely to bring the best results in terms of improved work, as compared with the efforts and costs that may be devoted to other forms of training. It is one method that suits all levels of para-professional training as all of them have something to learn throughout their career in life. However, on-the-job training is of greater importance to the lowest level of para professionals where learning is mainly by observation and demonstrations.

An effective on-the-job training demands that it be carefully designed and managed. Experience in many organizations has shown that many supervisors are in fact very bad trainers. Many of these supervisors tend to do the work themselves instead of through those they supervise. A situation of this nature may arise either due to pressure of work which often limits the supervisor's training efforts, or it could be the result of the inability of the supervisor to give effective instructions. No doubt it is faster and more efficient for the supervisor to do the job himself, but unless he also makes efforts to train those below him and to prepare them for higher positions it would be difficult for the organization to have well-made people who may replace those who, for whatever reasons, leave the organization.

It is said that training is a difficult art and that not all highly qualified people would necessarily master training skills. However, since any art can be learned, all supervisors should be given brief instructions in the art of training to equip with the basic skills that would make them effective in-house trainers.

D. Case Studies.

This is a method whereby the trainer prepares a case study of a real life or hypothetical problem which is narrated to the trainees who are then asked to find the solution to the problem. The trainees could do this working individually or they could be made to solve the problem working in small groups.

Case study requires a lot of research and a good sense of imagination on the part of the trainer and the trainees. Cases selected must be relevant and stimulating so as to provoke the trainees into active participation. Well-prepared and administered, case studies always have a long lasting memory. Case studies are valuable to the extent they depict real life situations truly and accurately written up.

Case studies are excellent training tools and suit all levels of para-professional training. Many people would argue that since a lot of reading and comprehension is necessary, case study method would only be suitable for those who have had a good formal education. I feel that even in cases where trainees cannot read very well case studies can still be prepared for them. These may then have to be read out to them and then role played with the trainees acting out the case study situation.

Case study method is particularly important to trainees who are being prepared for supervisory duties as foremen, headmen, bookkeepers, administrative assistants, community development assistants, etc. The reasons for them to use case studies in their training is that in real life they will find themselves faced with numerous problems in their work situation calling for urgent action and intelligent decision-making. In quite a number of these cases they will be compelled to act alone, using their knowledge and good judgement to solve problems and explain issues.

VI. ADDITIONAL TRAINING FOR PARA PROFESSIONALS

It is expected that after the initial training the graduates from technical schools and institutes will be put to work under qualified and experienced staff who would guide them and assist them gain practical experience and confidence in their work before they may be left on their own or given a group of workers to supervise. It is advisable that when it reaches the time to give these people their own units to supervise, they should be given brief training in the art of supervision. Placed as first and second line managers these people will now need to be introduced to some basic management concepts like human and community relations, motivation, techniques in budgeting for work and materials, interviewing techniques, and communication and report writing. It is expected that this kind of training would be given to a mixture of people drawn from the technicians, community development, administrative officers, bookkeepers, etc. During this training period the trainers should now be in a position to discuss the roles of the agencies responsible for housing delivery. The discussions should also include the general aspects of community development in housing and give

the officers a good understanding of the sociology of community. The idea during this training time is to make the officers see housing in its total environment and not just as a mere provision of shelter. The officers will also need to understand the total environment in which they work, and to have a good grasp of the different roles played by all the actors in shelter development. This will help instill in their minds a sense of cooperation and coordination in housing delivery. After this it is advisable that these supervisors be kept well brushed and up to date with the new developments in their varied fields of work by making them regularly attend relevant seminars and workshops as part of a continuous process of staff development.

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HOUSING AND SELF-RELIANCE IN AFRICA: THE ROLE OF MANPOWER, REGIONAL AND IN-COUNTRY TRAINING INSTITUTIONS BY MR. S. M. KULABA, CENTRE FOR HOUSING STUDIES, ARDHI INSTITUTE, TANZANIA

I. ABSTRACT

Over the past three decades, with increasing and worsening overcrowding and insanitary housing conditions, widespread and easily visible poverty in urban areas, and in a situation of low-income and high rates of urban unemployment, housing has become a seminal political, social and economic issue in many African countries. Some African countries, like Kenya, Malawi, Mauritius, Tanzania and Zambia, have set themselves the goal of providing sanitary housing, to every family in their respective countries (either owner-occupied or rental). Various strategies have been devised to assist the realization of this well-intended goal. Some African countries, notably Ethiopia, Nigeria, Botswana, Lesotho, Zambia, Malawi, Liberia, Senegal, Tanzania and Uganda, have set up housing corporations, housing banks, mortgage banks and privately owned building societies to assist the Government's realization of this goal. The argument often advanced is that private firms and/or parastatals are more efficiently managed and more free from local and national politics than local governments and as such they would do a better job.

With a high rate of urbanization in Africa and low incomes, the output of these parastatals, in terms of new dwelling units constructed or financed, has been like a drop in the ocean. The conventional public housing provided by the State has not only been costly and unaffordable by the majority of the country's population but it has also been unadaptable to the changing needs and incomes of low income families. Attempts to erase slums and squatter settlements from the urban fabric in Africa have proved counterproductive; politically and economically difficult (if not dangerous) to implement where the majority of voters live in such settlements.

Sites and services and community and squatter upgrading projects now seem to be the most pragmatic and least costly approach to the solution of housing problems in most Third World countries for the time being. They are also inherently more progressive and more productive than most other kinds of public sector intervention in the low-income housing field. However, the replicability of such schemes is still doubtful because of a lack of an institutional capability to replicate them in many countries without external aid. Because of a lack of adequate numbers of well-trained and experienced manpower in the housing sector, on-site management has become a major constraint on the implementation of many low-income housing schemes in many African countries. Through their relevant and realistic training programs, regional in-country training institutions have a vital role to play in promoting self-reliance in shelter provision through (a) training the required manpower and (b) developing and strengthening the institutional capability of local institutions to plan, execute and manage housing programs in a country. Regional in-country training institutions can contribute tremendously to the improvement of housing conditions and the attainment of self-reliance in housing through the actual production or facilitating the production and formulation of the following: (a) good housing policies, (b) good and competent housing planners, implementors and managers, (c) stronger and efficient local institutions, and (d) training the required skilled and high-level manpower needed to achieve the long-term goal of providing decent housing for every family in a given African country.

However, training the manpower needed to plan, execute, administer and manage low-income housing is less neatly packaged and less importable such that African countries have to evolve their own training programs to suit local conditions. To be and remain relevant to local conditions, such training has to be in Africa where the housing problems the trainees are being trained to solve are found. Despite numerous unsuccessful attempts by many African countries to emulate the development models of their former colonial powers even after they had attained their political independence, housing, and especially low-income housing, is probably one of the few sectors in the development process of mankind in which many Third World countries have little to learn or borrow from advanced countries and even from former colonial powers like Great Britain, France, Portugal, Spain and Holland. Sound domestic solutions, and indeed self-reliance, seem to be the right answers to the many and complex housing problems in African countries.

Self-reliance in the housing sector will only be realized when and where there is an explicit recognition by housing policy makers and planners that housing resources and initiatives of the low-income families who form the majority of the population in every African country are vital agents in local and national development.

II. INTRODUCTION: STATEMENT OF THE PROBLEM

Many African countries face considerable problems of a quantitative and qualitative nature in the field of housing, especially low-income housing, for the majority of their rural and urban populations who normally earn irregular and low or very low incomes. When housing is defined to mean housing services including its related facilities like schools, health facilities, etc., the magnitude of the problem increases tremendously. For example, it is

estimated that at least 886,500* dwelling units have to be built annually in Tanzania in order to cope with the natural population increases of 682,500 people and the need for replacement of existing dwellings, which often become structurally unsound and unsafe to live in within a very short period. Urban areas alone, with a population of 2,925,000 (or 15% of Tanzania's present population of 19.5 million people in 1982) and an annual increase of 269,100 people, need 59,800 units a year at a total cost of Shs.9,867 million at a cost of T.Shs.167,000/= per dwelling unit of 50m^2 for an average family of 6 people. Dar es Salaam City alone needs 10,000** units annually to meet its annual population increase. In addition, community facilities, sanitation, infrastructure and utilities have to be improved.

When you add the cost of providing a sewered system for excreta disposal, at a cost of Shs.35,000/= per household for plot connection to the main trunk system, the cost of water-born sanitation in urban areas comes to T.Shs.2,093 million. When you add this figure to the above cost of providing bare urban housing the total annual cost of providing urban housing with sanitation comes to T.Shs.11,960 million which is about equal to the total annual government budget of Tanzania (for both recurrent and development budgets).

Rural areas need about 826,700 new dwelling units annually at a total cost of T.Shs.70,269.5 million or at an average cost of T.Shs.85,000 per improved dwelling unit of 50-60m^2 (March 1982 current prices). This calculation assumes that the rural family provides all the unskilled labor needed in the construction of its house for owner-occupation. Hence the total cost of providing 886,500 dwelling units to meet the annual housing needs of urban and rural areas in Tanzania is T.Shs.82,229.5 million or about US $8,825*** million. Again, this total cost is many times the annual government budget in Tanzania. Likewise, many import-substitution industries in the formal sector, producing conventional building materials like portland cement, corrugated iron roofing sheets, water pipes, reinforcing steel, nails of various sizes, electrical fittings and parts, have installed production capacities which when fully utilized can meet 50-80% of the market demand for building materials. Unfortunately, most of these industries are operating far below capacity at 30-50%[1] because of a lack of imported raw materials, spare parts, new plant and machinery to replace worn-out machinery--a situation created by the foreign exchange shortage Tanzania is currently facing. With such a high rate of underutilization of installed production capacities, the shortage of conventional building materials tends to be compounded several times.

It should be emphasized at this point that these problems the construction industry, and the housing sector in particular, is facing are not confined to Tanzania but continue to afflict the economies of other African countries in varying magnitudes. Hence, no conventional approach by the State can solve the housing problems of people. With the present high rate of inflation in most economies, especially in the construction industry, and declining real family incomes on the other, this conclusion equally applies to most African countries. Therefore, the solution to the present and future housing problems in most African countries lies in self-reliance in housing provisions being practiced by the people themselves.

In addition, such a giant national housing construction program requires costly heavy construction machinery and plant-like concrete mixers, earth-moving equipment, etc. It also requires a lot of highly skilled manpower to plan, execute and manage such a large construction program per annum. Tanzania, like many other African countries, lacks the required heavy construction equipment and highly skilled manpower. To import such construction equipment and manpower in adequate quantities or numbers is rather difficult if not impossible in the near future because Tanzania faces a serious shortage of foreign exchange and is finding it difficult to pay even for vital imports like medicine and medical equipment for its hospitals and dispensaries. Moreover, the transportation system in the country lacks the capacity to transport the necessary construction equipment and building materials to the various potential construction sites. For example, the Tanzania Railways Corporation is facing a big shortage of railway wagons all of which are imported. The road network is both poor and underdeveloped while there are fewer lorries and other vehicles to transport goods and materials by road than the economy needs.

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*Of these 886,500 units, 136,500 dwellings are for annual population increases and 750,000 units are for annual replacement of the existing housing stock of 5.5 million dwellings.

**For more details see: S. M. Kulaba, Urban Growth and the Management of Urban Reform in Tanzania paper presented at a Conference on Urban Reform organized by IDRC, of Canada 11th - 16th April 1983, Nairobi, Kenya.

***The exchange rate on the market on the day of calculation was US $1 = T.Shs.9.32 on 14th May 1982. See the Daily News Tanzania, 15th May 1982, page 5.

1. S. M. Kulaba, Housing, Socialism and National Development in Tanzania: A Policy Framework, Bouwcentrum International Rotterdam, Netherlands, Centre for Housing Studies, Dar es Salaam, 1981.

Even small islands and landlocked countries like Mauritius and Botswana need at least 1,000 dwellings per annum to meet their annual needs for housing arising from population increases and replacement of the existing old dwellings. In these small countries, the cost of providing conventional finished houses and flats by the state is prohibitive to and unaffordable by the majority of the urban population because the capital cost of providing such a dwelling is more than four times one's annual income while the monthly economic rents of such housing would be at least 50% of the present minimum urban wages in these countries per room. There are very few families in Africa, especially Tanzania, who can afford to buy or rent a house whose capital cost is more than four times their annual income.

Most African countries face numerous complex human settlement problems, especially in the field of housing and its related facilities in urban areas. These problems include: poor and inadequate housing, overcrowding, poor or no sanitation, traffic and transportation problems, lack of refuse and garbage collection services and other essential municipal services, lack of clean piped water, lack of recreation facilities, health and educational facilities, shortage of technical and managerial skills (e.g., technicians and foreman supervisors) to manage construction projects and qualified urban managers to manage urban growth, and the poor living in steep or marshy lands and insanitary conditions. There is also a lack of available housing finance for any but expensive housing since the present tendency in many developing countries is to concentrate upon the more orthodox, financially safe middle and upperclass housing projects because the poor, who form the majority of a country's population, are a risky target group in which to invest one's money in housing. Other problems include a high rate of inflation of 20-35% per annum in the construction industry in many African countries (e.g., Kenya, Uganda, Tanzania, Zambia and Zimbabwe), low incomes of the majority of the urban and rural population, big income inequities and the ever-widening gap between shelter costs and the incomes of the population. These problems call for a more pragmatic approach to their solution or amelioration than has hitherto been used. Investing large amounts of funds and other resources in the construction of urban motorways, an underground piped sewer system for excreta disposal, conventional high standard public housing, etc., may not be the right answer or solution to these problems. Training and then showing people how best they can assist themselves in solving their own housing problems under the philosophy of self-reliance seems to be the lasting, realistic and cheaper solution than many other options tried so far by many African countries. Training of manpower needed to solve these problems is probably the biggest, most effective and most important role the state should play in housing.

Given the limited resources available for housing in many countries, many African governments cannot cope with these problems on their own. They are beginning to adopt more realistic approaches to the solution of the many complex housing problems in their respective countries. Following its general policy of self-reliance, Tanzania applies this to housing by encouraging each family to construct and improve its own housing under her policy of socialism and self-reliance. The Government's role and policy in Tanzania is to encourage and facilitate the efforts of the population by providing essential inputs, such as land, loans, technical assistance, training and services. Other countries like Kenya (under the philosophy of Harambee), Zambia (under the philosophy of Humanism), and Malawi, Ethiopia, Mozambique, Tunisia, Morocco, Sudan, Uganda, Ghana, Nigeria, Senegal, Ivory Coast and Liberia (under various philosophies and titles of a mixed economy, African Socialism, Marxist-Lenin Socialism or Communism) pursue and or aim to practice self-reliance in developing their housing sectors and national economies.

In rural areas in Tanzania, this policy of self-reliance has been applied in the Nyumba Bora (Better Housing) Campaign. In urban areas, like in Kenya, Zambia, Botswana, Lesotho, Malawi and Senegal, it is emphasized through sites and services and squatter upgrading projects. In both areas, housing cooperatives are viewed as important instruments to achieve better housing through community efforts and self-reliance under Tanzania's development philosophy of socialism and self-reliance. Lesotho, Ethiopia also view housing cooperatives as potentially effective and important instruments for achieving progress in housing and realize the need for self-reliance in the housing sector.

For the planning, designing and implementation of those policies and strategies and the subsequent maintenance of the housing stock, Tanzania and many other African countries are faced with a considerable quantitative and qualitative shortage of high- and middle-level manpower. It is submitted that "In-Country and Regional Training Institutions and Programs" should be established in Africa and endeavor to train personnel to meet this need by organizing relevant, specific and intensive practical courses.

Moreover, it is often found that there is insufficient relevant documentation and information at many levels, from the training institutions to the builder to the policy-maker. Through applied developmental oriented research and by their international contacts with other established training institutions and international organizations, within and outside Africa, such In-Country and Regional Training Programmes should endeavor to collect relevant and up-to-date information on various aspects and types of housing, which can then be disseminated to the appropriate actors at various levels. These two strategies would facilitate the attainment of true self-reliance in shelter provision by the majority of the urban and rural low-income families in Africa. Without training an adequate number and

right kind of local professionals and sub-professionals in the housing sector it will be difficult to attain self-reliance and break the vicious circle of poor housing and the present over-dependency of African countries on developed countries for the supply of skilled manpower, building materials, technology and machinery needed in the construction industry.

Although self-reliance has been an eluding concept for many African countries, the concept and strategy seems to be more relevant now to their development strategies in the 1980's and 1990's than it was in the 1950's and 1960's when foreign aid (both in terms of loans and grants) from developed countries and donor organizations to Third World Countries was more easily forthcoming and given in larger real quantities than it is today. With the present high rate of inflation in many countries and the world recession affecting even strong economies like that of West Germany, Japan and the USA, foreign aid to African countries will become less plentiful and loans more expensive in the 1980's and 1990's. Hence, if African countries continue to depend on imported manpower, technology and capital for the development of their housing sector they may be forced to spend all their meager and ever-declining foreign exchange earnings on the housing sector with very serious detrimental effects on the other sectors of their economies. Indeed genuine, cumulative, self-sustained and long-term improvement in housing conditions in most African countries will only be attained with the application and effective use of their own domestic human and financial material resources.

Foreign aid cannot replace but can supplement domestic resources and efforts. In particular, self-reliance is consistent with Tanzania's development goals and strategies because self-reliance and the development of man is the ultimate goal of all development in the country. It is also consistent with the development philosophies and strategies of most if not all independent African countries. However, self-reliance in this context does not mean autarchy as misinterpreted in certain economic circles because we live in an interdependent world where trade and exchange, even exchange of information, between countries or organizations has become very important for man's further advancement. Moreover, experience from the implementation of sites and services and squatter upgrading projects shows that the implementation of such schemes and indeed the institutional continuity of such programs has not only lagged behind but is rather doubtful once foreign aid ceases because of a lack of well-trained and experienced local counterpart staff who are and will be ultimately responsible for providing the professional and sub-professional cumulative inputs and institutional continuity of the projects. Consequently, one tends to find the thinking and ideas of consultants and expatriates reflected in the projects instead of being largely a reflection of the beneficiaries' wishes, ideas and way of life. It should be emphasized in concluding this section that however useful and desirable the use of expatriates may be, not all expatriates are sensitive and adaptable to local conditions.

Building finished conventional housing for people may be an attractive short-term solution but self-defeating in the long run because the state cannot go on indefinitely providing housing for every family nor does it have the resources to do so in Africa. Training people how to plan, design, construct, manage, maintain and improve their own housing using their own resources and skills is probably the best and most realistic strategy for many African contries to adopt if they are to make a significant impact on their housing problems in the long run.

Through the judicious application of relevant and pragmatic training programs, regional and in-country training institutes have a vital role to play in building and strengthening the institutional capability of African countries and their local authorities and housing agencies to plan, execute and manage various housing programs and projects. Moreover, although leadership skills and qualities cannot be imported to people through formal training, these training institutes can prepare their trainees to learn and master such skills and qualities when they go to work in the field and offices so that local communities and their leadership are strengthened to plan and manage their own housing schemes on the basis of self-reliance. Such training should include how to mobilize local enterprise through the development of community self-help, self-managing local and national institutions such as housing construction cooperatives, loan associations and credit unions. Without strengthening the financial and institutional capability of local communities and authorities, and indeed that of African countries in general to plan, execute and manage their own development projects, self-reliance will remain a distant ideal in many African countries and thus make it difficult for these countries to replicate, on a large scale, the present sites and service and community and squatter upgrading programs on the basis of self-reliance. Since sites and services and community upgrading projects seem to be potentially more progressive and productive, as well as the most realistic, pragmatic and least costly strategies at present, then the training programs of regional or in-country training institutes should emphasize the planning implementation and management of such projects in Africa.

III. REVIEW OF PAST AND PRESENT HOUSING POLICIES AND STRATEGIES

When one examines the content and history of housing policies, strategies and planning legislation in most African countries, especially those which have been under British and

French Colonial rule, one still finds the influence of Britain and France embodied in such policy and legal documents. When these countries achieved their political independence, they adopted wholesale or continued to use the planning and building legislation and planning procedures and ideas from the former colonial powers as ideal models for their desired development. Relics of such legislation, especially in the English-speaking countries of West Africa, Eastern and Southern African countries still remain largely unchanged in content, aims and strictness, though the wording may have been slightly changed to reflect the aspirations of new post-independence governments. Much as such policies and legislation might have been useful to those who imported them into their colonies at that time, one wonders whether such policies and laws are still valid and relevant to the present needs and problems of independent African countries mentioned above.

Though unprecedented high urban population growth rates, an underdeveloped construction industry and numerous obstacles in the construction industry itself (e.g. shortage of skilled manpower, building materials and finance) and the failure of the formal urban wage sector to create adequate employment opportunities for the rapidly increasing urban population largely account for the present numerous and complex housing problems in these countries, it is suggested that the inappropriateness of the past and present housing policies, planning laws and procedures inherited from the former British and French colonial governments without or with little modification have had considerable effect on the present housing problems. The rigid enforcement of inappropriate and excessively high standards, based on foreign culture, values and affluent societies has compounded the severity of low-income housing problems, especially in the major cities. This is particularly true in those countries where measures to "keep the cities clean" and maintain the "unique character of the capital city" have been strictly enforced. Indeed, this disregards the obvious fact that both the English and French planning systems were developed and changed gradually over a long time period under different conditions to suit different social, cultural, economic and geographical (weather) conditions. Their planning procedures and details often undergo review and amendments to suit them to changing conditions in those countries. Given totally different and rapidly changing conditions in almost all African countries, it is submitted that the English and French planning systems and their building codes are rather inappropriate to African conditions such that they cannot be a panacea to the housing problems of the urban poor in these countries.

Likewise, the inappropriate land laws and their resultant land tenure systems which have created artificially big land shortages and a large landless urban population in many large cities accounts considerably for the present housing shortage, especially that faced by the urban poor who find it almost impossible to get residential plots at inflated land prices even to construct secure temporary shelter. Indeed, in some cities and countries or states where the national constitution and land laws provide for uncontrolled private land ownership--a legal provision which has led to the amassing of land by a few better-off citizens--there can hardly be self-reliance and significant housing improvement benefiting the majority of the urban population, especially the urban poor, without fundamental and bold urban land reform measures being implemented. Though there may be public outcry and social support for such reform, the political will and determination to undertake sweeping urban land reform measures is often lacking in most cases. In some countries, notably Kenya, Uganda and Zimbabwe, land has become such a delicate and sensitive political issue that few politicians and other policy makers would dare touch it or attempt to push forward urban land reform measures. This disregards the hard fact that land and labor are, apart from building materials, the two major inputs into house construction and improvement by the majority of low-income families. Land and labor are also the only resources available in relative abundance to the urban poor. Hence there can hardly be self-reliance and mass-based and sound improvement in the housing conditions of the low-income families without making land easily available to them at suitable and accessible locations, and at a low cost. This situation also denies the urban poor the opportunity and access to home ownership which is essential to their security, stability and material progress in urban areas, however bad their initial structures may be.

It is further submitted that after the failure of the eradication policy aimed at erasing slums and squatter settlements from the urban fabric, as manifested by the halting of slum and squatter clearance programs in a number of African countries (Kenya, Malawi, Nigeria, Tanzania and Zambia) sites and services and upgrading projects seem not only to be potentially progressive, flexible and viable strategies but also are more effective approaches to the solution of low-income housing problems. Unfortunately, the efficacy of such strategies has been hampered by the tendency to pursue sites and services and community (squatter) upgrading projects as enclaves on a sectoral basis and as ends in themselves in most African countries and other Third World countries. It is argued that these projects should be planned and implemented as part of an integrated and overall comprehensive long-term national development strategy and program on one hand, and as a means to the attainment of broader and long-term societal goals on the other. Societal goals are defined in this context to include the eradication of disease, poverty, ignorance and urban underemployment and unemployment, improvement of the quality of life, and the realization of social justice, equity, democracy, and mass-based development and the attainment of self-reliance. What is now required is an integrated approach to the planning and development of housing and human settlements similar to the rural integrated rural development approach.

In the Tanzanian context, like in most African country slums, squatter settlements are not and will not be marginal settlements in urban areas because they house more than two-thirds[2] of the country's urban population. Similar percentage figures of 50-67% or more of the total urban population live in slums and unplanned settlements in many African countries. If ever they are marginal in some African countries, then they have been and are being marginalized by policy failures and inappropriate strategies. Progressive and productive national housing policies cannot continue to ignore the existence and importance of these low-income settlements to national development. Granted the big role this informal housing sector plays in the urban and national economy, it is argued that these settlements cannot continue to remain residual items in national development and social policy formulation and implementation. If well conceived and integrated into national development policies and programs, these settlements have a big potential to contribute to general development of many societies in Africa. A more progressive and realistic approach to their development and existence would enable them to play their appropriate role in the development of African societies.

Without genuine and active resident participation in the formulation and implementation of low-income housing policies and programmes from the grassroot level upwards, low-income housing policies and projects can hardly be said to represent and serve the true community interests nor can they be successfully implemented for the benefit of the target groups. Indeed, public participation in low income housing construction and improvement is a basic resource and fundamental in housing development.[3] But the concept of public participation does not simply involve or mean the construction of community facilities and infrastructures such as schools, clinics and dispensaries, water supply and roads under self-help basis by local communities alone when they offer free labor. Apart from their active involvement in the decision-making and planning processes, it involves broadening and probably changing peoples' attitudes and horizons in the development process. To effectively and successfully plan and realize sound and broad-based housing development, residents themselves should become actively involved and aware in defining, shaping, planning, building and managing their future desirable and habitable environment. One way to improve policy making and implementation as well as link planning with action in housing is to bring the place of decision closer to the place of its application which is in this context at the local community or neighborhood level. This would also, through public participation, strengthen and improve the capacity of the implementation machinery at grassroot levels by urban residents themselves.

With the present remarkable advances in science and technology, especially in the building industry, which have enabled mankind to develop and expand his capacity to build high-rise and large buildings, produce enormous quantities of sophisticated building materials as can be found in North America and the whole of Europe, housing is less of a technical problem than a socio-economic problem because technology has become a facilitator in improved house construction. Without resolving some of the fundamental societal problems and policy inconsistencies mentioned above (particularly the institutional ones), housing problems of the urban poor and other low-income families will aggravate to a situation where they are likely to generate social unrest and widespread discontent. It is submitted that well conceived and more pragmatic housing policies and strategies could promote if not cement social integration and harmony in many societies.

Although many African countries like Kenya, Tanzania and Malawi have declared the provision of a decent house to every family in their respective countries by the year 2000 either by the public sector and/or private sector as their noble goal, all these countries are still very far from realizing this goal with the development strategies they have adopted. What seems to be lacking in many countries is a realistic approach to real problems and an adequate and strong domestic institutional capacity to implement well conceived policies and strategies. Indeed, much emphasis by these countries and aid giving agencies and countries has been given to the development and improvement of physical structures and buildings to the neglect of the development of man and his institutions which is necessary to have an enduring successful program of improved housing conditions of the urban poor low income families.

Historically urban renewal, especially urban development in many African countries, has meant demolition of existing slums and "squatter" housing and their replacement by high standard, high cost, constractor built dwelling units of specified "minimum standards." This eradication policy reflects the desire of many independent African countries to build a new society immediately after the attainment of their political independence and characterizes housing strategies of the 1955-1970 period. This housing development strategy was based on a number of erroneous assumptions:

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2. S. M. Kulaba, Housing, Socialism and National Development in Tanzania: A Policy Framework.

3. Ibid.

A. Slums and squatter housing are an affront to the dignity of an independent African country desiring to achieve modernization in the Western sense.

B. Clearance would once and for all remove the poor housing conditions and structures in urban areas, especially in the primate cities.

C. The scale of the problem is small and can thus be solved in a relatively short time period and with little capital through demolition of substandard housing and the redevelopment to higher standards of the cleared areas.

D. Slums and squatter settlements are both insanitary, unhealthy living places and places harboring all sorts of social deviants and crimes.

E. As a mirror of a country for visitors to see and judge and as a model of modernization, a capital city should be rebuilt to international standards so that it reflects the desire and aspiration of an independent African country to build a strong and modern society.

F. The urban society as well as the city itself should act as a model of development to the rest of the country.

G. Housing problems are technical problems and can thus be solved with the application of mere technical solutions.

H. External assistance (either loans or grants or both) in the form of finance, expertise, equipment and building materials for the construction of conventional public and probably private housing would solve the housing problems of the newly independent African countries.

I. The former colonial rulers (notably Great Britain and France) and other advanced capitalist countries were believed to have all the right answers to both the industrialization and growing urbanization problems of African countries.

Unfortunately, these assumptions either did not apply or the external aid was not forthcoming in the required amounts. They could not also realize the fact that housing problems can only be effectively solved with the application of domestic solutions and that foreign aid can only play a motivating or catalyst role in housing development and improvement.

Moreover, they either underestimated or misinterpreted the complexity, nature and magnitude of the housing problem which is not only a matter of numbers in terms of physical deficiency of structures but also an economic, social and political problem. A brief review of slum clearance programs will help illustrate the limitations of this conventional approach to housing problems in African countries.

Many slum clearance projects have been implemented in the past in many major cities in Africa like Lagos in Nigeria, Dar es Salaam in Tanzania, Dakar in Senegal and Nairobi in Kenya. But these schemes have only managed to touch the fringe of the problem.

More specifically, the slum and squatter clearance programs undertaken over that period, especially in Tanzania's urban areas, have had the following negative effects:[4]

A. Eradication policy imposed high social costs in terms of social disruption and displacement of established families and neighbors.

B. Social and political pressure surfaced amongst residents, especially homeowners in slum and squatter areas, who felt that they were being pushed out of the best located residential areas in the towns and cities to remote and unserviced lands.

C. It also imposed large economic costs on the State in terms of the high compensation given to owners of demolished properties and crops, and displaced any small family businesses and petty trade, thus reducing employment opportunities and family incomes.

D. In addition, the program imposed high transportation costs (money and time spent travelling) on families relocated far away from their workplaces and the city center.

E. The program resulted in a reduction of low-rental housing stock affordable by low-income families, thus worsening overcrowding in low-rental accommodations.

F. For Dar es Salaam in particular, slum and squatter clearance not only increased overcrowding in existing slums and squatter housing, but it also only touched the fringe of the problem.

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4. S. M. Kulaba, Urban Redevelopment Policies in Dar es Salaam, Tanzania, Unpublished M.A. Degree Dissertation, University of Nottingham, United Kingdom, May 1976.

G. Conventionally provided low-cost housing was not affordable by low-income housing such that they, being the target group, could not benefit from the scheme. Hence publically provided "low-cost" housing because of its high economic rents ended up in the hands of middle and high income families

H. Slum and squatter eradication policy of the 1960's had underestimated and over-simplified the urban housing problem.

I. Demolition of low income housing which represents big and valuable family investments or assets resulted in the reduction of national wealth and made homeowners poorer and with less security than before. It did not also make good economic sense, especially in a situation of a serious housing shortage.

At the time of the slum and squatter clearance program, prices of building materials and cost of labor were very low compared to today. Also, as the demand for permanent building materials, for example, was lower than it is at present, there was relatively little shortage of them. Hence, building costs for simple and modest structures were quite low. With the attractive compensation given to owners of demolished properties, abundant and easily available building materials, and low prices of building materials in those old good days it may be argued that the program encouraged more and more people to squat, especially on land planned and ripe for development, in anticipation of receiving compensation which they could use to build larger and better houses. Many areas were invaded and residential structures were quickly erected overnight or in several days or weeks.

Likewise, though experience shows that it is extremely difficult to provide affordable contractor built modest conventional public housing for low-income families, many countries still undertake such construction programs. The Daily NATION'S editorial comment on a recent speech by the Minister for Housing and Urban Development in Kenya, the Honorable Charles Rubin, had this to say:

> According to the Minister, the Government borrowed money to build houses for the poor who live in Shanty areas, but some rich people later took up the houses, denying the poor their right to decent housing. Mr. Rubin said his Ministry was working out ways of ensuring that houses and Plots meant for the urban poor go to those who really need them. We endorse the Minister's sentiments and urge all Kenyans to give this effort their fullest support.[5]

This editorial comment is a reflection of the hard fact that in a situation of a big shortage of standard housing, the economically better-off will always win in the competition for accommodation in the housing market. It is also a manifestation of the fact that conventional solutions cannot be expected to solve the housing problems of the urban poor in Africa even in those countries with open-type market economies.

Despite the noble goal of providing a decent house for every family by the year 2000, many conventional housing schemes in a number of African countries have not been as successful as expected, particularly because they have not benefited the target group. There are several causes of this failure:

A. The inability of public institutions and private contractors to construct low cost dwelling units at their original estimated costs.

B. Regulatory measures employed completely preclude the real low and lowest income earners from conventional, permanent housing.

C. Most public housing institutions have significantly shifted their emphasis from low-income to middle-income and (implicitly) high-income housing.

D. Development of a stubborn and ever-widening gap between income and shelter costs, high competition for easily developable urban land, haphazard urban development and the many other distortions caused by rapid urbanization.

E. High rates of rural population in-migration to urban areas thus compounding the scale of the housing problem both in numbers, scale and nature.

After realizing the difficulties involved in the provision of conventional finished housing, many African countries have shifted their emphasis to sites and services and squatter upgrading projects. Examples of such countries include Senegal, Ghana, Kenya, Tanzania, Zambia, Botswana and Lesotho. These projects are intended to achieve two major aims:

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5. Daily NATION, Kenya, No. 6480, Monday, October 5, 1981, Page 1.

A. To provide housing goods and services at initial low standards and costs for them to be affordable by a significant proportion of low-income urban population that has hitherto been virtually excluded from benefiting in conventional public sector housing supplies.

B. To use these provisions of basic housing goods and services as a means of bringing into the legal urban system informally developed settlements, housing investments and transactions which otherwise take place outside the legal land and housing market, and largely outside control by Government.

The largest single actor in this housing field has been, since the 1970's, the World Bank. Replicability of these projects by the aid receiving countries and cost recovery have been the two key principles of this housing delivery system and urbanization strategy. Though full-cost recovery of investments in basic services and housing goods is essential to ensure the replicability of these potentially progessive, flexible, and productive housing strategies, as well as the most pragmatic approach for African countries to reduce their dependency on foreign aid for the supply and improvement of their housing goods and services, it has become a policy exclusively for the poor in many countries because the intended beneficiaries or dwellers of these urban settlements and schemes are supposed to be low-income families earning, for example, up to T.Shs.1000/= per month in Tanzania and Kenya. Full-cost recovery does not equally apply to conventional public sector housing supplies which benefit middle- and high-income groups in a country. Subsidizing the housing services and goods of the better-off while at the same time asking those who need most such assistance from the State (i.e. the urban pooor or low income families) to pay fully for such housing goods and services has proved to be a politically difficult policy measure to implement in many countries. Such policy inconsistencies and institutional constraints in these countries has made full-cost recovery of public investments in sites and services and squatter upgrading areas very difficult and very low in countries like Tanzania and Zambia thus putting in doubt the future replicability of such housing delivery systems by these countries on the basis of self-reliance.

Indeed, policy inconsistencies constitute the biggest obstacle to the realization of self-reliance in housing provision and improvement by people and African countries in general. Therefore, the regional in-country training institutions must endeavor to train people who can critically examine past and present urban development and housing policies and understand their inconsistencies, weaknesses and strengths so that they are able to help their people improve their own housing through the formulation and implementation of appropriate, correct and consistent policies and strategies.

IV. MAGNITUDE OF THE PROBLEMS

The scale at which the African continent is being urbanized is unprecedented in the history of human settlement development in the world. Africa seems to be the most rapidly urbanizing continent at the moment. All attempts to slow down the growth of African towns and cities, such as policies of go back to the land, neglecting the growth of urban areas so that conditions there deteriorate so much as to repulse would-be migrants, and the emphasis on rural development, seem to have had little impact in reducing the rate of urbanization in Africa. Indeed, urbanization has become an irreversible process in Africa.

Tanzania is one of those African countries experiencing a high rate of urban growth at 9.2% per annum. The total population of Mainland Tanzania was 7,480,400 people in 1948 of which 183,862 people or 2.5% of the total population lived in urban areas. The second National Population Census of Mainland Tanzania (then Tanganyika) in 1957 gave a national population figure of 8,788,500 people of which 4.1% or 364,072 people lived in urban areas. The first post-independence National Population Census of 1967 of Mainland Tanzania gave a total population of 11,958,654 people of which 685,547 people or 5.7% of total population lived in urban areas. According to the most recent National Population Census of August 1978, Mainland Tanzania had a population of 17,048,329* people of which 2,173,816 people or 12.7% of the country's population lived in urban areas. This means that the share of the urban population in the total population of Mainland Tanzania has been increasing rapidly since 1948 and has more than doubled over the 11 years from 5.7% in 1967 to 12.7% in 1978. Present population projections indicate that the population of Tanzania will be about 32,729,800 people of which 29.8% or 9,745,700 people will live in urban areas by the turn of the present century.** More than two-thirds of the present 1982 urban population lives in slums and squatter settlements in Tanzania. By the year 2000, this proportion will rise to 80% of Tanzania's urban population.

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*According to the 1978 National Population Census, Tanzania, including the two islands of Zanzibar and Pemba, had a population of 17.5 million people as compared to a total population of 12,313,469 people in 1967.

**For more details see S. M. Kulaba, Housing, Socialism and National Development in Tanzania: A Policy Framework, 1981.

This high rate of urbanization has created a number of housing problems, particularly since there is a big mismatch between the population increase and the consequent increase in housing demand on one hand, and the small amount of new dwelling units being added annually to the total housing stock by both the formal public and private sectors. These problems include overcrowding in single room accommodations, overtaxed pit latrines leading to health hazards and rising house rents. Rents have risen from a low level of T.Shs. 25-40/= per room per month in the 1960's and early 1970's to T.Shs. 70-200/= per room per month at present in the private housing market in most big towns and cities in Tanzania. These new monthly rents are now 11.7-33.3% of the present Government monthly minimum wage of T.Shs.600 /= for urban areas in major towns and cities like Morogoro, Dodoma, Dar es Salaam and Arusha. The inability of many urban low income families to afford these high and rising rents has led to increasing overcrowding in existing low rental accommodations to the extent that it is now common to find 3-5 people or families living in single room accommodations in the major urban areas in Tanzania.

Many other African countries have also experienced high rates of urbanization. For example, Lusaka's urban population growth rate was in the Post-independence era at 25%[6] per annum for the first three years (1964 - 1967) of Zambia's independence and has remained relatively high since then at about 10% per annum. It is now estimated that out of a population of 800,000 people of Lusaka, the Capital of Zambia, 50% live in slums and squatter settlements. Monthly rents of ZK10-20(T.Shs.100-200) in urban areas are quite high in Zambia when you compare them with the present monthly minimum wage of ZK 70 (T.Shs.700/=). The capital city of Nairobi in Kenya is experiencing similar growth trends. At present nearly 200,000 people out of a total population of 850,000 people in Nairobi alone live in slums and semi-slums with inadequate shelter and no sanitation facilities and utilities such as clean piped water, toilets, and refuse and garbage collection services. According to published official statistics, the slum population in Nairobi is growing at the rate of 22.5%[7] per annum compared to a growth rate of 10% a year for Nairobi's total population. At that rapid growth rate, the slum population of Nairobi is expected to double in the next 2.5 - 3 years unless something dramatic is done to arrest the situation.

The population of Kenya is estimated to be 15 million of which 2.5 million live in urban areas.[8] By the year 2000, the total population is expected to be 30 million, of which 9 million will be living in urban areas. This represents about a fourfold increase over the 1978-2000 period in the urban population. The current Five Year Development Plan for Kenya 1978-1983 period estimates that the overall need for dwelling units in urban areas over the same period will be 290,000[9] dwelling units of which 140,000 units represent the current shortfall in 1978, while the remaining balance will be needed to meet needs of population increases and replacement needs over the same plan period. High rates of urbanization and high inflationary rates in the construction industry coupled with low income of the majority of the population have had two adverse effects on the living conditions of the urban population:

A. Increase of overcrowding in existing inadequate low-rental accommodations, with all the resultant health hazards.

B. Shortage of accommodations in a situation of rising housing needs has pushed up house rents to such high levels that it is practically impossible to rent a room even in squatter and slum areas below Shs.300/= per month.

Indeed, monthly rents per room now range from Shs.300/= to Shs.600/= per month in Nairobi when the urban minimum wage in Nairobi is Shs.480/=. One implication of these figures is that minimum wage earners are spending 62.7% or more of their wages on house rents. The economic inability of most low-income families to afford economic rents leads to many low-income families, which are often large, to crowd in tiny single room accommodations. Similar housing conditions exist in many primate capital cities of independent African countries.

Even in a country like Zimbabwe, which recently attained her independence in 1980, the population of urban areas has been growing rapidly notwithstanding the tight and effective controls enforced by previous colonial regimes against the indigenous population as measures to control rural-to-urban migration. Although urban population growth and the resultant provision of housing in Harare (formerly Salisbury) has been in the past effectively tied to the growth and availability of urban employment, and the surplus

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6. P. M. Muyangwa, The Planning and Growth of Lusaka 1900-1970 (Memo), Department of Town and Country Planning/Lusaka City Council, Lusaka, Zambia, 1978.

7. David Mutiso, Urban and Rural Housing Development in Kenya, Paper Presented at a Conference on Housing Strategies for Uganda, 28th September, 2nd October, 1981, Kampala, Uganda.

8. Ibid.

9. Ibid.

population removed to rural areas, the population of Harare has continued to grow rapidly. For instance, the population of Salisbury increased from 314,000 people in 1964 to about 1,200,000[10] people in 1980. This represents about a fourfold increase in a span of 16 years. Current population estimates put the annual growth rate of Salisbury at 12%. One inference from these figures is that given the removal of the restrictions on movement of the indigenous population and more stability after the war situation in Zambabwe, the population of Harare will double in less than 6 years' time.

Moreover, until recently, the provision of housing in Harare was directly linked to employment opportunities in the formal sector in the city and the ability of workers to pay for this housing. Such policy measures have inevitably led to a big shortfall between the actual housing needs and the amount of houses available. The shortfall of the number of people requiring housing was estimated to be 485,000 people or 80,840 units in Harare in 1981.[11] This means that about one third of Salisbury's population requires separate and additional accommodations to ease overcrowding in existing low-rental accommodations. The amount of finance allocated for housing in Zambabwe in the 1981 fiscal year was about Z$ 50 million of which Harare (Salisbury) was allocated Z$ 15 million[12]. Using conservative estimates and 1981 building costs in Zimbabwe, this sum would build only 2000 houses or 10,000 dwelling units at the same rate of development in the next five years. One conclusion to draw from this analysis is that the estimated need of a further 195,000 dwelling units in the same period means that the 10,000 units to be produced in that time period in the formal sector will fail to house about one million people in Harare. The majority of these people will be low income workers mostly in the informal sector and the unemployed. Thus about half of the population of Harare will be living in informal housing by the end of the next five years. The population of squatter settlements in and around Harare is estimated to grow at 28.5%[13] per annum.

This rapid growth phenomenon in slum and squatter settlement populations is not confined to Dar es Salaam in Tanzania, Nairobi in Kenya and Harare in Zimbabwe, but equally applies to almost all major towns and cities in the other Eastern and Southern African countries though some of them may have small urban populations in their capitals of 30,000 - 50,000 people like Mbabane in Lesotho and Gaborone in Botswana as well as small total national populations of less than one million as is the case with Botswana and Lesotho. One major conclusion to draw from this analysis is that given the high rates in the growth of slums and unplanned settlements, high rates of inflation in the construction industry and the ever-widening gap between shelter costs and incomes of the majority of the urban population, these settlements will cater for the housing needs of over 80% of the total urban population in many African countries by the turn of the present century. The great importance and role of these settlements in the development process calls for a more progressive, imaginative and pragmatic approach to their development so that they effectively play their proper and rightful role in man's development. It also means that urban planning and housing authorities in Africa have to begin to relate their investments in human settlements to the requirements of the informal sector if they genuinely desire to achieve significant improvements in the housing conditions of the majority of their urban populations.

For Dar es Salaam City, the slow capacity of the planning city to provide planned and surveyed plots is leading to the expansion of unplanned settlements. For example, Dar es Salaam needs 10,000 new surveyed plots per annum but Dar es Salaam only has a capacity to produce 1500-2500 plots per annum because it is short of land surveying equipment, vehicles and qualified technical staff. Hence most of the urban population in Dar es Salaam are erecting their new structures on unplanned land.

V. MANPOWER TRAINING STRATEGIES

A. Past and Present Training Programs

Over the past two decades, arising from their increasing demand for more and more experts to plan and implement various national development projects in all sectors of their economies, many African countries have faced and will continue to face a big shortage of high-and middle-level manpower in many fields in the near future. As

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10. N. W. Horrell, The Potential Growth of Urban Squatter Settlements in the Capital City of Zimbabwe, Paper Presented at the "Sub-Regional Workshop on Teaching Materials and Training Programs for Cooperative Modes of Participation in Slum and Squatter Settlements," 28th September - 9th October, 1981, UNCHS (HABITAT) - DESWOS - CDG Workshop, Nairobi, Kenya.

11. Ibid.

12. Ibid.

13. Ibid.

stated above, many African countries have opted for an intermediate solution of importing expatriates and using consultants from the developed countries to make up for that shortage. Various developed countries, international organizations and even other relatively more developed Third World countries like India, Pakistan, Cuba, Northern Korea and Indonesia have sent expatriates to assist African countries plan and implement their development projects, especially those on housing and New Capitals like Lilongwe in Malawi and Dodoma in Tanzania. The construction industry in Africa, and in particular the housing sector, has been one of the largest recipients of such technical assistance.

Expatriates are normally on a two-year contract and/or a maximum of four years. But it takes at least one year before a newcomer to a country with a different culture, socio-economic and physical environment begins to understand and appreciate the local situation and how the institutional arrangements and decision-making process in the host country works. By the time an expatriate begins to understand the local situation and to acquire the necessary relevant data and information which would enable him to plan relevant and practical projects, his time of contract has expired. In particular, by the time expatriates gain the requisite experience to do a better job, their contract of working in an African country is over, and they have to go back to their home countries or international organizations. Hence they cannot fully utilize their acquired experiences for the benefit of the aid-receiving country. Consequently, many African countries have become fertile training grounds for many young and inexperienced graduates from the developed countries in the field of human settlements and in housing in particular. Very often one finds the work of such expatriates leading to getting masters and doctorate degrees with little application of their research findings in the host country. On the other hand, experienced and well-trained expatriates are very difficult to get. And when they are made available, they are only available for rather short contracts of 3-6 months because they are well established and are needed by their employers in their respective countries. Consequently, even these experienced expatriates end up giving wrong and unviable prescriptions or policy recommendations based on symptoms of the diseases/problems rather than being based on a correct and deeper analysis and diagnosis of the diseases/problems the patients/countries who called them suffer and face respectively.

In addition, plan and project implementation as well as program continuity, becomes very difficult when expatriates leave the aid-receiving countries after preparing the plans and/or projects because of either or all of the following three major reasons:

1. there may not be the necessary highly trained manpower in the country to ensure implementation of the plans and projects;

2. the available local staff may be very few, or not well trained to a high level and lack experience; and

3. the few local staff may not have participated in the actual formulation of the plans and projects because they are either heavily involved in administration or lack the necessary training or they may have been used merely as data collectors such that they lack a deeper and thorough understanding of the projects to enable them to take full and effective implementation responsibilities.

Sometimes consultants or expatriates have been brought into a country without adequate preparation by the recipient to enable a country to fully utilize their services. Very often, these consultants and expatriates become responsible for defining and shaping their tasks and terms of reference. Had the receiving country been clear of what it expected from these experts, it would have been able to fully utilize the expert's services and short stay to the maximum possible advantage of its people. Hence it becomes difficult for expatriates to train, through on-the-job training, local counterpart staff who could ultimately take over their tasks. Without having concrete and viable training programs for their nationals, there is a danger that some African countries may end up in a vicious circle of technical assistance or manpower shortage where one type of expatriate creates the need to import and depend on another group of expatriates.

This lack of qualified and experienced local manpower tends to slow down the implementation of many construction projects with the often undesirable effects of very big cost overruns and prolonged construction periods which benefit neither the aid-giving countries/organizations nor the aid-receiving countries. In addition, and given this local manpower problem, the ideas and thinking of expatriate personnel and foreign consultants has tended to dominate and shape the nature and content of most plans and projects, especially in the housing and industrial/manufacturing sectors though such projects and plans tend to contain a lot of the national aspirations rhetoric of a country's development philosophy. This is because expatriates do not get effective local counterpart staff to work along with and assist them in relating their knowledge to a different local environment.

B. Past and Present Manpower Training Strategies and Foreign Aid.

Faced with the above mentioned problems, many African countries have sent their nationals for further and specialized training abroad, notably to France, the United Kingdom, the USA, Canada, Poland, Russia, Australia, the Netherlands, West and East Germany, Sweden and Italy, either under bilateral agreements or technical assistance or under the sponsorship of international organizations like the United Nations Organization, Commonwealth Foundation, Ford Foundation, Canadian International Development Agency (CIDA), Swedish International Development Agency (SIDA) and World Bank. Those African countries who can afford to have directly sponsored their nationals for studies abroad or in another African country. Whatever the source of finance for such training abroad its per capita cost is always very high. Consequently, only a few nationals get trained with a given budget. With the present everrising cost of training abroad, especially tuition fees, boarding and living expenses, an everdecreasing number of nationals from a given African country get trained from a given budget (often declining aid in real terms) each successive year. For example the cost of training, especially tuition fees. for foreign students in the United Kingdom has more than doubled in the past few years from about £850 per annum to £3000 a year per student. For degree courses in medicine in the United Kingdom the tuition fee is quite prohibitive and can be as high as £6000 or more per student per annum. There is every indication that this rising trend in the costs of training Africans abroad will continue to rise in the future such that fewer and fewer Africans will be trained in the future with the present level of foreign aid or technical assistance to African countries.

There are many Universities and Polytechnics in Europe, North America and Asis which have trained Africans in the fields of architecture, housing, building and planning as well as in land surveying, land economy or estate management and valuation, quantity surveying, public health or sanitary engineering. Typical examples of such training institutions are the following:

1. United Kingdom: Oxford University, Cambridge University, University of Nottingham, Liverpool University, University of New Castle Upon Tyne, Reading University, Loughbourgh University of Technology, Oxford and Nottingham Polytechnics, and Polytechnic of the South Bank.

2. Canada: University of Toronto, University of Waterloo and McGill University.

3. USA: Massachusetts Institute of Technology, Ohio State University, University of California (Berkeley and Los Angeles), Harvard University, New York State University, Columbia University, University of Michigan, University of Mississippi, University of Pittsburgh and University of Wisconsin at Madison.

Other institutions of higher learning which have trained Africans are the Asian Institute of Technology in Thailand, Bouwcentrum International Education in the Netherlands, Katholic University of Leuven, especially the Post Graduate Centre - Human Settlements in Belgium, and the Economic Development Institute of the World Bank. This list of Universities and Polytechnics in Europe, North America, Asia, Australia and New Zealand which have trained Africans in the above-mentioned subjects and related to housing is not exhaustive.

When one examines the curriculum and syllabi of these institutions, one finds certain similarities in the courses offered. For example, undergraduate and post-graduate degree or diploma programs in town and country planning or urban and regional or rural planning offer the following courses: planning theory, regional planning, rural planning, introduction to quantitative methods in urban planning, urban transportation planning, land law, planning law, cost-benefit analysis in urban and regional planning, housing, city planning administration, land use policy, spatial models in urban planning, urban design, research methods, master planning, planning practice, sociology of planning, urban economics, history of town and country planning, neighborhood planning and design, land use controls, urban planning data and forecasting, statistics, transport policy and planning of municipal engineering and highway and traffic engineering, urban landscape planning and design, transport economics, project work/dissertation or thesis, society and environment, planning techniques, politics in planning, planmaking and evaluation, and Planning Studio. Indeed there are many similarities in the courses offered. For example the course on municipal engineering and highway and traffic engineering at the Liverpool University in the United Kingdom is called transport policy and planning at the Lanchester Polytechnic, Coventry in the United Kingdom and urban transportation planning at Ohio State University in the USA.

On the other hand, degree and diploma courses in architecture offer the following courses: principles of design, theory of structures, building technology and services, physical environment, 20th century design, town and country planning, building costs, design projects, building and environmental engineering, history of architecture and planning, structural design, construction and materials, specifications, auditorium acoustics, graphics and design, landscape, law, quantity surveying, social studies,

valuation, urban economics, services, environmental physics, housing, history of architecture from 1450, perception and communication studies (e.g. space, form, light and color).

Of the institutions of higher learning mentioned above, the University College of London, especially the Bartlett School of Architecture and Planning (the Development Planning Unit) in the United Kingdom, Bouwcentrum International Education, Rotterdam, in the Netherlands, and Post Graduate Centre - Human Settlements at the Katholic University of Leuven, Belgium do offer good courses on housing and of practical relevance to many African countries because of four major reasons:

1. They have a lot of good literature on many Third World countries--especially African countries;

2. Their staffs have considerable working experience in a number of developing countries;

3. The courses they offer are more practical and project oriented rather than being theoretical;

4. The students or participants who attend the courses have at least two years of working experience and go to the courses with something practical to work on and later apply at home after completion of their studies.

Despite the fact that these institutions offer good courses in housing, there are very few people from Africa who have attended and can attend such courses because of the high costs per capita, especially when you compare such output to the actual numbers of high level manpower required in different African countries.

VI. TRAINING STRATEGIES AND ALTERNATIVES FOR THE FUTURE

A. Background to In-house Training.

African Universities and Polytechnics like the University of Ibadan, Nigeria, the University of Zimbabwe, Zimbabwe, the University of Nairobi, Kenya, Khartoum University in Sudan, Archi Institute in Tanzania, the University of Zambia, the University of Science and Technology in Kumasi, Ghana, tend also to offer similar courses like those offered by the Universities mentioned above. Since their courses are in countries where most of the students come from, the students have a better chance to apply what they learn in class even before they finish their studies. They are thus better placed to test various theories against realities they meet in the field during their fieldwork and practical attachment. By the time they finish their academic studies, they are better prepared such that they need relatively less time for adjusting to the local situation than those who graduate from abroad.

Given the rapid increases in population and the need to provide an increasing number of professionals and sub-professionals, there is an urgent need to formulate viable training programs which will assist African countries realize the goals of self-sufficiency in high- and middle-level manpower. Indeed they need to train a large number of sub-professionals for the housing sector. Training professionals is normally more expensive than training sub-professionals. Therefore, the number of professionals that can be trained by a given African country is less than that of sub-professionals with the same budget. It also takes a shorter time to train sub-professionals than professionals. African countries also need a large number of skilled people who can go and work in the field to help people improve their houses or construct better houses. These sub-professionals would also assist the few professionals working in urban and rural areas to solve the practical problems of housing development and improvement at the small community level.

In training manpower for the housing sector in Africa, developed countries and international organizations have been offering and continue to offer valuable assistance to most African countries. As mentioned above, they have provided training facilities in their countries to nationals from African countries. This is because there are many African countries which do not have such training institutions to offer places for their nationals. However valuable this technical assistance may be to African countries, it is submitted that a long term and ideal solution to their manpower problem lies in the establishment of training facilities in the African countries themselves. With some specialization in training, developed countries could concentrate on specialist and/or high degree training. It is imperative that professionals and sub-professionals who are going to work on housing and human settlement problems in African countries should get their training in African countries where they can get their instruction and education on the spot by working on real projects and by participating in the solution of real African housing problems. Developed countries and international organizations can assist African Governments to realize this goal in four different but complementary ways:

1. Assist African countries in establishing new training institutions in the field of housing and human settlements;

2. Help strengthen the few existing training institutions and programs to enable these training institutions extend their training facilities to more people so that more professionals and sub-professionals are trained than before;

3. Assist the training and research institutions in carrying out more applied research and in preparing local case study materials for their training programs so that these training institutions use more up-to-date and relevant teaching material in their training courses;

4. set up institutional arrangements and procedures for staff exchanges between training institutions in Africa and those in developed countries so that trainers in Africa get the necessary experience and thereby strengthen the institutional capacity of African training institutions.

B. Institutionalized In-Country and Regional Training Institutions.

Many African countries, especially in East Africa, have a large number of craftsmen and technicians (fundis as they are called in Kiswahili in East Africa) who have been trained outside formal trade/technical schools. A good example are the self-employed bricklayers, plumbers, masons, carpenters, etc., who work largely in the informal construction sector. They are usually hired by individuals under informal contracts, to construct houses or parts of houses depending on the financial ability of the individual builder to pay for such services. In Tanzania some of these technicians and craftsmen were trained by religious leaders, especially by Roman Catholic priests during the colonial period. Others have learned or acquired such skills through on-the-job training.

Although they do not have Certificates from recognized trade schools, a good number of them are well trained and can put up blocks of flats and bungalows without much difficulty or with little supervision. They also know how to read and interpret building plans. Most, if not all, individual builders in urban and rural areas in Tanzania use these craftsmen and technicians to construct their houses because of several reasons:

1. It is cheaper to hire such trained and self-employed craftsmen and technicians;

2. It is easier to control their activities and quality of work and hence ensure good workmanship and cost control;

3. The person to person contact is based on trust, and it is easier to conclude such a contract than a formal contract with a registered building contractor where much paper work and formalities are involved and it is expensive for a common man to do;

4. It enables an individual or family to build a house in stages because he has a lot of flexibility in deciding where he needs hired technical expertise when building a house. It could be doing the electrical fittings, putting up the roof and rafters or it could be plumbing work only.

Self-employed craftsmen and technicians are cheaper to hire mainly because they have virtually no fixed overhead costs and use simple construction tools instead of heavy and costly construction equipment.

Although most of the construction work in the housing sector is done by this group of craftsmen and technicians, there is a need to institutionalize their training so that the training they receive is officially recognized and they get recognized certificates at the end of such training. Institutionalized training and a clear scheme of service for all cadres in the housing field will attract more sub-professionals. As long as their career development prospects and remunerations are well defined and attractive it will be possible to attract young people and train a large number of sub-professionals and craftsmen and retain them in the housing field. This will also help instill a sense of commitment to the concept that their profession is and should be the development of the housing sector. Institutionalized training will also facilitate the planning of manpower training in the housing sector. In addition it will assist Governments and donor agencies/countries in channelling aid to such training institutions as well as ensuring that the aid thus provided is well utilized to train people who are actually required in the housing sector.

In-country training institutions are more suitable for the training of sub-professionals and craftsmen while regional training institutions are more appropriate for the training of professionals because of their different resource demands and the nature of work each group performs or is expected to perform.

1. Regional Training Institutes. Regional training institutes have many advantages amongst which include the following:

   a. Gathering of practicing professionals and sub-professionals from a number of African countries with different backgrounds offers the rare opportunity for practicing people to exchange ideas and share experiences;

   b. Training of African students in one regional institute promotes the spirit of inter-African cooperation and is consistent with the spirit of African unity and indeed of the Organization of African Unity;

   c. They offer an opportunity to undertake a comparative analysis of the successes and failures of housing schemes in different African countries thus enabling participants to learn from the mistakes and successes of other pioneering countries for the benefit of their own countries especially in a region like East Africa where conditions are rather similar (e.g., Uganda, Kenya, Tanzania, Malawi and Zambia);

   d. It is more economical to invest in a few big regional training institutes on a large scale rather than on many small national training institutes. In particular, establishing specialized or large national training institutes in small states with a small population of 850,000 - 4,000,000 people may not be a viable alternative in a short and medium term or long term;

   e. With a big and wide student catchment area, a regional training institute could guarantee a continuous flow of an adequate number of students and practicing people/participants to its courses hence ensuring its full utilization all year round as long as it is efficiently run and its courses are good;

   f. A regional training institute can draw on practicing specialists and experienced experts from the region to come and teach in its training courses from time to time thus enriching the value and quality of its training programs.

   g. Moreover a regional training institute has a greater potential, given the wide and varied composition of its staff and students, of producing graduates with a wider perspective than a national training institute;

   h. Per capita cost of training African professionals in an African regional training institute would be lower than that of training professionals in a developed country. Hence more people would be trained with the same budget that would be used to train people in developed countries;

   i. Finally, a regional training institute if it is well prepared and run, has a greater potential to attract large donors to support it than small national training institutes.

One important value of regional training institutes is that they tend to be relatively more free from internal politics and national constraints of a given (host) country than national training institutes. Hence, the training they offer tends to be not only broader but more sound and better. It is thus possible to attract the participation of many donor countries and international organizations to support the training program in various ways like providing fellowships for the students or participants, providing and/or paying for occasional lecturers from the region, providing books and equipment, and supporting the construction program of the institute itself.

2. In-Country Training Institutes. Notwithstanding the above merits of regional training institutes, in-country or national training institutes have a very big role to play in training skilled manpower, especially sub-professionals, for those African countries which are interested in increasing their capacity to train their manpower within their respective countries. However, before a country establishes a national training institute to train manpower for the housing sector, it has to do a number of things amongst which are the following:

a. Survey or carry an inventory of the present and future manpower requirements both for professionals and sub-professionals. This should include the nature, level and number of each group to be needed and to be trained;

b. Assess the present allocation and utilization of the few professionals and sub-professionals to ascertain whether or not they are being fully utilized or underutilized;

c. Determine where the present professionals and sub-professionals have been and are being trained and the cost of such training;

d. Compute the cost of training locally the needed manpower for a country and compare it with the cost of training the required number outside the country;

e. Evaluate the adequacy, stability and continuity of the source of funds for training a country's manpower abroad. Will it continue in the future and will it enable you to train the required number for the country? Will inflation not reduce the number of nationals to be trained abroad? Has a country got the capacity and resources to support such a training program for a long time?

f. Consult and involve all Government Ministries or parastatals and the private sector to determine their manpower requirements in the housing sector so that the training program is modelled to meet their manpower training requirements;

g. Involve all actors (Government Ministries, parastatals and the private sector) in the planning, establishment and running of the training institute so that they feel it is their baby and hence feel committed to support its continuity by providing and/or sponsoring students and meeting the costs of running and maintaining the training institute;

h. Find a dependable source(s) of financing the establishment, running and maintenance of the training institute;

i. See what other functions the training institute can do apart from conducting training courses, like doing applied research, documentation and provision of information to would-be builders and the Government, and the provision of consultancy services;

j. Find a suitable location and place for the training institute with adequate training facilities, infrastructure and good communication links with the rest of the country and/or other training institutions in the country;

k. Find a good and well-trained number of staff to initiate the training program. This could be a group of expatriates and local counterpart staff, but institutional continuity requires that the institute begin with at least a core group of a few local counterpart staff who understand from the very beginning what the training institute is all about and why it was established so that they can easily and smoothly take over the running and management responsibilities of the institute once technical assistance ceases and all expatriates leave the training institute;

l. If there are no suitable local counterpart staff, select a core group of a few nationals and train and prepare them before the national training institute(s) commences so that they come back to open and run the institute jointly with the expatriates from the very beginning. This core group of local counterpart staff should undergo an intensive course on how to establish and run the training institute and how to prepare and conduct the training courses before the training institute comes into operation;

m. Designate one central Government Ministry (preferably that Ministry which is responsible for housing or human settlement) as the coordinating authority in the country for that training institute. That government ministry should be responsible for ensuring that the training institute gets established, gets the necessary staff, funds, equipment and furniture, and operates and continues to operate smoothly;

n. Create an advisory board that will meet a few times a year to advise the management of the training institute and the responsible Government Ministry on (a) training programs of the institute, (b) future activities of the training institute, and (c) staffing, management and funding of the training institute. That board or committee should be composed of senior officials from Government, parastatals and other organizations.

These points equally apply for the establishment of a regional training institute.

3. Establishing Regional and In-Country Training Institutions. Before a country establishes a national training institute, it should satisfy itself that a real need for such a training institute exists and that its graduates are needed and will continue to be needed by the national economy so that it does not run into a situation of producing graduates who will saturate the market in a number of years thus putting into question the continuity of such a training institute. Use of existing, well-established training institutes or Government Ministries or parastatals so that the new training institute can get initial support and be able to utilize existing facilities and experience is advisable. With such an approach, the establishment of a new training institute in the field of housing would not be very demanding on a country's limited human and material resources, especially finance and well-trained personnel.

During the project write-up for the regional or in-country training institute, the organizational structure of the institute, its functions and objectives and how the training institute will relate to the other existing organizations in the host country should be clearly defined. This should be done by experts in consultation with other organizations and Government Ministries interested in the project and/or who will be responsible for its operation and continuity in one way or another in the future. A clearly defined organizational structure and relationship with existing national institutions contributes a great deal to the reduction and solution of possible future friction and problems with existing organizations. Its organizational structure, aims and objectives, performance and relationship with other organizations in the country or region should be subject to periodic review first (a) after the first two years and then (b) after every several years so as to enable it to adjust itself to changing circumstances, and live up to realities.

Moreover, when formulating the project document for the training institute, attempts should be made to integrate it within the existing institutional structure and arrangements in the country so that it gets full acceptance and recognition from the rest of the system and does not appear to operate as an island--a situation which often raises a lot of jealousy from existing institutions and makes the operation of the new training institution rather difficult. However, extra care must be taken and caution exercised to ensure that such integration does not make the new training institute ineffective and unfunctional. Of prime importance is the official recognition of the training program and the qualifications or certificates the training institute will offer or offers and its subsequent incorporation into the schemes of service of a country. Official recognition and subsequent incorporation of the academic qualifications of the training institute into a country's schemes of service for professionals, sub-professionals and craftsmen would make the training program more attractive to many potential students in and outside the country.

As suggested above, local counterpart staff should be involved in the initial discussion and preparation of the training institute, as well as in the initial running of the institute so that they understand what the project is all about, how it will function, its aims and objectives, nature and aim of its courses, the problems it is likely to face once it comes into operation and how those problems could be solved.

In addition, at least two local counterpart staff out of those who participated in the initial discussions and formulation of the project document for the training institute should be retained for a minimum number of three years by the new training institute to ensure its continuity. Such staff should also participate in preparing and in the subsequent development and improvement of the syllabi and curriculum of the various courses to be offered and being offered by the training institute. This will enable them to understand why some courses were introduced and how and why others were or should be changed over time.

Teaching and research responsibilities should be shared between local staff and expatriates from the very beginning. Whenever an expatriate is teaching, there should be one or two local counterpart staff present and sitting in the lectures. Those local staff should be the very ones who are being prepared to take over teaching responsibilities of that subject area from the expatriate when technical assistance to the institute ceases or when the expatriate leaves the country. This procedure of on-the-job training for local counterpart staff should equally apply to every research project to be undertaken by the training institute.

Likewise, the administration and management of the training institute should be jointly shared between the expatriates and local staff from the very beginning. This arrangement should operate for about 2-3 years with a

transition period of about 6-9 months during which most management responsibilities should be transferred to the local staff but with occasional management advice and support from outside, especially from those expatriates who were previously involved in the management of the training institute or from those who have had such experience elsewhere. However, outside expertise support, in terms of teaching and research staff whenever courses are in progress or research is being conducted, should continue for several years as well as external funds until such time that the training institute is well established and self-reliant.

With such an arrangement it will be possible to secure a smooth transfer of administration and management responsibilities from expatriates to nationals as well as ensure the training institute's continuity once technical assistance ceases.

VII. ARDHI INSTITUTE AND THE CENTRE FOR HOUSING STUDIES

A. Ardhi Institute.

Ardhi Institute began in 1960 as a Survey Training School to train Form Four School leavers for two years (one year at school and another year in the field) as Land Surveying Technicians. In 1972 it formally began offering diploma courses. An Act of Parliament, Number 35 of 1974, was passed to establish Ardhi Institute as a body corporate to consist of the following departments: Department of Land Surveying, Department of Urban and Regional Planning, Department of Estate Management and Valuation, Department of Design, Building Construction and Housing Management and any such other Departments as the Governing Council of the Institute may, with the consent of the Minister, establish. The major functions of the Institute are:

1. to conduct training programs in the subjects of the Departments mentioned above;
2. to engage in theoretical and applied research in the subjects of the Departments mentioned above;
3. to provide consultancy services to the Government, parastatals and other bodies which the Minister may designate;
4. to sponsor, arrange or provide facilities for conference and seminars.

Since its establishment as a full parastatal body, Ardhi Institute has produced, as the table below shows, a total of 553 diploma graduates up to the end of the present academic year 1981/82 which ended on 30th April, 1982. Indeed, Ardhi Institute has trained more than twice the number of professionals trained abroad since its establishment. This big figure and the valuable contributions its graduates are making to the national economy are a manifestation of the contribution a national training institute can make to the development process of a country and in particular to the attainment of self-reliance in the housing sector.

TABLE 5.1

ARDHI INSTITUTE GRADUATES 1972-1982

Name of Department	Total Number of Graduates to April 1982
1. Land Surveying	106
2. Urban & Rural Planning	148
3. Estate Management & Valuation	175
4. Building Design	83
5. Building Economics (Quantity Surveying)	41
6. Public Health Engineering*	
GRAND TOTAL	553

*Begun July 1981--the first 24 students finished their first year, end of April 1982.

When Ardhi Institute began its diploma courses, it was offering two-year diploma courses. After a few years, it was found that the two years were not adequate to enable one to acquire a good professional diploma in a technical subject. So the duration of diploma courses was increased to 3 years in 1976. There is now talk to increase the duration of some courses, especially in urban and rural planning and building design, from 3 years to 4 years to allow the students more time to do good diploma projects. Ardhi Institute still runs a Land Surveying Technicians Certificate Course for 2 years at its Morogoro Branch with an annual intake of 50 students. Over the past 2 years, the Government of Tanzania has been urging the Institute to start Technician Courses in all the other departments since there is a big shortage of technicians in the country in the technical fields such as architecture, urban planning, valuation and estate management and quantity surveying.

Many technicians are needed in the field and offices to give a helping hand to professionals. Lack of technicians tends to force professionals to do routine tasks which could have been done by sub-professionals. The shortage of technicians tends to overburden professionals even with routine tasks which could have been done by less qualified personnel. Experience and research findings indicate that every professional needs five technicians for him/her to operate effectively and efficiently. And each technician needs 5 craftsmen to do his job efficiently. This ratio of 1:5:25 does not exist in Tanzania and does reflect the bias towards the training of professionals who do not get enough assistants to help them do their job well. This situation also exists in the engineering profession, especially civil engineers.

B. Centre for Housing Studies.

The Centre for Housing Studies Tanzania was established at the Ardhi Institute in Dar es Salaam, Tanzania on 1st January, 1979 after a one-year preparation period on the joint initiatives of the Governments of the United Republic of Tanzania and the Netherlands. Briefly stated, the Centre is a joint project between Tanzania and the Netherlands on training, applied research, documentation and information services in the fields of housing, building and planning and human settlements in general. The Centre is a semi-autonomous training, research, documentation and information centre under the general umbrella of Ardhi Institute. It was officially established and remains as a regional project to serve Eastern and Southern African English-speaking countries. In all of its activities, the Centre gives special emphasis to the community requirements and housing needs of both rural and urban low-income families and to the facilities and infrastructure related to housing and low-income human settlements especially water, sanitation, school and health facilities and employment oppertunities. The work of the Centre is aimed at contributing towards the improvement of living conditions and standards in rural and urban areas of Tanzania, Southern and Eastern Africa. This aim is being carried out in five different but complementary ways:

1. training of middle and high level manpower;
2. conducting applied research;
3. running conferences and seminars, workshops and symposiums;
4. providing documentation and information service;
5. providing consultancy and advisory services in housing, building and planning, valuation and estate management to the Government, parastatals and the private sector;

The training program of the Centre for Housing Studies is designed to service manpower needs and requirements in the fields of housing, building and planning in Eastern and Southern Africa. The courses of 3-4 months duration are intended for practicing professionals and technicians working on human settlements and housing programs or projects within the public or private sector. All the courses are practice or project oriented and are often based on case studies and the experiences of particular Third World countries--especially African countries. Live projects enable participants to spend part of their time "learning by doing."

In addition to theories and principles of development and human settlements, the courses emphasize the practical aspects of policy analysis, project implementation, decision-making and the use of physical, fiscal and economic policy instruments. Case studies and the experiences of particular countries serve to illustrate development issues and policy options in a medium to long-term perspective, without neglecting the short-term effects of improvement and incremental programs. Within the macro-economic framework of human settlements, elements of sector and project analysis are included in order to reinforce the practical orientation of each course. Courses also deal with the planning, organization and management of housing activities by the coordinated efforts of the public and private sectors. They demonstrate ways of

promoting self-help and techniques of housing and infrastructural improvement through public measures, such as pricing, regulations and selective investments.

Since early 1979, the Centre has organized 7 long regular courses on: Rural Housing (twice), The Planning of Small Settlement, Housing Finance, The Planning of Sites & Upgrading Projects (twice) and Construction Management of Self-Help Housing, each of a duration of 3-4 months. The courses on Rural Housing were for Tanzanian technicians only, but the other courses were regionally oriented and drew participants from 13 countries in Eastern and Southern Africa, namely: Botswana, Ethiopia, Kenya, Lesotho, Malawi, Mauritius, Seycheles, Somalia, Sudan, Swaziland, Tanzania, Uganda and Zambia. At present the Centre is conducting its eighth regional course on The Planning of Small Towns and Villages, April-August 1983. This course is being attended by 22 participants from 7 African countries. All these courses have been organized with the teaching assistants from Bouwcentrum International Education, Rotterdam, The Netherlands and various Governmental Ministries and parastatals in Tanzania, World Bank and UNCHS (HABITAT).

At the request of the United Nations Centre for Human Settlements (HABITAT), the Centre has twice organized a three-month special course on Human Settlements Planning and Administration for Namibian trainees of the United Nations Institute for Namibia, based in Lusaka, Zambia. Both courses were wholly financed by the United Nations.

Two short courses on Urban Surveys and Studies with Aerial Photography were organized for Tanzanian participants with the assistance of the ITC, Enschede, The Netherlands.

Whenever a course is being conducted the Centre draws on the experiences of practicing professionals who come to give lectures on certain practical issues or projects they have implemented or they are implementing. Their lectures tend to enrich and complement the lectures given by the Centre's staff and BIE staff. Field visits to sites to physically visualize and discuss problems on the spot have proved to be more educative than mere classroom discussions. Moreover, practical exercises (which form the second major part of the Centre's courses) on practical issues like the planning of actual squatter upgrading in squatter areas like Mwananyamala Kisiwani, Kinondoni Shamba, Mtoni-Tandika and Mbagalla in Dar es Salaam were undertaken by course participants. The participants, under the supervision of the Centre's staff with some assistance from the Ministry of Lands, Housing and Urban Development, carried out the field surveys, analyzed the data they collected and after talking with the residents of the areas produced the upgrading proposals. These squatter areas are going to be upgraded by the Government of Tanzania in the near future. The squatter upgrading exercises done by the participants were presented to Government officials and experts who are involved in the planning and implementation of sites & services and squatter upgrading projects in the country for their comments. This training approach, where participants work on actual problem areas, produce planning proposals which practicing professionals comment upon, and implement them has proved to be a more effective educational method than many other approaches the Centre uses. It is the Centre's hope that the Government will take into account the proposals from these exercises when it comes to prepare the official upgrading plans for these squatter areas in Dar es Salaam.

The Centre for Housing Studies has also done other practical exercises on improving rural housing and planning the development of small towns and trading centers during other courses. Sites for doing all the exercises are chosen after consultation with Government Departments to ensure that the results of the exercises are going to be useful one day not only to the Centre but to a Government or parastatal or some other organization or local community.

Next year, 1982, the Centre plans to run the following three courses, each for a 3.5 month duration:

1. Water and Sanitation for Low-Income Housing,

2. Housing Finance, and

3. Construction Management.

Apart from conducting training courses, the Centre had sole or joint responsibility in running a number of international conferences and seminars and produced valuable recommendations. Many of these recommendations sent to the Government have begun to bear useful fruits. Moreover, the Center has done small scale applied research mainly as an input into its training programs. From late this year or early next year 1983, the Centre hopes to embark on large scale applied research for third parties because quite a number of institutions have requested the Centre to do research for them, particularly now that the Centre's staff position has tremendously improved and will continue to improve in the future. Ardhi Institute has also trained students from Uganda, Zambia and Botswana.

At present, the Centre is writing a Five Year Development Plan 1983-1987 inclusive, which will try to give equal weight to the training and research programs of the Centre. This is because the training program of the Centre is now more or less established and it is not likely to demand a lot of time of the staff for course preparation as has been the case in the past 3 years. The draft Five Year Plan envisages a considerable physical expansion of the Centre, an increase in the number and size of its training and research programs, documentation and information services as well as the provision of more consultancy and advisory services to both the public and private sectors. It also plans to widen its area of coverage and influence during the coming five years. During the next five years, the Centre plans to widen and strengthen its cooperation with other organizations and training and research institutions in and outside Tanzania.

VIII. THE TEN COMMANDMENTS

For a country to attain self-reliance in housing and be able to improve the general housing conditions of all its people it should and has to (a) evolve its own education and training program to suit its own local conditions and (b) uphold the following ten commandments:

1. The state should not provide or construct finished housing to people because housing provision and or improvement is a family, and at most a clan responsibility.

2. The State should provide serviced land or plots to the people.

3. The State should not provide housing or rent subsidies to people.

4. Civil servant housing should not become the central focus of a national housing policy.

5. The State should accept and respect the gradual, incremental and evolutionary approach to housing development and improvement by people.

6. The State should respect and encourage the use of African architecture, indigenous technology and local building materials.

7. The State should devise and apply domestic solutions and resources to the solution of its housing problems and deemphasize dependency on externally generated resources and solutions.

8. The State should not institutionalize self-help construction activities, the informal housing sector, and indeed housing. But it should explicitly promote and support self-help construction activities in the country.

9. A national housing policy should be uniform and not for particular regions or income groups.

10. A country should not import wholesale development models from another (developed) country.

These ten commandments should form the basis and become the principles of the philosophy of education and training programs in the field of housing and human settlements. Since education is about changing peoples' and the trainees' values, making them accept and face realities and preparing them to solve societal problems within given constraints (both those constraints which can and cannot be changed or modified) in the most realistic manner possible, then educational and training programs on housing in Africa should be evolved around these ten commandments. Indeed these commandments are the pillars of self-reliance in Africa.

However, these commandments should not be taken literally and dogmatically--especially when it comes to the formulation of training programs, housing policies and development strategies. For example, in a country there will always be people who are often transferred from one part of the country to another. These include the police, army people, medical staff and a few civil servants. For these people the Government has to provide some public finished rental housing. But the provision of such housing should neither form a general housing policy for the country nor should it be allowed to consume the largest share of scarce public funds and other resources. Similarly, a national housing policy for a country should not be dominated by the interests of the minority if it is to be successful in improving housing conditions of the majority. As mentioned above, there will always be some civil servants who will need finished and subsidized rental housing provided by the State for them as a bonus. However, the provision of such highly subsidized housing to the minority who do not even constitute 5% of a country's total population should neither be allowed to become a central focus of a housing policy of a country nor take away the largest share of a country's limited public resources and funds for housing just to cater to the

special needs of the few. What tends to happen very often is that in many Third World countries the national housing policy of a given country dwells at length on what the State will do for the minority in terms of providing high cost, high standard and highly subsidized housing (for rental or owner-occupier) to the few and neglects what the majority of the people are doing and can do for themselves to solve their own housing problems and what the State can do to assist the majority provide more and better housing for themselves under better, secure, safe, legal and environmental conditions. Even where the official policy explicitly states that the Government will devote the largest share of its resources and those of the country to the provision and improvement of low-income housing for the low-income families who form the majority of its population, experience from Nigeria, Kenya, Tanzania and Zambia shows that in practice the contrary occurs. That is, despite the good intentions of these official documents, the State actually spends the largest share of its resources on the provision of few conventional finished houses, flats and serviced plots to the few (high and middle income groups).

Subsidies on rents, loans and mortgages taken by individuals and on building materials do not only place an unnecessary financial burden on the already overstretched Government budget of a country but they also tend to discourage self-reliance in housing provision on the part of civil servants and parastatal sector employees who do not live in highly subsidized public housing but keep on waiting for such housing hoping that one day they will be lucky to get it like their colleagues instead of practicing self-reliance to meet their unmet housing needs.

Likewise self-reliance does not mean autarchy because we live in an interdependent world. It does not mean that Africa does not need technical assistance or expatriates to assist speed up the development process. But it does mean that African countries should be more inward looking than before and try to reduce dependency on imported building materials and on expatriates, particularly since not all expatriates are adaptable and sensitive to local conditions. Housing is a very vital sector of a national economy and is so intertwined with the culture, history and values of a society such that its genuine and sound development has to depend on domestic resources of a country and not on external aid--both technical and financial.

If one were asked the question, "Of these commandments which are the greatest and most important commandments?," one would say commandments 5 and 7. A country should seek to improve its housing from its own human and material resources and should learn from traditional methods of constructing and improving housing as a long-term solution to its growing and worsening housing conditions. Granted that some solutions do exist and have been tried in a number of African countries, and a country can successfully harness its own resources, it is suggested that a country should start the process of general housing improvement by thinking small and being modest, by doing small things, especially by making small incremental changes and improvements to its housing stock if it is to attain self-sustained improved housing for and by the majority of its population.

History shows that house construction and improvement by people has always been a gradual, incremental and evolutionary process even in advanced countries. There have not been dramatic universal improvements in housing conditions of a society in a given country over a short period of 2-3 decades. Provision of housing has always remained a family or clan responsibility, and at most, a village collective responsibility in some tribes in rural areas in Africa. The provision of finished housing with its completed utility connections and its share of land and local facilities all developed in a single set of operations and in a definite short time period by the State is a recent phenomenon and has not made a significant impact on the housing situation in Africa such that it cannot be expected to solve the housing problems of the majority of the population in Africa.

The unlimited investment period in evolutionary housing means that both dwellings and services get enlarged and improved gradually and incrementally in an evolutionary manner from low standards and costs to high ones. This "gradual building, rebuilding and improving process" of one's house and human settlements over an open-ended period of time is a necessary and viable strategy for attaining higher housing standards in urban conditions in Africa where all housing goods and services cost a lot of money. This requires radical adaptation in the understanding and performance of urban planning and housing authorities so that they accept and tolerate initially cheap and low standards of land development and building construction instead of insisting on the preservation and enforcement of high and fixed standards of urban development and housing which can hardly be attained and afforded by the majority of the population.

It should be noted that these commandments are not the biblical truth like the ten commandments given by God to Moses. Thus they ought to be observed and applied to match with the prevailing and sometimes changing local situation. Strict observance and adherance by a country to these commandments is not a guarantee that it will automatically be able to improve its housing conditions. What is required is the formulation and implementation of appropriate and realistic housing policies and strategies based on these principles for the realization of the goal of providing, on the basis of self-reliance, decent housing for every family in a country. Without following these commandments, the goal of self-reliance

in housing will be difficult to attain for most African countries.

IX. CONCLUSION

Experience shows that regional and in-country training institutions with outside support, especially with well selected expatriates and external funds, tend to do better than training institutes entirely dependent on the domestic resources of a country. Another experience is that premature Africanization of staff and a quick transfer of the management responsibilities from expatriates to local staff who may lack the necessary experience (though they may have good academic qualifications) does more harm than good as well as endangers the continuity of the training institute. Another lesson we have learned in Tanzania is that to ensure continuity, regional training institutes should have a dependable and stable source of outside funds and local funds from the host country. To expect other African countries to participate in financing the initial establishment, and then the maintenance and running of a regional training institute is something which has not worked well in Africa because some countries do fail to honor their financial commitments either because of their internal economic difficulties or because of political differences. A reliable and adequate source of external funds for the training institute and for fellowships for its students seems to be the best and viable option to choose and follow.

Involving practicing professions, consultants and experts from international organizations, like HABITAT and the World Bank, who are involved in housing, to teach in the courses tends to improve the quality of courses and makes them more action-oriented. This approach contributes to their attractiveness to potential course participants from the African region.

Organized study tours to a neighboring country or countries to enable participants to see, learn and compare projects on the spot with those of the host country where the regional training institute is located or with projects in their own countries is both more educative and attractive to participants, especially those who are in actual practice in the housing sector. It also broadens the knowledge of the teaching staff.

A training program in the housing sector and any other sector of the national economy should be well-balanced so that it produces a good combination of manpower at all levels. It should not emphasize the training of professionals at the expense of sub-professionals and vice versa because both types of manpower are equally important to the development of the housing sector but they are needed in different numbers. Since the real housing problems and actual implemented housing projects are found and located in African countries, then the ideal place to train the manpower that would assist African countries in solving their housing problems and improving the quality of housing in Africa would be in Africa itself. That is, the training institutes should be located in Africa.

Since many conference and seminar papers, masters and doctorate degrees have been written on human settlements and housing, especially on sites and services and squatter upgrading projects and areas in Africa notably on Mathare Valley and Dandora in Nairobi, Kenya, Chawama and George Compound in Lusaka, Zambia, on Manzese and Sinza in Dar es Salaam, Tanzania and Ndirande in Blantire, Malawi, there is a need to assemble that material and publish several books on housing in Africa so that the regional and in-country training institutes on housing and human settlements can use more up-to-date and relevant local African material in their training programs. Quite a lot of research findings on housing and human settlements has come out in the last decade but this remains largely unpublished; hence not accessible to the majority of scholars and practicing professionals and sub-professionals. Their publication and subsequent sale to the public would help improve and increase the quality and amount of reading material on human settlements in Africa in the training institutes located in and outside Africa. Publication and subsequent use of literature based on African material is consistent with the policy of self-reliance in housing and other sectors which every independent African country pursues. Developed countries and international organizations have a big role to play in this regard, especially through technical and financial assistance to document and publish such literature based on African material and experience which has been gained from the planning and implementation of various housing schemes in African countries. They can either assist African countries publish such materials in advanced countries or assist African Governments establish publishing houses in Africa or do both.

Occasional evaluation of the whole training program, its organizational structure and its relationship with other institutions and Government Ministries is very useful and tends to produce valuable lessons and results especially if it is done on an annual basis by an independent group of evaluators appointed jointly by the Government and other financers of the training institute. Another part of the evaluation exercise should be for the training courses. Every time a course is conducted, it should be evaluated at the end by the evaluators together with the participants of that course and the staff. An evaluation report should thereafter be written so that the staff is given the opportunity to learn from their successes and mistakes with the ultimate view of improving future courses and their own performance. It will also assist the regional or in-country training institute maintain the relevance of its training program to changing conditions in the region or

country. Such evaluation reports should be sent to all responsible authorities, the staff and the management of the training institute so that they can take timely measures to change things or correct mistakes where they have been made. With such an administrative arrangement, especially flexibility and possibility of adaptation incorporated in the project write-up of the training institute, it will be possible to strengthen the training institute and improve the quality and standard of its training courses over a relatively short time period. A mechanism to ensure the implementation of the recommendations of the evaluation reports should be set up so that the recommendations actually get implemented for the benefit of all interested parties and beneficiaries of the training institute.

Much of the training which has been done abroad emphasizes the technical aspects of planning and the fact that the planning and development of towns and cities must be done in a proper and right manner. That is, towns or cities in Africa should be clean and beautiful, should have a proper city center, good parking facilities, good roads, ample open spaces and the slums and squatter settlements should be erased or hidden from the visibility of the major roads to the international airports because they are eyesores to the National and State visitors. There is a need to undertake training in Africa so that the trainees are confronted with real situations and their attitudes not distorted. They have to be taught that housing in towns and cities of Africa may not look as beautiful as those in Europe and North America but they ought to reflect the realities of Africa, including the fact that squatter settlements are a national asset and a reflection of self-reliance by people to provide housing for themselves where the State has failed.

In addition, for regional and in-country training institutes to offer relevant training, they have to include in their syllabi and curriculum the socio-economic context of housing and planning, the decision-making process, institutional arrangements and public administration in Africa. Experience from running several regional courses at the Centre for Housing Studies shows that many people who come to attend the Centre's courses have the required technical and professional knowledge but are not very conversant with these aspects. But technical competence is not the only major determinant to get things moving or plans and projects accepted and implemented. Getting things accepted and implemented by decision-making requires one to have the qualities of successful salesman and an ability to maneuver within given socio-political and economic constraints, factors which are critical to the success of the planning and implementation process in housing and human settlements. Although formal training cannot import these qualities to its trainees, it can prepare them to acquire these qualities in a relatively short time period.

Regional and in-country training institutes should also emphasize and teach their trainees not only how to prepare plans but how to move from the general plan to realizable and bankable projects--something which seems to be lacking in the syllabi and curriculum of many planning schools in advanced countries. Moreover, regional and in-country training institutions should train their trainees on how to establish and maintain new working relationships between Government bodies and the public at large so that the State; (a) does not adopt a paternalistic approach to housing development and improvement and (b) selectively intervenes in those areas which clearly need public-sector intervention and leaves others to local community groups and organizations to manage and control more effectively and efficiently on the basis of self-reliance. The objective of regional and in-country training institutions should be to train and produce innovative and imaginative graduates who will critically examine housing and human settlement policies and strategies and remove their inconsistencies. They should produce people who have a clear understanding of the magnitude and complexity of housing and urban development problems so that they can devise progressive and pragmatic policies and strategies which will promote the attainment of self-reliance and improve housing conditions by and for the majority of the population in Africa.

It should be emphasized that the training to be offered by these regional and in-country training institutes is for the African market such that it should teach how to use the common building materials the majority of the people use in Africa to construct their houses or flats. At present much of the training offered in schools, polytechnics and universities teach students how to use conventional materials like concrete blocks, cement, corrugated iron roofing sheets and modern water closets (European and Asian types) which only the minority can afford. Consequently, the graduates of such schools have little knowledge to enable them to offer relevant and useful technical advice to the many would-be builders. The training to be offered in these training institutes should emphasize the use of improved and more durable building materials so that they produce the right type of staff professionals and sub-professionals to work in the field.

In the field of human settlements and housing, we should try to avoid the mistake of producing the wrong type of extension workers which traditional agricultural training schools, universities and colleges have produced in the past for the agricultural sectors of Africa. Such extension workers know how to grow better and tender coffee, cotton, sisal and sunflower, which only a few peasants grow, but know little about the growing of the common food crops like millet, yams, bananas, cassava, beans and maize--crops which the majority of African peasants grow and depend upon for their livelihood. That is, training in the field of human settlements should emphasize what is locally available in terms of building

materials and technology, finance and manpower as well as what the majority of the population in Africa can afford under the philosophy of self-reliance.

One of the most valuable contributions to the realization of the goal of self-reliance in housing the State and its training institutions can do in African countries is to assist, teach and show local communities how best they can help themselves because the magnitude of the housing problem is too great for the State to solve. Teaching and showing people how best they can help themselves seems to be the least costly and probably the only viable alternative left to most African countries as well as the only long term solution to (a) the ever widening gap between incomes of people and the costs of housing and (b) their worsening housing conditions. This requires the training of an adequate number of extension workers (professionals, sub-professionals and craftsmen) of the right kind and levels who will work with and assist local communities in solving their housing problems. It also requires training the right kind of trainers who will keep on training the extension workers needed in the field and offices.

Establishing a regional training institute or an in-country training institute may be a relatively simple task as long as the resources are there and are actually made available to the project. The two most difficult and eluding tasks are:

A. How do you ensure the continuity of such a training institute once established and

B. How do you maintain a high standard and improve the quality of the training courses so that the training program remains attractive to employers and their employees as well as continues to be relevant to their needs for a long time to come.

This seems to be a very big challenge which every African country will have to face if it desires to attain self-reliance in the provision of all kinds and levels of manpower for its housing sector and other sectors of the national economy.

Another difficult challenge facing many African countries is how and when to learn from their own mistakes--mistakes made by their own local professionals, sub-professionals, craftsmen and decison-makers. There can hardly be self-reliance, knowledge and wisdom without learning from one's own mistakes and then building up one's confidence. Local manpower will not be fully competent and capable of solving housing problems in Africa if it is not given the chance to make successes and mistakes with a decreasing dependency on expatriates. If there is anything valuable that regional and in-country training institutes can do to attain the goal of self-reliance in housing provisions in Africa, it is how to prepare and encourage African manpower to make its own successes and mistakes and how to have confidence in what they can do for the development process in Africa.

A final challenge facing African countries and their training institutions is to train people how to begin from a humble start and build upwards on a solid foundation to higher standards in the field of housing and human settlements. Most of the big African towns and cities, especially their housing, are full of prototypes or models imported from developed countries which do not relate in any way to the realities of the prevailing situation in Africa. Without accepting and facing the realities, the goal of attaining self-reliance in shelter provision by the people themselves will remain an eluding and distant goal for a long time to come in many African countries. Moreover, people will neither be producers of such housing nor have interest in maintaining it in good habitable condition and/or repair if they do not fully participate in the planning, financing and construction or improvement of such housing for their own benefit.

CASE STUDY - EDUCATION OF BENEFICIARIES BY MR. ISAAC MWENDAPOLE, LUSAKA DISTRICT COUNCIL

I. GENERAL INTRODUCTION

The Lusaka Project can be considered to be the largest low-cost housing project financed by the World Bank in Southern and Eastern Africa.

As most of us are aware, the post-Independence period in our region, as was the case elsewhere, witnessed considerable increase in the Urban population, caused by rural-urban migration. While it would be pointed out that rural-urban migration was not only a feature of the post-Independence period, but also to a certain degree a feature of the pre-Independence period, it would be important to emphasize that during the former period (the post-Independence) it became more prominent, especially with the effect of the lifted colonial laws barring free movement of individuals to the urban areas. In Lusaka (Zambia), the increase of population from the pre-Independence period (1963) up to the year 1974 is estimated to have been close to 300%, and this implied that the needs and demands for shelter were in fact becoming extremely high.

During the same period under consideration above, squatter settlements arose in the areas just outside the main city boundaries, with an estimated number of houses within the same settlements being 27,000. There was still a considerable number of individuals who had to rent a room or two from other individual squatters within the Lusaka settlements.

Given the problem of shelter for the large mass of the population confronting the Independent Government, possible solutions were sought. Since the capital needed to provide housing and other facilities to the people was extremely high for the Government of the Republic, even exceeding the total expenditure of the National Budget, upgrading of the existent squatter settlements and embarking on Site and Service Programs became one of the most realistic alternatives.

A loan of 26.5 million kwacha was given to the Government and the Lusaka City Council was charged with the actual implementation through a newly formed Housing Project Unit of the Council. Half of the loan amount was supplied by the Government of the Republic of Zambia while the other half came from the World Bank.

The following is an outline of the works which were to be carried out by the Project:

A. Servicing of 17,000 dwellings in the upgrading areas (George, Chaisa/Chipata/Garden, Chawama).

B. Preparation of 7,600 plots for the overspill areas.

C. Bringing into existence a scheme (Site & Service) to service and provide 4,400 plots in six sites.

D. Installation of primary infrastructure and community facilities:

1. 20 primary schools
2. 3 urban health centers
3. 17 markets
4. multi-purpose and young child centers
5. street lighting/tarred roads
6. surface drains
7. one water stand pipe to be provided for every 25 households in the upgrading area.

It must be mentioned that the site and services and the upgrading areas were to be considered under the provisions of the Housing (Statutory and Improvement Areas) 1974 Act, and this meant that the people included in the Project were to be given security of tenure. The Project was, in addition to the above-mentioned tasks, to give assistance to the participants in the construction or improvement of their houses by providing financial aid on considerably favorable conditions (terms).

In addition, arrangements would be made to enable participants to draw their contributions from the National Social Security Scheme for house improvement and house construction. In the site and service areas financial assistance given by the Project was in the form of a loan of K525.00 to every participant, repayable over a period of 15 years. In the upgrading areas, financial assistance was given to participants under three main categories:

A. Essential Resettlement.

Those who were to be resettled to the overspill areas so that room could be left for the construction of roads, sewerlines and water pipes.

B. De-Densification.

Assistance was also given to those who were willing to move to the overspill for the purpose of de-densification.

C. House Improvement.

This was for those who were not to be resettled but only needed to improve their already existing houses.

Further, it is of vital importance for us to note that material stores (Project Warehouses) were placed strategically in the upgrading and site and service areas. The question of participants having to cover long distances in order to obtain the needed building materials was out, because, additionally, transport was also available to help in the delivery of the building material to participants' houses/plots.

The Project further gave technical assistance in house construction in terms of house setting and any form of technical aid that individual participants needed with respect to the same (See Appendix Figure C).

II. SELF-HELP AS A COMPONENT OF THE PROJECT

Looking at the nature of the Project, one inevitably has to observe that self-reliance was/is one of the major components in Lusaka's Project, manifested in the wide and varied range of the self-help activities that were intended to provide for the erection/construction of some of the works of the Project. The concept of self-reliance (and self-help) in the Zambian context cannot be looked at without having to point out that it is considered to be the cornerstone of the national philosophy of Zambian Humanism, which emphasizes the need to be aware of its importance (self-reliance) at all levels of the Zambian society. To consider self-help or self-reliance as a new aspect of social organization in the Zambian society would mean that a careful and thorough study of the traditional background is lacking.

The squatter settlements that arose during the post-Independence era would lead one to rightly point out that they (the squatters) were more in accord with the principle of self-reliance than those residing in the normal local authority-owned housing areas, who had to rely solely on the Government or other agencies for the provision and maintenance of community and other social facilities. They did exhibit, in a notable manner, the fact that they were interested in making their areas "better" places to live. It will be interesting to note that even before the initiation of the Project to upgrade/site & servicing, some squatter areas already had, though inadequate, services like piped water, graded roads and preschools, established and constructed on self-help bases.

Having been aware of this aspect (the self-reliance way of life, largely seen through the several activities done on self-help bases by residents to improve their own living conditions) the planners in consideration of the beneficiaries, incorporated it as a major component of the Project. Thus we further find that collective self-help activities to be carried out by the beneficiaries were spelt out very clearly in the preparatory stages of the Project.

It had been planned that works like the excavation of water pipe trenches, sewer and water drainage trenches, construction of inner routes, public facilities like markets and clinics could be done on self-help bases, and the beneficiaries would have to be enlightened from the start that "The Housing Project Unit had not come to their areas to take over what they had already developed but to merely assist them build better settlements by offering assistance in construction and improvement of their houses, and in the construction of other infrastructures." However, it was foreseen that the degree of self-help effort to be put into the Project could in practice turn out to be contrary to the expectations. Consideration was therefore given to the fact that possible delays resulting from the need for patient and tactful dealings with the residents could be difficult to predict in precise terms. Despite the foreseen possible problems, direct labor organization was conclusively considered to be the most feasible technique of implementing the self-help component of the Project.

III. PROJECT OPERATION: INVOLVEMENT MOTIVATION AND COMMUNICATION

The Housing Project Unit worked through a multi-disciplinary Field Team which consisted of all the staff that may be needed by the participants in the field. These staff were:

A. Finance Staff.

B. Engineering Staff which included bricklayers and other construction personnel to assist in house setting and other construction assistance that may be required by the individual beneficiaries.

C. The Community Development Workers. These had a number of tasks which could be summarized as: assuring the cooperation of the residents, offering guidance and advising and helping mobilize residents in respect to the works of the Project.

Community development workers formed one of the important components of the Project staff and their ratios as of 1978 were as follows: 1:1000 (in upgrading areas with one community development worker to 1000 families) and 1:400 families in the site and service.

The community development workers were expected to mobilize the communities to identify problems and needs and seek solutions to them.

A special training program for community development workers focused on the objectives of squatter improvements/site and service component, community organization, group work, etc.

The Field Team was responsible to the management at the head office. While the operations of the different types of staff remained distinct from each other, the Field Team would meet regularly, discuss the problems among themselves, seek solutions and further plan their work collectively.

Because of the need to ensure the element of community participation in decision-making and self-help activities, the Field Team worked in close contact with the beneficiaries' representatives. This leadership reflected the peoples' views and aspirations. However, it must be made clear that apart from working with the people's representative group, the team was also in contact by direct consultations (house setting or any other aspect of the Project) or through briefing meetings in which residents were informed/advised on matters concerning policy and their welfare. The Field Staff were also made aware of the problems faced by residents through such meetings.

Looking at the works that had originally been planned to be carried out through the self-help activities by the residents/beneficiaries themselves, we inevitably note that of course the plans and the actual practical situation are to some extent at variance. Of the main works earlier outlined in this paper (excavation of water pipes, public facilities, markets, clinics and schools), only the excavation of water pipes and construction of markets were dominantly done under collective self-help.

There had to be modification in the original view of direct labor mobilization. Structures like schools and surface drains were later considered to be too technical to be constructed through self-help labor. Even the construction of trenches for water pipes could not be done solely through the mobilization of resident self-help labor despite the fact that the beneficiaries would have, by engaging in the tasks which the contractor would have carried out, earned themselves considerable amounts of money which could later be diverted to the provision of other needed community facilities. The Contractor had still to be called to execute that work--the blasting of rocks. In fact, one can rightly argue that Council's regulations on the bidding for contracts were and are still too sophisticated for communities to successfully bid on them without extensive outside help.

It must be pointed out that the responsibilities for mobilizing the residents for collective self-help activities (e.g. trench digging) was and is the responsibility of the community development worker. They are given to the section/branch party leadership by the Field Team and an agreement is made in terms of ensuring that members of the community turn up on the arranged days to execute the plans made. This has had, of course, to be preceded by:

A. Initial planning on the part of community development workers working in liaison with the representative group.

B. Detailed briefing of the participants by the Field Team and an exchange of ideas and views between the Field Team and the participants.

Of course, the planning of the scheme has to cover organizational aspects, like the proposed number of days within which the scheme should be carried out, the actual day it should start, and the number of people to be involved at a time with regard to the availability of tools.

Group self-help activities in the Lusaka Project have shown that for the mobilization and turn out of people to a considerable degree, they need to take place during the weekends. The reason for this is that most of the participants are, during the weekdays, involved in employment activities either in the informal or formal sectors. For the participants who are employed as night watchmen/security guards, appropriate arrangements have to be made with respect to the time/day they should contribute to the scheme. In fact, it will be important to note that though the leadership (or the representative group) have to be in

charge of the actual mobilization and supervision of the residents, the presence of the Project staff and community development and construction staff also proved to have a positive impact in terms of turn out and boosting of the morale of the participants.

It will also be important to note that families, as much as possible, were encouraged to construct or improve their houses by using their own labor to cut down on the labor costs involved in relying on hired labor. The use of cheap building materials like soil cement blocks was also encouraged, and this helped in the same manner of reducing the cost, given also the fact that soil cement blocks were made on mutual self-help bases by the participants (See Appendix Figures A and B for relative costs of types of blocks/bricks.)

IV. SOME SUCCESSES--AND SOME FAILURES

In general, it can be said that the Lusaka Project has in a way succeeded to use a mechanism for community participation and motivation through the concept of the Field Team which in turn worked through the leadership. However, in most respects, the leadership consists of those who are elected party leaders at section and branch levels But in some cases, influential people like prominent businessmen, churchmen and others who had the charisma had to be coopted into the representative group. The formation of the road planning groups (in the Project areas) which helped in the resettlement of participants to the overspill, to pave way for the installation of infrastructure, was indeed a manifestation of direct community participation, and an aspect of self-help/self-reliance.

Furthermore, we find that with the influence of the community development staff and the leadership, participants in most of the upgrading areas have initiated individual water connection projects on self-help bases instead of having to stick to the original 25 families per one water stand pipe. In addition, there has been a persuance of collective and individual self-help activities both in the upgraded and site and service areas in terms of construction of markets, roads, block making and others.

The development of community participatory structures made possible an achievement of minimal resistance of individual groups to relocation and installation of infrastructure, and as a result, eight thousand (8,000) households were relocated to the overspill areas. Indeed, the individual water connections carried out on self-help bases stand out as concrete signs of the community's will to pursue continuing improvement of their areas beyond the provisions of the Project. Money was contributed by the participants themselves to buy the pipes and the digging of the trenches. However, despite the major observation of individual water connections on self-help bases, one would point out that there is yet a need for more of these in the upgraded areas. Furthermore, there is also need for the stimulation of more income-generating activities, given the low income situation of the beneficiaries of the Project, so as to achieve an element of self-reliance and enable them to afford the payment of charges for the maintenance and improvement of the community facilities as well as improvement of their own dwelling units. There is however a committee (AFSC - American Friends Service Committee) under the auspices of the Lusaka Urban District Council, which is working tirelessly towards achieving this objective of creating some income and employment-generating activities in the different Project areas. To date, this committee has organized activities such as soap making, dress making, carpentry and block making which in a way contribute to both the income capabilities and employment opportunities of the participants. However, again involvement of the participants has not been encouraging. In fact, we would proceed to mention that the Project has to a considerable degree not succeeded towards achieving intensive community involvement in the maintenance of what has already been provided, and a manifestation of this observation is the rampant breaking of water taps through vandalism in some areas. During the execution of self-help activities, it was and still has proved difficult to involve all members of each and every household, due to the fact that some participants at one time or another had to live with their kinsmen in the same house and this meant that only some members of particular households could be involved since the staff had no knowledge about the others. Also, the involvement of women in the self-help aspect of the Project was and has been somewhat problematic, given the diverse role that they are expected to perform within the homes, vis-a-vis the expectations of the Project.

From our experience, it can be pointed out that:

A If properly organized and given the security of tenure, the beneficiaries will remain willing to carry out self-help activities even without financial benefits.

B. The change of leadership will also affect the implementation of the Project goals because this does not allow continuity in the agreements or arrangements between the Field Team and the representative group. Also, role conflict among the leaders may lead to undesired consequences which at times disturb actual progress.

C. The arrangements with respect to the National Social Security Scheme (mentioned in this paper) have shown to provide a good additional base for self-reliance in the building of actual dwelling units. However, this is only with regard to the buying of

the materials needed where the building material loan given to the participant by the Project Unit could not suffice.

Looking at technical advice, we find that originally, the number of construction teachers provided by the Project was considered to be adequate so that beneficiaries would be assisted in the technicalities of house construction. However, because a considerable number of the beneficiaries were involved in formal sector employment, both in the site and service and upgrading areas, they could not be given adequate supervision and advice and had to instead seek the services of contractors. Part of the money drawn from the National Social Security Scheme was used to pay the contractors, especially in the case of site and service areas. In the upgrading areas, one would say that originally, technical advice given to the participants in house improvement/construction was considered to be adequate but with the phasing out of staff, it was becoming more and more inadequate. This is supported by the fact that a considerable number of completed dwellings in the upgrading areas appear to be rather small and unattractive. This could be attributed to the observation that the period set for upgrading the area was rather short.

V. GUIDELINES FOR OTHER AGENCIES

A. A considerable staffing is required in the field for successful guidance, advice and mobilization of residents in the execution of the Project works. This implies that strong teams of community workers and construction workers have to be provided. In fact, the staff need to be given special training which should focus on:

1. objectives of the Project;
2. community organization and leadership,
3. group work;
4. methods of stimulating self-help effort;
5. Human relations and problem solving;

In fact, the training should also be extended to all the staff involved in the Project, e.g., accounts and engineering/construction personnel, to provide them with basic knowledge about the Project.

B. Given the fact that not in all countries do we find dominance of party leadership at community levels, the Project Field Staff must seek to incorporate different kinds of leadership in the people's representative group with respect to the social organizational aspects of a particular country.

C. Any briefing to be done by the Field Team should be done with great rationality so that the crisis of overexpectation on the part of the beneficiaries will be avoided.

D. Authority in general must be flexible and be able to accommodate the view of the beneficiaries on what they feel their new needs are.

E. Continuous evaluation of the Project through research and other reports will be vital in terms of providing an understanding of the arising problems and needs of the beneficiaries and the actual Project organizational aspects.

In fact, feasibility studies and research will be essential before the actual move to implement the Project as they will give insight to:

1. the problems to be expected from the mobilization and organization of the intended beneficiaries;
2. the most probable type of effective leadership;
3. the income capacity of the beneficiaries;
4. which project works may be carried out through self-help activities;
5. the man-power needs;

VI. GENERAL

The conference participants are now informed that what follows is a short film about upgrading and site and service programs in Zambia (i.e. generally) and also in the Lusaka Project in particular. The main focus is on the self-help aspect and it is therefore hoped that the film will throw light on what may not have been directly tackled in the paper.

Last but not least, it must be made clear that apart from the methods of communicationwith participants/beneficiaries mentioned in the paper, the Project also made use of:

A. films and slides;

B. the National Mass Media (i.e., radio and television interviews and the national press);

C. brochures;

D. handouts (both in English and Vernacular);

E. plays;

F. music (a music band, sponsored by the Project, would play songs carrying messages about the objectives of the Project and what the participants themselves were expected to contribute to the Project as a whole.

APPENDIX

Figures A and B indicate the comparative costs of type of Blocks used with respect to a particular plan at core-house stage

FIGURE A

Overspill:

TYPE OF PLAN	MEASUREMENTS	COST OF MATERIALS	
		CONCRETE BLOCKS	SUNDRIED BLOCKS
1a	2 x 2.8 2.9 x 3	K560.00	K362.00
2a	3.0 x 2.8 3.8 x 3.0	K573.00	K412.00
3a			
4a	3.0 x 3.5m 2.6 x 2.8m	K465.00	K338.00

FIGURE B

SITE & SERVICE

TOTAL COSTS INCLUDE COSTS OF DOOR, WINDOW FRAME, ETC.

DESCRIPTION	CONCRETE	SOIL CEMENT	BURNT	SUNDRIED
	No.	No.	No.	No.
TYPE A/1	1200	2700	1550	1850
$87.7m^2$	K N	K N	K N	K N
BRICK WORK	289.00	155.00	307.00	68.00
32.5m				
FOUNDATION	16.00	16.00	16.00	81.00
TOTAL COSTS	667.00	543.00	695.00	521.00
TYPE B/1	1100	2800	1600	
	297.00	159.00	315.00	70.00
	17.00	17.00	17.00	83.00
TOTAL COSTS	690.00	552.00	708.00	529.00

FIGURE C

TECHNICAL PERSONNEL STRUCTURE IN THE PROJECT

(i) AREAS AS IN 1978

ASSISTANT BUILDING SUPERINTENDENT
(CONSTRUCTION FIELD TEAM LEADER)

SENIOR FOREMAN

FOREMAN

ASSISTANT FOREMAN

(ii)

AREA	TOTAL NUMBER OF TECHNICAL STAFF	APPROXIMATE RATIO
a) SITE & SERVICES	15	1:200
b) CHAISA/CHIPATA GARDEN (UPGRADING)	12	1:930
c) GEORGE (UPGRADING)	12	1:750
d) CHAWAMA (UPGRADING)	8	1:816

Coffee breaks and receptions provided time for conversation. Top from left:

Mr. Kokouvi Hihetah, Caisse d'Epargne du Togo; Mr. Yawo Aziana, AGETU, Togo; Ms. Viviann Pettersson, Office of Housing and Urban Development, AID; Mr. Michael Lippe and Ms. Amy Nolan, Regional Office of Housing and Urban Development, USAID Abidjan; Mr. Amadou Malick Gaye, SICAP, Senegal.

Bottom, from left:
Mr. Larry Birnholz, Regional Office of Housing and Urban Development, USAID Tunis; Mr. Driss Kharchafi and Mr. Othmane Chami, Ministry de l'Habitat et de l'Amenagemet du Territorire, Morocco; and Ms. Carol Wolter, U.S. Department of State and a conference translator.

Top right, from left: Mr. Antione H. Ramarokoto, African Development Bank; Mr. Temaduth Ramdin, Ministry of Housing Lands and Town and Country Planning, Mauritius; Mr. Raj Chanda, Regional Office of Housing and Urban Development, USAID Nairobi.

Bottom left, from left: Mr. Abdelhafi Kodi, Ministere de l'Habitat, Tunisia; Mr. David Leibson, Regional Office of Housing and Urban Development, USAID Tunis; Mr. Abdelmajid Sahnoui, Ministere de l'Habitat, Tunisia; Mr. Abedelhamid Bel Hadj Ali, Caisse Nationale d'Epargue, Tunisia.

CASE STUDY - COMMUNITY INVOLVEMENT IN THE MANAGEMENT OF SELF-HELP LOW COST HOUSING BY MR. STEPHEN S. MULENGA, NATIONAL HOUSING AUTHORITY, LUSAKA, ZAMBIA

I. INTRODUCTION

The purpose of this paper is three-fold:

A. To establish particular strategies utilized to optimize the Lusaka Housing Project Unit and community participation in decision making;

B. To identify the particular factors which facilitated the process of beneficiary involvement; and

C. To examine whether the experiences gained from the Lusaka Housing Project Unit are being implemented in other self-help low-income housing programs.

II. BACKGROUND

In order to understand fully the housing situation in Zambia, I feel it is necessary to review the background of the nature and dimension of housing problems in Zambia. By the term housing I mean, of course, housing for low income people in urban areas, who comprise about 85% of the urban population.

In the first ten (10) years following Zambia's independence, the Government assumed the role of provider of housing to the nation. This was done by providing local authorities with loans and grants for building low cost rental houses. Literally tens of thousands of families were housed in this way very satisfactorilly and at subsidized low rents which they could afford.

Gradually, however, it became apparent to Government that it could no longer afford such largesse towards the local government system. External economic factors (e.g. the increases in the price of oil, the drop in the world price of copper, the Rhodesian war) gradually reduced the size of the economic cake, and the slices became slimmer and slimmer. Loans and grants for new local authorities housing developments became fewer and fewer. During the Second National Development Plan period, new local authority house construction stopped altogether. Instead, the emphasis was then placed on just servicing the land so that people could build their own houses through site and service and upgrading of the squatter settlements. In this manner, Government could shift the bulk of the cost burden of providing houses from itself directly to the homeowner builder. At the same time, it was felt that the expenditure on new house construction would be moderated and rationalized to something more in line with what the public could afford.

By the time we were mid-way through the Second National Development Plan period, however, it became evident that there would not be enough capital available to carry out the servicing of even a fraction of 70,000 plots envisaged under the plan. Worse still, Government could also not afford to continue paying local authorities the rental subsidies on their existing rental houses. The worst of both issues thus ensued, with virtually no new houses being built and the existing housing stock not able to match the increasing demand. Local councils refrained from increasing the rentals on their existing housing stocks to economic levels.

Since 1976, there has been virtually no new formal housing development by local authorities. But population in all areas nevertheless continued to grow, and today's rate of population increase is higher than ever before. There have, of course, been two notable exceptions in the public housing programs over the Second National Development Plan and Third National Development Plan periods. These are the Lusaka Urban Improvement and Site and Service Project assisted by the World Bank financing, and the E.D.F. Assisted Sites and Services Project in which six urban and rural local authorities are involved.

The solutions to the urban housing problems can only be formulated by accepting the reality of a rapidly urbanizing population and accepting the tremendous resource constraints we have in tackling the problem. This situation has already been accepted by Government. The bulk of current capital expenditure on local authority schemes is being applied to the development of additional water supplies.

In physical terms, self-help or site and service housing has been a successful means of creating new housing opportunities for low income levels in Zambia. However, it has not been without its problems, such as plot servicing and building materials costs continuing to soar.

III. THE PROJECT

The Party and Government, in the Second National Development Plan of 1972 declared and recognized that although the squatter areas were unplanned, they nevertheless represent assets both in social and financial terms. The required planning and services, and the demolition of houses were not a practical solution. Upgrading of squatter settlements and provision

of Site and Service plots were seen as potential solutions to the housing problem.

In 1974, the Lusaka Housing Project was set up within the Lusaka Urban District Council to provide basic infrastructure for the three largest squatter complexes totalling about 130,000 people or one third of Lusaka Urban District Council. Apart from upgrading the three squatter complexes, another important objective of the Lusaka housing project was to provide Lusaka with new stock of houses to avoid further mushrooming of squatter settlements. For this purpose, provision of serviced plots in six areas comprise more than 4,000 plots.

IV. PROJECT GOALS

Detailed goals as are related to the upgrading of squatter and site and service are set out in Appendix I. However, it is essential here to list only those goals that are related and upon which community development process was based. These are indicated under Section B in the Appendix. The major goal under Section B refers to the implementation of the concept of participatory democracy on a neighborhood level. The first objective, therefore, aims at retaining the responsibility for decision-making as far as possible with the local leadership and involving beneficiaries in decisions related to the future development of the areas in which they live.

V. THE IMPLEMENTATION PROCESS

In order to examine the implementation process it may be useful to analyze the operational process stage by stage. The first strategy of operation was the briefing of Party leadership using the Party machinery. The briefing of project beneficiaries included top political Party leaders. The residents were briefed in smaller units of Section 25. The Ward Development Committee was not used for briefing purposes for the following reasons:

A. The Party, by providing a well defined geo-political boundary and structure of hierarchy makes it possible to delimit areas of participation and at the same time provide easy communication up and down the hierarchy.

B. The boundaries of the Ward run outside the project areas, and it is therefore difficult to get residential participation from the Ward leadership, the majority of whom reside outside the target area.

C. The Ward is the smallest unit of local Government administration. It was therefore decided to utilize the Ward Committee for allocating plots for non-essential resettlement only.

D. The Party is much more powerfully organized at the section level. There are active committees carrying out duties which have included nonfunctions, where as the Ward committee members are appointed by an elected Ward Councillor and members tend to be inactive.

E. In terms of population size and geographical area, the Ward embraces a much wider area and its population is very high. It would be very difficult to brief a large area at the same time. An average Ward has a population of 10,000 households while a section has about 25 - 200 households.

For these reasons the Party was utilized for briefing, however the Ward Councillor and his committee were always invited to attend such meetings. Once briefing had been completed and agreement reached with the residents, the second stage was to plan for physical layout of routes and locations of social amenities.

VI. THE INDICATORS AND MEASUREMENT FOR RESIDENT PARTICIPATION

The social indicators will be examined as measurement of the process adopted by the Housing Project Unit, through field team approach. The approach underlines the broad objectives which the Agency hopes to achieve in the long run. The indicators are therefore closely related to the process. The following are the broad objectives examined in relation to the stages of the process:

A. Stage I Briefing: The goal for information giving was to develop understanding of and desire to participate in upgrading.

B. Stage II Planning for Physical Layout: The goal was to enlist the residents' views through leadership involvement in physical planning.

C. Stage III Group Formation: Aiding the formation of new sections for the purpose of payment of service charges and organization of mutual self-help.

Forseeing the development of leadership and community responsibility with regard to maintenance of and payment of services and utilities provided.

Tools/method used at each stage to attain goals:

A. Stage I Briefing:

1. Briefing meetings were held at two levels:

a. leadership meetings

b. residents at section level

2. Written briefing materials were used as sources and tours and film shows were also organized.

B. Stage II Planning for Physical Layout: Planning sessions were held with representatives, and similar meetings were presumably held at branch or Ward areas to get resident reactions and feedback.

C. Stage III Group Formation:

1. Use of meetings for those affected individuals.

2. Interviews to obtain individual acceptance workshops, seminars, leadership courses and block meetings were used.

VII. DEFINING INDICATORS FOR MEASUREMENT

Briefing:

A. Number of meetings organized at leadership level, branch, constituency, region and Ward.

B. Attendance.

C. Number of meetings held for resident reaction to planning decision arrived at representative planning sessions.

D. How many walks and in which routes, who attended those walks. Any response of residents influencing leadership.

VIII. CONCLUSION

The Housing Project Unit has not been only an experiment in local authority organization and management for development in low cost housing. It is also an experiment in the relationships between bureaucracy and society. The project has been operating in areas which had previously been largely untouched by the Lusaka Urban District Council, receiving virtually no services, but with their own highly organized community structure. The philosophy of the project and the reality of its execution have been based on principles of participation and self-help.

The impact and experiences gained from the Lusaka Housing Project cannot be over-emphasized. The strongest argument for the Housing Project Unit experience is that the two new housing projects, Kalingalinga Upgrading assisted by the Germany Government and Site and Services Project financed by the European Development Fund, are organized on the experience gained from the Housing Project Unit.

APPENDIX I

LUSAKA SQUATTER UPGRADING AND SITE AND SERVICE PROJECT GOALS AND OBJECTIVES (Upgrading Component only)

GOAL A: To Improve the Quality of Life of People in Project Areas in Lusaka.

Objective I: To enable the low income population to achieve an improved standard of housing at a cost which can be afforded:

a. by providing security of tenure and land for plots;

b. by the provision of utilities, especially water supply, refuse disposal, security lighting and road access;

c. by making maximum use of various types of self-help in house building, e.g. self-labor, personal savings, hired labor, etc;

d. by providing technical assistance with house building, particularly to ensure that investment in houses is protected by using sound construction methods and making sure that buildings comply with regulations;

e. by providing loans for purchase of building materials for house construction at a level sufficient to help participants to build a house of a minimum standard;

f. by basing regulations and standards on achievable objectives;

g. by advising participants on the economic and constructional options in the provision of houses of minimum standard.

Objective II: To facilitate subsequent improvements, as aspirations, and the means to meet them:

a. by designing infrastructure (especially water pipes) to meet predictable demands for the next 30 years;

b. by encouraging a reduction in density so that all houses are in a position to expand to a size of about four habitable rooms at any stage that they may wish, or be able to afford, to do so;

c. by providing security of tenure in such a form as to be flexible and responsive to individual and collective social and economic developments;

d. by helping participants to envisage subsequent developments, beyond the end of this project as such, in their immediate environs (i.e. in housing, services, and neighborhood) so that they may make physical and economic plans for future improvements.

Objective III: To increase real household incomes:

a. by creating increased employment opportunities in the construction industry;

b. by providing the chance for low income residents to learn new skills, mainly in construction;

c. by providing sites for markets and workshops in residential areas.

Objective IV: To increase household savings and assets:

a. by encouraging investment in housing aided by technical and financial assistance programs and security of tenure;

b. by increasing real household incomes.

Objective V: To increase the educational opportunities available within easy reach of people in the low income groups in order to improve general educational levels:

a. by providing primary schools in upgraded areas;

b. by providing multi-purpose community centers to be used, among other things, for adult and pre-school education.

Objective VI: To improve levels of community health:

a. by providing an improved standard of utilities, especially water supply, sanitation, drainage and refuse disposal;

b. by providing clinics within easy reach of the residents;

c. by improving housing standards.

Objective VII: To increase the accessibility of the population of low income areas to city-wide urban services and employment opportunities:

a. by providing a road system connecting all groups of 25 households in upgraded areas with the rest of the city;

b. by providing a road system designed to a standard adequate for the provision of public transport within easy reach of all residents.

GOAL B: To Implement the Concept of Participation on a Neighborhood Level.

Objective I: To retain responsibility for decision-making as far as possible with the local leadership and to involve residents in decisions related to the future development of the areas in which they live:

a. by involving the population of squatter areas in consultations on the planning of certain physical components of upgrading;

b. by utilizing the Party organization and Ward Development Committees for the dissemination of information, participation in decision-making and for some administrative procedures;

c. by the Housing Project Unit acting as primarily a "service" organization rather than a controlling one.

Objective II: To involve the residents in the process of development both on a mutual and self-help basis:

a. by the use of mutual help to construct utility and community facilities;

b. by the encouragement of self-help labor for house building and improvement;

c. by making funds available, generated from self-help participation in contractor works, and through prompt payment of service charges, to be spent on community improvements to be identified by the residents themselves.

Objective III: To develop a strong sense of community:

a. by the construction of multi-purpose community centers and their use for ongoing programs and activities;

b. by making participants corporately responsible for payment of service charges and the penalties deriving from non-payment.

GOAL C: To Develop a Set of Housing Strategies Which Can Be Used to Provide the Urban Low Income Population with Access to Adequate Housing.

Objective I: To develop a set of housing strategies which the residents can afford:

a. by maximum use of mutual and self-help effort;

b. by adopting a policy of continuous improvement in levels of services and standards of housing.

Objective II: To develop a set of housing strategies which will be of the greatest impact within a framework of limited finance:

a. by the provision of alternative types of housing and levels of service;

b. by encouraging the development of local expertise in the implementation of the adopted strategies, especially in the technical, community development and administrative fields;

c. by encouraging the participation of the private sector of low income housing;

d. by ensuring that the project is economically self-supporting, particularly as far as the level and regularity of repayments is concerned.

Informal discussions during breaks. From left: Mr. Saitiel M. Kulaba, Center for Housing Studies, Ardhi Institute; Mr. Stanley M. Motse, Gaborone Town Council; Mr. James Upchurch, Cooperative Housing Foundation and Conference Coordinator; Ms. Lucky E. Ghanie, Gaborone Self-Help Housing Agency, Botswana.

Conference hosts arranged for site visits of self help housing projects in Gaborone. Local Commissioner (right) describes the project to conference delegates. Mr. Lazare Yeboue, Bank National pour d'Epargne et le Credit (left) and Mr. Mousa Bamba, SETU (center) from the Ivory Coast in the foreground.

CASE STUDY - TRAINING OF IMPLEMENTING STAFF BY MR. RONALD CAMPBELL, CHF CONSULTANT TO SELEBI-PHIKWE TOWN COUNCIL, BOTSWANA

In a world of rapidly growing populations, the urban areas in many African Countries are being congested by a steady influx of immigrants. These people come to urban areas for many reasons (work, citylights, education, etc.), exerting great pressure on the government to provide adequate housing and services. In recognition of this pressure most African Countries are responding with ambitious housing programs. These programs have subsequently placed an unprecedented burden on implementing agencies.

Previously many countries had either no implementing agency or a small agency unequipped for large programs However, the advent of large housing programs required implementing agencies of similar scope, with the ability to record up to 100,000 monthly accounting transactions, educate plotholders on their rights and obligations, manage recurrent budgets of up to $600,000, receive and process thousands of applications, provide services (road maintenance, water supply, sanitation, infrastructure, etc.), stimulate community development, provide building materials and a loan program, and offer technical assistance for self-help builders. Some countries divide such tasks among several separate agencies, while others require one agency to be responsible for everything. Whatever the case may be, the fact remains that the situation has left most countries in a difficult quandary: how can the program be effectively implemented in light of manpower constraints that too often mean not enough staff to do the job and too many under-qualified staff in positions that would otherwise be vacant? The following précis looks at some principles learned from Botswana's experience in trying to meet this very challenge.

Perhaps the most important consideration is policy and procedure formulation. A properly functioning organization must have well-defined, codified policies and procedures, enabling the agency to work within an explicit system. In addition, the codified policies can serve as training materials and reference manuals. However, success demands that the top officers foresee problems and prepare policies and procedures that prevent the problems from occurring (or provide guidelines to overcome them). In reality a "good agency" constantly revises its policies and procedures, keeping them effective, straightforward, and appropriate to the environment. Yet, the good agency also strives to minimize changes and maintain consistency. These factors must be weighed and balanced to establish and sustain solid framework for implementation.

A concurrent requirement demands that agencies work out the logistics and mechanics of their organization. For example, lines of communication must be established and an organization chart designed; staff to client ratios must be calculated and job descriptions prepared; office, transportation, equipment and furniture needs must be undertaken before any meaningful training can occur. Policies, procedures, and mechanics are the foundation of the house. If the foundation is weak or in some way defective, the entire agency will suffer while the weakness makes problems more severe.

Training itself exists in many forms, but is often divided into institutional or on-the-job training (OJT). Institutional training is an important knowledge builder which can be used for short courses of one to six weeks in length. However, most institutional training focuses on lengthy time commitments of three months to a year or more. Such commitments are not appropriate for meeting the basic training requirements of a rapidly expanding implementation agency. OJT is much more suitable in this case because it can be very specific and task-oriented. This is particularly profitable if the OJT is interfaced with the institutional training, enabling the trainee to obtain basic skills necessary to complete the job while building a base for further, more advanced training. OJT is also valuable because it minimizes time lost at work, while enabling the trainer to utilize "hands-on" training. Thus the trainee can apply knowledge to the job, review and analyze the results, formulate the basis for new theory, experiment with the new theory, and increase his or her knowledge. This cycle can be an on-going process that constantly relates the theoretical to the practical and vice-versa, continually increasing the skills of the trainee. Once the implementation capacity of the agency can meet the demands of the project (fully trained staff being implicit), the institutional training can offer the means to nuture, expand and stimulate the staff's knowledge to more advanced levels.

As one can see, these two types of training can occur simultaneously. OJT can be made a formal part of the institutional training by awarding certificates to OJT trainees. These certificates then become the basis for entry into institutional training. In order for this concept (or any training effort) to work, six main areas of concern must be addressed: needs analysis, curriculum development, materials production, identification of trainers, methodology, and follow-up.

A needs analysis is an essential part of the training process because it enables one to determine the appropriate focus of the ensuing training effort. The need for training may develop from the introduction of new procedures, the acquisition of new staff, the effort to improve experienced staff's job performance, and the rapid expansion of agency responsibilities. When assessing the need one should also solicit input from the staff themselves. This

input ensures that nothing is overlooked, while giving the staff a personal involvement. Such involvement can be very helpful for staff morale, enhancing personal motivation and commitment. Other factors which require analysis are eventual staff establishment requirements, qualifications and experience levels of the staff, attrition levels, and the job descriptions.

When the need for training has been established, a plan for the training effort must be devised. First, the needs analysis' results should be consulted to facilitate preparation of a training curriculum. The curriculum should include goal statements for each specific area of concentration. These goals must convey exactly what will be expected of the trainee upon completing the course of study. The curriculum should identify each course, showing the relationship between courses as they progress toward producing a trained person. Upon completion of a curriculum, the top officers should scrutinize it to ensure it addresses all the training needs as expressed by the needs analysis.

Next, materials must be provided that relate to the overall goals and content of the curriculum. Some may already exist in the form of a procedural manual covering all operational procedures, a manual for the operation of an automated accounting system, a handbook for the computation of an economic levy to ensure cost recovery, a catalogue of approved house plans, a comic book for clients explaining the agency's role, question and answer sheets about the agency and the loan programs, or a manual for the preparation and implementation of OJT seminars. If such references do not exist, they should be prepared for use in the training programs and the day-to-day activities of the agency. Other useful materials include slide shows, role plays (street theater), posters (which should always be field tested to verify that the correct message is being conveyed), films, video (a useful but very sensitive tool requiring extensive training for effective use and proper maintenance), and other audio-visual aids. When developing materials, one should remember that studies have shown that people will remember about 80% of what they see, 15% of what they hear, and 5% of what they read. Therefore, the materials should use a combination of the three in order to maximize retention. At the same time, the materials producers should avoid placing too much reliance on technology-dependent materials. Electricity can fail, a projector can burn out a bulb, a video machine may not always be available. A person can talk, sing, act, move and gesticulate; therefore, a good materials producer will seek to enhance this potential, using technology-dependent materials to supplement the active role of the human trainer.

In Botswana the question of identifying trainers was resolved by engaging consultants to help get the training programs started. These consultants were actively engaged in training staff, working with the senior staff. Thus the senior staff have gradually assumed an expanding role in the training effort, enabling the consultants to concentrate on training trainers (senior staff) who will be able to sustain the training efforts once the consultants leave. The issue of engaging trainers is a difficult one because most countries find themselves shorthanded in this area as well. Therefore, the major concern should be to build up a cadre of trainers as rapidly as possible by depending on experienced and competent staff members. This method has been used in Botswana's informal OJT efforts over the past few years, and will be adopted for the formal Mobile Training Unit being planned by the government. In any event the key is to identify knowledgeable, experienced people and train them as trainers.

Methodology is a very important component of the training effort. Most people are comfortably familiar with the classic approach of a lecturer addressing the students. This method has its advantages in certain instances, but usually is not suitable for improving practical skills. Most methods will obtain results, but success is dependent on the cultivation and emphasis of trainee participation. Trainees should be given every opportunity to practice what they are being taught. This can be done through role plays, simulations, hands-on practice with machines, trainee-led sessions, field practicals, and the like. Again, the important principle is to follow the cycle of learning while encouraging trainee participation. All trainees will start a session with certain knowledge. The trainee will use this knowledge to perform a task. The trainer must help guide the trainee through an evaluative review of the performance, using the results to formulate a new theory or concept. Then the trainer must provide the means for the trainee to test the new theory. This enables the assimilation of new knowledge, bringing the trainee to the apex of the cycle, ready to embark on the process again. This process has been very successful in Botswana's SHHAs because the trainee takes a certain responsibility for training him or herself which helps internalize the training, making it an integral part of the trainee's skills.

A vital consideration with any methodological framework is the evaluation of the training by the trainee and the trainer. Such an evaluation should seek constructive criticism on all aspects of the training, including the goals, the materials, the presentations, opportunities for (and methods of) participation, areas requiring additional effort, training organizations, suggestions for improvement, and how well the content will help improve job performance. This should be used for improving the training, making it pertinent to the changing needs of the staff.

Next, one must consider follow-up to the training efforts. Normally one session will not produce long term results in the staff's work habits. Therefore, the senior staff must seek

ways to sustain the training effort. This has been accomplished in Botswana by holding regular 'Sectional' meetings for the various components of the SHHAs (i.e., administration/finance, community development, and technical assistance). Within these meetings the senior officers review the content of the training sessions relative to that section. This gives the "trainees" an opportunity to identify further training needs, and to offer suggestions for alterations/revisions in the curriculum (or procedures, etc.). Thus, the trainer obtains an additional means to keep the training more meaningful and the job more straightforward.

In addition, the trainer can analyze the progress of the staff by going into the field. For example, a senior officer could go to a ward office, assuming the role of a plotholder seeking materials for the construction of his house. This will enable the senior officer to experience all the intricacies of the process in action. This will give first hand information as to how well the various officers understood the training content, how effectively the new knowledge/skills are being carried out, what areas may need further training, and how to streamline the actual process. Sometimes a similar first hand look can be obtained by interviewing plotholders who have gone through the process. The important principle is to ensure that the staff are able to perform the subject of their training with little difficulty. This can best be done through follow-up training sessions and periodic review of actual job performances.

A final factor worthy of mention is consideration for cultural differences. Most African countries contain heterogeneous populations and work with expatriate officers. Consequently, perceptions and assumptions will be different and perhaps a source of conflict or misunderstanding. This places a responsibility on the planners, trainers and senior officers to seek effective methods of intercultural communication. The important principles here are to recognize the possible difficulties and to be prepared to overcome the difficulties through concentrated efforts of expanding perceptions and assumptions. Constant, open communication (though often ponderous) will serve as the best means of bridging any cultural gaps.

Essentially it is possible to train implementation staff even while the project is being implemented, though the ideal situation calls for training prior to implementation. In either situation the training will be more valuable if it is well-planned, and includes efforts to interface and complement the OJT and institutional approaches. The planners must also give adequate attention to needs analysis, curriculum development, materials production, identification of trainers, methodology, and follow-up. When the framework has been thus prepared, it should not remain rigid or static. A successful training program must have a means for evaluation and review. Without this ability the programme will eventually prove ineffective, eroding the morale of the staff and endangering successful implementation. However, evaluation and review of the training program will ensure that the program remains responsive and pertinent to the staff's training needs. In this way, the implementation agency's capabilities will improve and help facilitate successful implementation.

Site visits included a tour of the building materials production unit. Self Help Housing Agency personnel (left) provides explanations in English which are simultaneously translated into French by Ms. Helen Ely (center). Mr. Leon Michaud, Seychelles Housing Development Corporation on the right.

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SECOND PLENARY SESSION

USAID PANEL DISCUSSION ON SELF-RELIANCE AND USER CHARGES

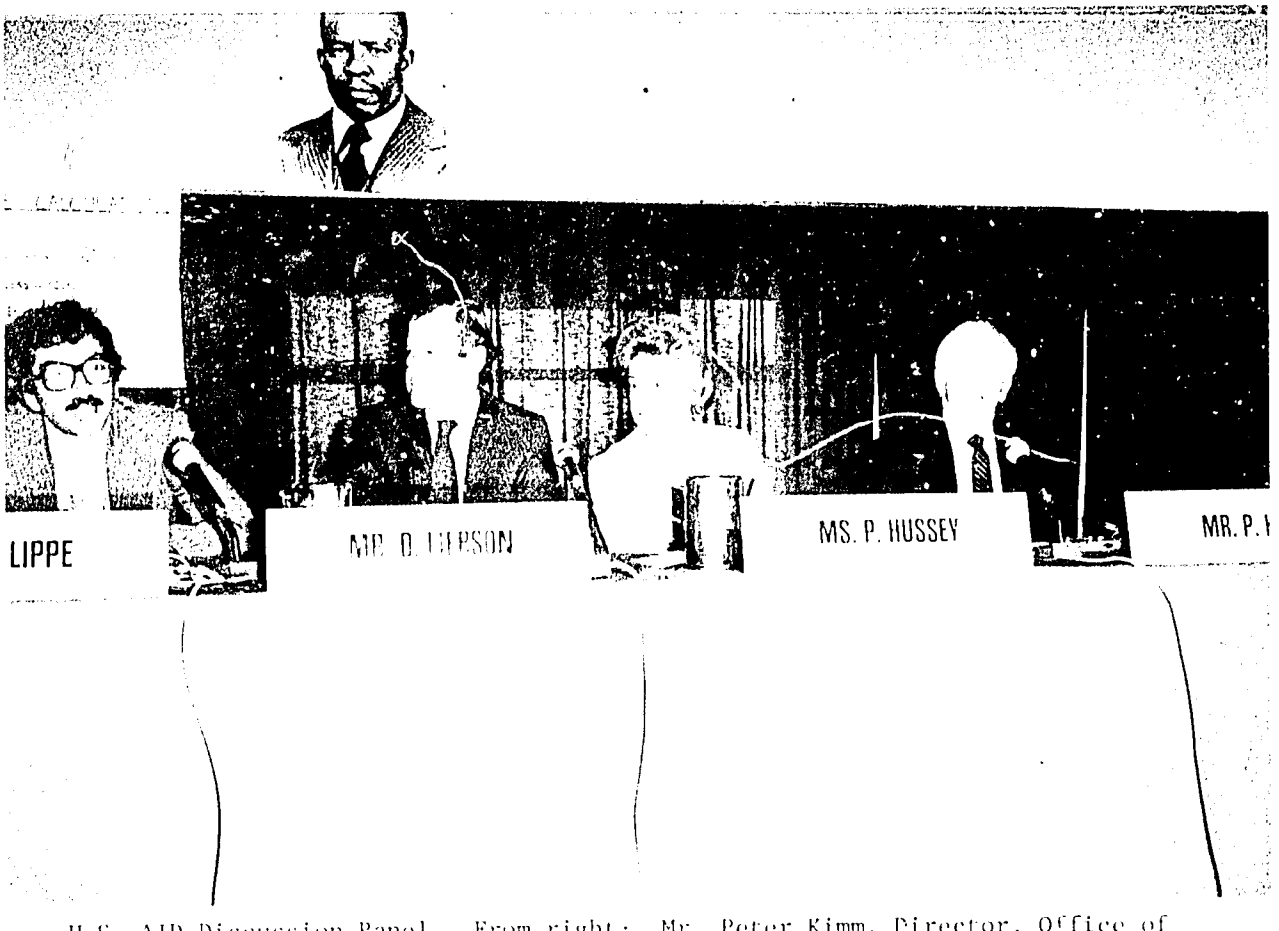
MR. PETER M. KIMM, DIRECTOR, OFFICE OF HOUSING AND URBAN DEVELOPMENT, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

It's getting to be a tradition now to devote one session of our Annual Conference to a report by the United States Agency for International Development on its activities and its point of view on what's gone on in the last year, particularly in Africa. You all received a copy of the Annual Report of the Office in French or in English. I think this is a pretty good piece of work, rather than repeat the information in the report, I'm going to be very brief and only touch on a few of the highlights. One is that we have somewhat changed our name. We have, for years, been the Office of Housing. We are now the Office of Housing and Urban Development. The principal purpose of that change is simply to clarify the activities that we already do, which include at a large measure upgrading community facilities and services and infra-structure items that are not defined as housing in many government agencies and in many other uses. There's also some modest broadening of our portfolio and responsibilities, and, we are assuming a limited amount of additional research and development work. We've been asked to lead a study within our agency of the appropriateness of its current point of view on the proper balance between rural development and urban development. The current position of AID and most international foreign assisted agencies gives the overwhelming priority to rural, with urban as a relatively small percentage of the total activities. Some ask the serious question as to whether those priorities can continue to carry through to the end of this century, given what is really going on in the world.

As you all know, one of the major problems that we've all had to deal with in our own countries, and dramatically so in international finance, has been the restructuring of the interest rates at which the world capital markets work. Interest rates in the United States have doubled and in some factors, tripled over a period of a few years. And, since the way in which the AID housing guaranty program works is that money is raised from the U.S. capital market by us issuing a guaranty which leads the lender to make the loan, has led to dramatic increases in the interest rates that borrowers pay under AID's Housing Guaranty Program. And, this leads to delays in many projects where countries which had borrowed previously under the Housing Guaranty Program or which were planning to borrow under the Housing Guaranty Program simply were not accustomed or prepared to operate at the new interest rate levels that existed in the world. Whereas our program had run in the late 70s at a disbursement level of moderately over $100 million a year, disbursements were somewhat in excess of $100 million a year. In the last two fiscal years, 1980 and 1981, disbursements fell to something about half that level, $50 or $60 million, while many projects which we had designed and worked on with the perspective borrowers were held on the shelf or searched for alternate financing. Well, interest rates have not gone down very much. They have gone down a little, but the world is adjusting to the fact that that's the way things are, and during the current fiscal year, the first six months of this fiscal year, disbursements under the Housing Guaranty Program are in excess of $100 million. We anticipate that the disbursements this year will be in the order of $250 million, far and away the record year for putting money out under the Housing Guaranty Program. So it's ironic that at the highest interest rates at which we have ever operated we are going to disburse more money than we ever disbursed before. But, that's the way things are.

Central to this is the introduction of variable interest rates on the part of borrowers. I know that this is a matter that's more of concern to people in finance ministries, a few of whom are represented here, than it is to people in housing ministries, but the borrowings under our program are in dollars. The dollars go to the minister of finance in one mechanism or another that's converted to local currency. The local currency is made available to the housing authority. The terms and conditions under which the dollars have to be repaid are not directly linked to the terms and conditions under which the local currency is paid. So, it's ministry of finance people who are generally concerned with this, but, let me explain that the typical way in which money was loaned under the Housing Guaranty Program last year was on a rate which will vary in accordance with the cost of money to the U. S. Government. And, a typical term is 115% of the cost of 13 week borrowings of the U. S. Treasury. Periodically, the U. S. Government borrows in the capital market at whatever rate the market charges. Then, the rate for the borrowers under the Housing Guaranty Loan has a 15% surcharge above that. So that this arrangement hedges the borrower against the possibility that interest rates really will drop and we will get back to the "good old days" of 6%, 10% or even 12% interest rates. Then, the loans that were borrowed during this time will drop down to that rate of interest. They don't believe that's going to happen. They think interest rates are not going to go way down. But, most observers have been wrong about everything that happened in the last three or four years.

Just before I left Washington, we signed a loan to the Government of Zimbabwe for $25 million, $21 million of the $25 million was disbursed that day to Zimbabwe at precisely the terms and conditions I just described--115% of the thirteen week Treasury borrowing. A week or two before that, we signed a loan with the Government of Peru for $35 million--half of the money, essentially $20 million, at a variable interest rate and $15 million at a fixed interest rate over a 30-year term. I think that those major events are worthy of note.



U.S. AID Discussion Panel. From right: Mr. Peter Kimm, Director, Office of Housing and Urban Development; Ms. Pamela Hussey, Regional Director for East and Southern Africa; Mr. David Leibson, Regional Director for Near East; and Mr. Michael Lippe, Regional Director for West Africa.

INCREASING LOCAL SELF-RELIANCE THROUGH BOTTOM-UP DEVELOPMENT, BY PAMELA B. HUSSEY, ASSISTANT DIRECTOR, OFFICE OF HOUSING AND URBAN DEVELOPMENT, EAST AND SOUTH AFRICA

One of the lessons learned throughout the developing world by both donor agencies and national governments is that projects solely developed and implemented by central government institutions rarely lead to long-term success at the local level. One of the evolving characteristics of new development initiatives is the emphasis being given to bottom-up planning--not only as a means of securing the long-term commitment of local populations to development actions but also as a way of strengthening the capability of local level institutions to assume responsibility for development projects in their areas.

Certainly the long-term success of low-cost shelter and community services programs ultimately rests with the residents and officials of cities and towns. Successful house consolidation, effective estate management and debt collection, the delivery of community services and operation of community facilities are all examples of shelter-related activities which require the long-term cooperation of community residents and their local governments.

Experience of the past also suggests that neglecting local needs and preferences, or giving lip service to it after the fact, in the early stages of project preparation leads to long-term difficulties, not only in terms of local beneficiary satisfaction, but also in terms of local political will and management commitment to implementing the project in a timely way and managing it effectively after implementation.

Bottom-up planning and development is a means not only of generating local participation in the significant, early decision-making process of planning--and hence making future satisfaction and commitment more likely--but it is also a legitimate means of weaning local institutions away from excessive reliance on the central government and building local self-reliance.

This is especially important when current national development plans are giving more and more attention to the formulation of investment strategies for secondary and small towns. The development of economically viable urban growth centers is increasingly being viewed as a major means to achieve national development objectives. The demand for jobs, infrastructure, shelter and community services and facilities in these growth centers is tremendous. But the competition for scarce financial resources to fuel this growth is also tremendous and makes it extremely important for careful shelter and capital improvements planning to take place to ensure the efficient investment of funds. It is essential, on the one hand, that the capability of urban development-related, central government ministries be improved to provide assistance to towns and to coordinate urban policy, and on the other hand, that local authorities strengthen their capabilities to evaluate and determine their own development priorities and manage their projects effectively.

What is being required in this new era is nothing less than a new contract between the central government and local authorities. The central government agrees to provide greater autonomy to local authorities to plan for new and improved shelter, capital improvements, and community facilities and to assume a larger role in implementing these programs. And it provided them with a policy framework and the technical assistance to achieve this. The local authority agrees to assume responsibility for the decisions it makes on its investments. It enters into a management and financial contract to protect those investments over the long-term.

How do you operationalize this contract?

How do you translate this newly defined partnership from theory to practice?

One example of this attempt to increase local self-reliance and responsibility through bottom-up planning and development is a new USAID sponsored housing guaranty program in Kenya called, "The Small Towns Shelter and Community Development Project." It is part of a larger Government of Kenya program to upgrade nearly 30 secondary and smaller towns throughout the country. The World Bank and the British Overseas Development Administration are also key participants and together with USAID will be investing $65-70 million (US) in the future of these towns.

The USAID-sponsored part of the program is directed at the investment needs of 11 towns in Kenya with populations of from 5,000-15,000. The centerpiece of the project is the development for each of these towns of what we have called a "Local Authority Improvement Program." These Local Authority Improvement Programs are really 5-year investment strategies and programs for these towns for new and improved shelter, capital improvements, community facilities, employment generation and training. The central government is entering into a contract, forming a partnership with local authorities to assist them in the preparation of Local Authority Improvement Programs (LAIP) in the planning and implementation phases, and with post-implementation management activities. This is how it will work:

1. The key central government actors in the process--the Ministries of Local Government, Works and Housing; the National Housing Corporation, together

with USAID--will hold an orientation workshop in the first town to brief local government personnel (both staff and elected officials) and selected provincial and district officers on the nature and scope of the project. Policy, planning and technical guidelines will be presented to the local officials which establish the project framework and set the boundaries within which the local authorities must develop their LAIPs.

In addition, the central government actors will identify the technical resources which will be made available to the local authority to prepare the Local Authority Improvement Program. These resources will include technical staff from the National Housing Corporation, provincial Local Government officers, district development officers, physical planning officers and AID-financed resident technical advisors, to name some of them. The orientation session will also be used to present to the local authority opportunities to participate in urban management workshops. These workships are an integral part of the whole program and are aimed at upgrading the adminstrative and technical capacity of these local authorities to implement and manage their Local Authority Improvement Programs. The Kenya Institute of Administration has already conducted a training needs assessment in eight of the towns and will be conducting specialized short-term, on-the-job training for local authority personnel in such areas as record-keeping, accounting, general financial management, budgeting, community development, and estate management.

2. Following the orientation session, the local authority will then establish a committee which will assume responsibility for preparing and drafting the Local Authority Improvement Program. It will use the basic policy and technical planning guidelines as its framework and will call upon the central provincial, and district level technical officers of the central government to assist in each series of tasks. The first task will be to prepare an overview of the priority physical, social and economic needs of the town and to identify the specific financial, administrative and other constraints to meeting those needs. An important function of the committee will be to identify procedures for including the participation of local area residents in both the needs identification step and then in the project identification process.

   This may include informal surveys and "barazas" or town meetings. The formulation of the Local Authority Improvement Program will focus on the identification of specific projects which meet the priority needs of the resident population and can be funded on a cost-recovery basis. The key elements will include:

   a. Shelter solutions
   b. Capital improvements
   c. Community facilities
   d. Services sites and loans for small-scale commercial and industrial enterprises
   e. Training of local authority staff
   f. Community services (recurrent expenditures not funded by the Housing Guaranty Program)

3. After the LAIP is drafted, vetted and approved by the Town Council, it will be forwarded to an Interministerial Steering Committee composed of representatives of the key sector agencies related to urban development or who will have responsibility for some aspect of an LAIP. This is the only new institutional structure which has been created by the Government of Kenya for the 30-town program. Its main functions are to serve as the coordinating body for the program.

4. A Technical Task Force of the Interministerial Committee will review the draft LAIP and provide a technical appraisal of the specific proposed subprojects including costs and proposed administrative and financial management plans to support implementation of the LAIP. The Technical Task Force has representatives from the following:

   a. the Finance and Development Departments of the Ministry of Local Government;
   b. the Housing Department of the Ministry of Works and Housing;
   c. the National Housing Corporation;
   d. the Physical Planning Department of the Ministry of Funds, Settlements, and Physical Planning;

e. the Local Government Loans Authority;
f. other pertinent ministries such as Water Development, Energy, Commerce, Health, Basic Education and Economic Planning and Development.

5. Upon concluding its review, the Interministerial Committee will recommend approval of the LAIP based on the technical appraisal or will return it to the local authority for further work or modification.

6. Final approval of the LAIP by the local authority and the Interministerial Steering Committee will constitute formal concurrence on the part of all participating sector ministries to provide the investments and services within the prescribed manner and time as set forth in the LAIP. Detailed design work and land acquisition will commence for specific projects within the cost and standards guidelines spelled out in the LAIP.

This is a brief summary of a process which we believe can be replicated in other countries. It is a process based on a partnership between the central government and local authorities. It gives the initiative to local staff and elected officials to determine their development objectives and priorities. It gives them the lead responsibility in identifying investment projects within an established and agreed-upon policy, planning and financial framework. It provides them with the resources to do this. But in turn, demands for fiscal responsibility are placed on them. In return for greater autonomy in every aspect of decision-making, these local authorities are expected to demonstrate that they have the political will and the management and administrative commitment to plan and effectively implement shelter and capital improvements program which benefit the people for whom they are responsible. It is a challenging undertaking by the Government of Kenya, but one we whole-heartedly support as one of the greatest hopes for truly meaningful local self-reliance and beneficiary satisfaction.

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REFLECTIONS ON COST RECOVERY, BY MR. MICHAEL J. LIPPE, ASSISTANT DIRECTOR, OFFICE OF HOUSING AND URBAN DEVELOPMENT, WEST AFRICA

Mr. Chairman, Ladies and Gentlemen:

I am very happy to be able to contribute a few words to our dialogue here in Botswana.

The choice of Botswana as the venue for this year's conference was especially pleasing to me because, as some of you know, I spent more than six years here, from 1968 to 1974. The opportunity to return and the theme of this year's discussions, "Toward Autonomy in Finance and Training," have provided me with the occasion to reflect a bit on some of the changes that have taken place in the ten years between the early 1970s and now, and to draw certain conclusions from these changes.

We will have learned quite a lot about the way in which things are done in Botswana by the time we finish here on Friday. I will, therefore, give only a brief perspective of what have been the highlights for me of the process which has been taking place here.

You have now had an opportunity to see both Broadhurst and Naledi. You can well imagine that ten years ago they were very different. Broadhurst was in its planning stage while Naledi was still considered by many as an eyesore which would have to be removed. Happily, the Government of Botswana embarked upon a course of improvement rather than removal.

Ten years ago there was no self-help housing agency here in Gaborone. Nor did there exist the certificate of rights. Since then, of course, both of these have played very important roles in the structuring of the country's efforts to become autonomous in this sector.

I want to talk a little more about the certificate because I think it points up some rather interesting problems which many of us face in our own programs.

The certificate of rights was an effort to introduce to the urban areas a concept of land tenure, already in use in the rural areas, that is the right to the use of a piece of land in perpetuity although actual legal ownership remained with the state. The certificate was intended to provide security of tenure in an uncomplicated fashion in upgrading and sites and services areas and to serve as the basis for recovery from certificate holders of the cost of providing both infrastructure and services to these areas.

Thus, the certificate deliberately introduced a parallel system of land tenure into the urban areas, alongside that of freehold ownership.

The Town Council was thus given two principal means, related to land, of insuring that the money that it spent to provide improved land and services to town dwellers was repaid to it. The first was the levying of rates on freehold property, and the second, service fees levied as a consequence of being the holder of a certificate of rights.

The one great advantage of a system like this, it seems to me, is that it introduces the concept that the improved land and services that are provided in the upgrading and sites and services areas are to be paid for in some measure. The Council must come up rather quickly against the reality of what the occupants can afford to pay, what the government can afford to contribute, and what the level of services is that can be provided. Also, to the extent that subsidies are possible within a country's financial means, and are provided, the dual system of land tenure provides a rather convenient method for targeting these subsidies to a generally lower income population and is flexible enough that it can be changed relatively easily in those years when funds for cross subsidies are not as plentiful.

The idea that the beneficiaries of the lots and the services should directly pay for these seems to be fair, at least at first blush, but it does pose some problems. These problems are evidenced by what I understand has been a continuing problem in collections of monthly service fees.

The first problem that is faced is that when you are specifically not selling someone land, but are instead giving him the use of improved land and changing him for services, you better be sure to provide him with the promised services. Otherwise, there is certainly going to be a pronounced disinclination to pay anything.

A second problem that may arise in a system in which an attempt is made to link specific charges for services to specific beneficiaries is what might be termed the "historical fairness" argument. Actually, this argument as we shall see, does not depend upon a distinction between the different forms of title being passed. Residents of a newly upgraded area or a sites and services area may argue, and with possible justification, that they are being asked

to pay for services or improvements which others in different parts of the city may have received in previous years for free or for greatly subsidized prices.

A third problem arises because of the varying levels of services in different parts of a town upon which any improvement program will be based and the varying costs of improvements because of technical considerations. An exercise which attempts to closely link cost and beneficiaries in specific areas is very much open to the generation of feelings of unfairness if the ordinary person finds himself paying more in an area for the same or fewer services received by someone else in a different area. And, of course, information like this is quickly known throughout a city, especially a small one. Perhaps the only real point in all of this is that the further one delves into the process behind the simple and straight forward proposition that there should be payment for services provided, the more difficult are the problems. These are problems which Botswana has faced and is working its way through.

Another country which is facing the problem of cost recovery is the Ivory Coast. There, in 1977, legislation was passed which for the first time gave the government the right to designate defined urban areas as upgrading areas within which 50% of the costs of certain urban improvements could be passed on to the residents in the form of special assessments. As part of a joint AID, World Bank, Ivory Coast project, four areas were designated and construction is now progressing in each of them. As the work is still underway, and final costs have not yet been assessed, it has not been possible to observe the cost recovery mechanism in action. In the case of this project, which impacts on rather large and distinct parts of Abidjan, there is no question of a dual system of land tenure. Moreover, the costs of the upgrading are being subsidized by the government to the extent of 50%, which will undoubtedly minimize any charges of unfairness which might arise in relation to infrastructure and services provided to other areas where the costs may not have been recovered. However, it may be of interest to note that beyond these four designated areas, the government has yet to go any further on its own to designate additional areas. Whether this indicates that a rethinking on the part of the authorities is going on is not known.

It may well be that the answer in the Ivory Coast will come as result of another generation of projects, these in the secondary centers of the country. There, the commitment of the Ivory Coast to cost recovery for urban improvement programs has been affirmed in agreements with both AID and the World Bank. However, the mechanism remains to be identified. What seems likely is that it may not involve the use of the urban upgrading legislation, at least initially, but will rather concentrate on overall improvements in property tax collections to which everyone in these smaller cities will contribute, whether or not they benefit directly by a particular road or water system. If this does happen, it would seem that the nexus between beneficiaries and cost recovery will be blurred or to put it another way, the definition of beneficiaries will be broadened to include an entire urban area. In fairness and in the interest of administrative ease of application this may be a step in the right direction.

In review, let me summarize my observations:

1. Ten years have seen the institutionalization of comprehensive changes in the shelter sector in Botswana. Taking this as a reference, it should be possible in most countries to do the same thing, building step by step.

2. Cost recovery for land and services provided seems a fair proposition--but the services better be real ones or there will be real problems in collection.

3. The connection between cost recovery and direct beneficiaries needs to be carefully examined in each case to insure that principles of justice are respected. In some cases it is likely that the community as a whole rather than beneficiaries of a specific upgrading area should bear the cost of improvements. Ease of administration should also be a consideration.

Thank you.

DEVELOPMENT OF ENTREPENURIAL CAPACITY, BY MR. DAVID LEIBSON, ASSISTANT DIRECTOR FOR THE NEAR EAST AND NORTH AFRICA, AID OFFICE OF HOUSING AND URBAN DEVELOPMENT

Summary

One important constraint in the delivery of shelter and an area where there is a lot of potential for improvement is the capacity of builders and developers to produce housing at the most effective cost and in the greatest volumes possible with the financing available.

So often, projects come in over cost and behind schedule. The design standards painfully accepted in efforts to keep housing affordable lose meaning with overruns and inflation during construction. Public and private sector production goals in development plans are seldom met, partly because of shortfalls in finance and management, but partly too because the industry cannot always keep up with demand especially when financing becomes available. Material and labor shortages often develop. There are too few construction firms capable of large projects; those that are, are usually in demand in other sectors and they are often expatriate.

There is a lot that could be done to strengthen the industry. Housing, in fact, is the sector probably best suited for helping unskilled workers to become skilled; skilled workers to become small builders; small builders to become larger builders; and for larger builders to become developers. Public sector shelter programs and projects can be designed in ways to promote this growth.

I would like to mention some of our experiences and steps that can be taken to develop entrepenurial capacity--an important link in self-reliance.

The Building Industry

Before going too far, we need to take a quick look at the state of the industry. Housing is produced in a lot of different ways ranging from the informal sector of individuals and small entrepeneurs to large national housing authorities that contract with major construction firms. Typically, a half to two thirds of all new housing is built by the private sector and about half of that through the informal sector.

Most builders ar very small and work on only one unit or so at a time. Some can handle slightly larger projects, but while housebuilding is not difficult, the construction of even small multi-unit projects requires planning, financial and managerial skills. Only a very few firms have the resources and experience for large projects. The large builders, on the other hand, including national housing authorities, often become severely over-extended. Graduation from one scale to another is usually difficult for a host of reasons. Small builders, for example, have difficulty obtaining lines of credit, getting timely delivery of materials, and keeping experienced managers all of which are critical to larger jobs. Builders at all levels always have cash flow problems and very few have access to financing for speculative development.

National Housing Authorities are included in this discussion because though not always builders, they are usually developers. Most need the same management skills as large builders, but often are encumbered with bureaucratic rather than entrepenurial structures.

Some AID Experiences

The programs of AID's Office of Housing have been undertaken through the whole range of builders and developers.

The earliest programs, now 15-20 years old, served as vehicles for American builders to develop middle income projects overseas. They successfully demonstrated the market for that kind of housing, but the strength of the sector ultimately depends on the strength of local builders. For many years, AID's Housing Guaranty finance in Latin America was led competitively through local developers. Proposals for projects were accepted from private builders and sponsors, reviewed carefully, and the best selected and approved for financing. We think that the experience those developers gained was an important part of the strength of the private sector in housing in Latin America today. While we are no longer financing projects this way, housing authorities might find it a good way to program part of their construction and mortgage financing.

In the Ivory Coast, several years ago, we began financing projects which were broken up into parcels of 30-100 units that small builders, with some assistance, were capable of handling. The builders formed a cooperative that provided mutual guaranties in lieu of bonds which they were, alone, unable to obtain from banks and ordered materials together. That helped them get credit and priority from suppliers. A project management firm was contracted to provide planning, accounting, and management assistance. The dozen builders selected for the first

project together built more than 700 units in about a year, the same time that an expatriate firm would have taken and at about the same cost. Of that dozen, some were not even capable of completing their contract, but most did; some even made money, and, most importantly, a few of them capitalized on the experience and went on growing from small builders to larger builders.

When AID began financing housing programs in Korea around 1971, the Korea Housing Corporation was producing several thousand units per year. As they gained more and more experience, they began contracting out larger and larger parts of their work, but kept the role of construction management, often supervising the scheduling of materials deliveries and the work of sometimes hundreds of subcontractors on the same site. They were able, through careful construction management to reduce construction time for very large projects down to 6-9 months and to increase their annual production to 40,000 units. More importantly, many of the building firms they spawned have become important speculative developers in the private sector. When the Koreans are asked how they have achieved what they have, they usually refer to prefabrication and industrialization of materials, both important, but we think the most important factor was their attention to organization, management and entrepenurial drive.

Designing Programs and Projects to Develop Entrepenurial Capacity

A number of steps can be taken in program and project design to facilitate the growth of builders and developers. A few:

1. Site and Service Programs: These provide a ready concentrated market for building services that enable the best of the informal sector builders to expand and open opportunities for the establishment of small building supply outlets.

2. Land Development: Small builders are seldom capable of land development and infrastructure. A number of countries, Tunisia, for example, has set up land development agencies that acquire sites, put in infrastructure, then sell buildable lots to individuals and developers.

3. Use of Local Materials: Imported technologies rarely are cost effective and, with careful attention to detail, design with local materials will allow builders to focus more on management and less on technical problems.

4. Parcelling: Even very large projects can be divided into smaller parcels that are manageable by smaller builders. Not all parcels need to be the same size; a variety should probably be programmed so that awards can be tailored to builders' experience.

5. Phasing: Even large builders can usually improve their management significantly, avoid over-extension and reduce costs if large projects are phased in smaller units. Cash flow, materials use and labor forces are most effectively managed when production units and work gangs move from part of the project to another in stages rather than trying to complete large blocks of units at the same time.

6. Standardization of Site Planning: At last year's conference, Indonesian experiments with standardized site plans were discussed. To the extent that labor and materials can be repetitively programmed, significant improvements in cash flow, scheduling and cost control can be made.

7. Construction Management: Construction managers should be an integral part of the project planning and design team whatever the scale of the project. National housing authorities production units should be given management objectives and authority for meeting schedules and costs.

8. Training: Where projects are parcelled out to small builders, contracts can be given to more experienced managers and firms to provide assistance in construction planning, financial management, inventory control and project management. This first-hand experience somtimes can provide the best training. Techniques have been developed also to provide workshops and classes in these skills even for illiterate entrepeneurs. Special courses in construction management could also be given in technical high schools.

9. Cooperatives: Assistance in the formation of formal or informal cooperatives can provide back-up support for small builders to help them obtain financing and timely delivery of materials. Such cooperatives can also minimize risks for project sponsors when contracts are awarded to small builders.

10. Programming: One of the biggest problems for large and small builders is the need for regular work to smooth out cash flows and keep labor forces regularly employed. The financing and scheduling of projects should be programmed with this in mind and efforts to avoid irregular cycles can have a significant payoff in reduced costs. A process for prequalification of builders in groups according to project capacity can speed up the award of contracts and can also provide more regularity for builders.

11. Encouragement of Developers: Construction and mortgage financing is needed if public sector housing finance institutions can be the vehicle for encouraging builders with sufficient resources and experience to move into speculative development. Standards can be established along with cost limitations, and large builders invited to submit project proposals to be competitively reviewed and financed. Developers could be responsible for projects from conception to sales. If successful, they could begin playing an important role in increasing production.

Conclusion

There are many more ideas that have and could be developed for using program and project planning to help in the development of entrepenurial capacity. Each needs to be much more carefully detailed, but stronger builders and developers can have an important part in achieving self-reliance in the housing sector, and ultimately in economic development.

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THIRD PLENARY SESSION

Finance: Small Group Discussion Reports

WILLIAM KARG, MINISTER OF LOCAL GOVERNMENT AND LANDS, COOPERATIVE HOUSING FOUNDATION, BOTSWANA

These conferences have been noted for their innovation and this morning will be another of those innovative activities. We're going to experiment, and we hope it works well. For this morning's session, we're first going to hear a presentation from each rapporteur about their small group discussions. Following these reports, we will have a small discussion group among the panel members in which we will ask each other questions and discuss financing from the perspective of self-reliance. Following that, we will entertain questions from the audience. One of the other innovations this year is that we are taping this morning's session. It will thereafter be transcribed. However, in order to identify those people who are speaking on the transcription, everyone must identify themselves very clearly by name and by country before they speak.

When we met as a small group yesterday afternoon and discussed what we had learned and heard in various small groups, there were some general themes that I'd like to highlight. The first was that there seemed to be a real importance to look toward a cooperative arrangement between the public and private sectors. Some examples of this might be that a public sector organization might form the housing delivery system whereby some private institution might collect any service charges for that delivery. Another example would be that a private institution might encourage savings but, in fact, to give the saver security and inducement to save, a public institution might ensure those savings. Those are some examples you will hear more in detail, of course. Another thing that was common among the groups was that it was very important to identify the target groups--the beneficiary. If this is not done, there is the danger of not meeting the goals you set, not serving the right group of people, not really being able to evaluate whether you've succeeded or not in your housing delivery program. Obvious ways of identifying your target groups would be by income and place of dwelling. For example, urban areas, rural areas, small town or major villages. These would all be important to identify. The other theme is training. Training frequently arose during these sessions as part and parcel of what was necessary as far as financing. It was talked about in two ways--one, training the beneficiary so the beneficiary indeed could make better use of the financing available. For example, the self-help builder might receive technical assistance in training to build his own house. Training was also discussed in a broad education way and as being necessary for politicians who, for example, might be ultimately responsible for the success or failure of a collections process. Lastly, a common theme was affordability. Affordability enhances cost recovery. Affordability has the potential of reducing subsidies. And certainly, by being very clear and careful about providing the most affordable product possible, you are able to reach the broadest target group. I'd like now to move into the individual reports from the rapporteurs. Group number one discussed Savings Mobilization in Non-formal Finance. Obviously, the availability of finance is crucial if people who have the will and have the need lack the means to be able to afford housing. However, if the finances are to be provided by the private or public sector for that means, there must be mechanisms devised whereby people will save and replenish that financing so that it can be channeled into housing.

MIATA BEYSOLOW, NATIONAL HOUSING AND SAVINGS BANK, LIBERIA

Our discussion group was on Savings Mobilization in Non-formal Finance. Discussion centered around private sector mobilization with the assistance of the public sectors. We see the public sector complementing private sector effort by assisting in the educational aspect. That is to say, planting the ideas in the value of savings and creating an atmosphere for better cooperation between the formal and the non-formal sectors. We also see the public sector coming in with what we call catalytic subsidies. That is, subsidies that can be used to build the institutional framework from which savings can be mobilized, or subsidized to get a savings or mortgage insurance scheme in motion. By this we mean that the capital which is put in could be received with the intent'on of being paid back after the institution gets on its feet. We want to discourage subsidies that are grants or gifts to individuals for the obvious reason that they are not self-sustaining and they go to only a few. Whenever we hear of a subsidy we should always ask ourselves, who's paying for it? Can they afford it? Who benefits from it? We agree that while our people might not be saving in the formal financial institutions, they are saving. Some save cattle, some save under their mattresses, some bury their money. You may be able to think of a lot of other ways that they save. We, therefore, have to make greater efforts to mobilize these savings into self-sustaining institutions that will put back these savings into the airs from which they came in the form of loans. To mobilize savings, we must first know what target group are the base from which we are mobilizing. In other words, the techniques we use must be related to the peoples' habits and their customs. Our strategy must be realistic to the target group. We must also remember that saving is not an end in itself. People will save if there are well defined benefits which are tangible and if the savings are secure, because much sacrifice is needed to save.

Of the techniques used to mobilize savings, the most attractive one is the contract method. We see three ways of doing this. One, you may have a contract to save with a financial institution for a number of years. And, at the end of those years, you are definitely promised a loan. Or the financial institution will do it another way. In this second way, the institution will give you a loan on condition that you will begin to save at the same time paying off the loan. A third method--another contract system--is one that was brought up by our colleague from Kenya. In this method, you give the individual a service plot--on paper. You promise him that if he saves over a period of time this plot will belong to him. And, he can participate further by saving and getting a loan to build a house. Another technique for mobilizing savings is the special savings canteen where efforts are made by all employees at the financial institution to go out and get in as much savings as possible. Giving gifts, for instance, if a saver deposits with that institution X amount or more, mobilizes savings. You could move your financial institutions closer to your target group. This was done by the Federal Mortgage Bank of Nigeria. In addition to putting up branches all over the country, they have mobilized savings units in areas where it was not feasible to put in a branch.

The next topic we discussed in our groups on savings mobilization was linking the formal and non-formal financial sectors. Financial institutions, such as banks, could use as intermediaries existing organizations that a target group knows and that it trusts. We've discovered from our various backgrounds that there is a basic question of trust between the non-formal sector and the formal sectors. Therefore, you could use cooperators, you could use village leaders, church groups, employers, all social groups. This way you can offer the group leader that you may be able to relate to, attractive incentives, such as high interest rates. Know that to the extent that we mobilize savings from the lower income group, we have to devise ways in which we can channel back these sums into the groups from which we mobilized them. This is crucial because as a self-sustaining financial institution, there's a limit to the risk that we are prepared to take. Many of the African financial institutions have boards that have set criteria that must be adhered to. Lending to the low income sector can be risky; it can become cumbersome; overhead costs can be high in both booking the loan and servicing it. But we believe that the additional risks inherent in this lower-income lending can be shared through mortgage guaranty schemes. And the transaction clause could be covered by the government through incentives, such as tax breaks, which can be tied to the amount that the institution has lended to the sectors. I'm sure all of us here can think of many other ways in which savings can be mobilized and how we can channel these funds back into the low-income sector. When my colleagues have completed their presentations and we begin the discussions, perhaps you could throw out some of your ideas too.

Thank you.

EMPLOYMENT GENERATION BY PIERRE-YVES NICOLAS, ENDA, DAKAR, SENEGAL

The subject of group II, led by Mr. Soumana Troare, was employment generation. The debate focused essentially on three points. The first was an attempt to understand the concept of employment and the second was an attempt to determine which sectors could actually be considered employment generating sectors. We then tried to make a few recommendations relative to employment generation. Concerning the concept of employment generation, the group first took into account the differences between remunerative employment and non-remunerative or free employment. By free employment, we mean, of course, systems of auto-construction. Remunerative employment is that which relates to salaries or fees, or employment in its true sense. We then considered the differences between temporary employment and duable employment in order to orient our discussion to employment which is actually durable and profitable, i.e., revenue generating employment.

Relating to this part of the discussion, I would like to bring up two remarks which were made by Mr. Traore at the beginning of this discussion. The first was that in Dakar, in particular, and this was an example, the informal sector represents approximately 37% of jobs. It should be noted that in other African cities, the informal sector represents a much greater proportion. It was also noted that in rural areas, for we did include rural areas in our discussion, the percentage of jobs in the informal sector is sometimes double what it is in metropolitan areas. The second remark was that the cost of creating one job in the industrial sector, in Upper Volta particularly, was estimated at approximately 10 million Francs CFA or even higher. On the other hand, the cost of creating one job in the informal sector was approximately 200,000 to 1,500,000 Francs CFA. The conclusion is obvious. The informal sector can unquestionably create more jobs than the formal sector.

In the third part of our discussion, we tried to make a few recommendations which are as follows:

1. Generally speaking, the creation of jobs should be considered as an essential element of any housing project. There seems to be a tendancy to consider employment generation as a consequence of housing starts; perhaps it would be good to consider this process in reverse.

2. It is difficult to limit investigation into housing employment uniquely to the housing sector. Some participants remarked that the carpenter, for example, does not just work in the housing sector; the same can be said for the ironworker and for other trades directly relating to housing.

3. It is absolutely necessary to promote the utilization of local resources and by this we mean not only the materials, but research into the utilization of these materials and the promotion of human resources as well.

4. If jobs are to be created for housing, the informal sector must have access to financing, whether conventional financing or auto-financing, and research should be done in this area.

5. An attempt should be made to create jobs outside metropolitan areas. A participant remarked that lack of employment is one of the major causes of rural migration and one could justly ask whether the creation of jobs in rural areas or in average size or small towns would result in the generation of revenues and provide incentive to stay in these small towns.

6. With respect mainly to the informal sector, it is absolutely essential to find new appropriate methods of training. In this respect, a certain number of possibilities were mentioned and emphasis was placed on on-site training. Systems which consist of creating large contralized training facilities should be discouraged.

MR. BERNARD G. SESINYI, SELEBI-PHIKWE TOWN COUNCIL, BOTSWANA

Mr. Chairman, distinguished delegates:

I'm reporting on the discussion held by Group III which examines the topic of Pricing and Cost Recovery. The discussion was led by Honorable T. Britton. The discussion examined the following objectives:

1. Capital formation by pricing housing higher than cost, which is market price;

2. Reduction of loan protected subsidies that can be applied to capital investment;

3. Achieving self-reliance by this election of affordable standards which answers the theme of the conference.

The discussion stated that every one of the participating countries here is concerned with these issues. Almost every country on earth, including the African continent, is struggling to cope with the housing demands of its citizens--be it in the form of subsidies or otherwise. But experience has shown, however, that while the public takes government services for granted, government themselves are poor buisinessmen. More often than not they fail to insist that citizens pay for costs and services on a productive and timely basis. It is, of course, not suggested that all citizens are undeserving and must pay for all services. There's always exceptions to the rule. There are the unfortunate, the handicapped, the elderly, etc., who simply have no resources for housing and other needs, and are totally dependent on the State for support. But sometimes when people change from being poor to being well-to-do, it is not taken into account. Here the discussion advocated that somtimes it is necessary for people to have their income reassessed in order to relate it to the rent as they paid. That is, to readjust the rentals and charge them more when possible.

On accounting the discussion simply posed a question--whether countries ever interest themselves on how much is actually owed to government. This sometimes reveals enormous sums of money. This means that many countries should seriously reexamine their methods of cost recovery. They are, for example, countries that indicated that they never have examined their rentals in the past eight years, even though those rentals may have doubled within that same period. The accounting systems should also be perfected, since management requires accurate information in order to make correct decisions. Management simply cannot function well without accurate records. Even where a country has limited resources the recordkeeping has to be perfect.

With regard to standards, there is a continuing need to reevaluate and examine the standards used for construction. Not all architects' demands can be met in cost, expecially by the low-income groups.

Finally, the group examined methods of common approach in pricing and cost recovery which are our recommendations. Recommendations:

1. Tenant education is very necessary and that among the educators should be the politicians themselves;

2. There should be a willingness to pay for services if we have to recover the cost;

3. There should be an established and efficient cost recovery mechanism;

4. Subletting facilities should be encouraged in order to assist tenants.

In Botswana, we regard the education of the beneficiaries to be of paramount importance. In our discussion there was a country that mentioned they had just started self-help housing schemes. But, the people there did not know what it was all about. They didn't know a thing about what self-help housing was. Obviously, in a situation like that, when you come to the costs and ask people to pay, you have a problem. They wouldn't know what they are expected to pay for. But in Botswana, we are very sensitive to this issue. The pictures on the wall, for example, tell a story of what happens in Botswana. We carry out orientation sessions, we hold ward meetings, we hold public meetings. Sometimes we hold educational seminars and workshops so that people understand exactly what their responsibility is. I remember an example which happened recently in my town. Because of the services that were installed, the levy had to be raised from five pulas to eight pulas. I watched the mayor of my town address a general meeting. He told the people what it was all about. He showed them some of the immediate services that had been installed there. He ended up by saying as a result, Counsel had found it necessary to raise the levy to where it was. The people stood up and said, "If all people educated us like you did today, we would always be happy and cooperative. We accept the eight pulas of this levy." This shows the amount of cooperation that can exist between administration and the tenants if people know what it is all about.

PRICING AND COST RECOVERY BY MR. DRISS KHARCHAFI, MINISTRY DE L'HABITAT ET DE L'AMENAGEMENT DU TERRITOIRE

In group 3B, we tried to establish, within the framework of price and cost recovery, a somewhat analytical approach to what can be done so that governments and especially African governments can reduce their participation in their low-cost housing operations. After Mr. Yeboue presented his report, a debate ensued in which two aspects were considered. The first was to define the social strata or stratum for which such a program would be developed, i.e., defining the target population. The second aspect, which is in fact the theme of our meeting, was to find ways to reduce government subsidies by as much as possible, allowing the beneficiaries to assume partial or total responsibility of its operations. The problem, therefore, was to define the types of operations or programs not requiring maximum government intervention. We drew up a list which, although by no means exhaustive, did define those factors involved in the field of housing (home ownership and rent).

We divided these factors into two groups: those factors or parameters involved in technical costs, i.e., everything related to project research and studies, and those factors which can be termed finance costs. Technical costs can be divided into several elements, among them the fundamental element which is the land, VRDs --sites and services, the actual construction, facilities and technical studies. We then tried to determine how each of these elements could minimize or attempt to minimize government participation:

1. LAND--If land is to be made available or given to the beneficiaries then the governments have to establish a dynamic property and housing policy by which they are able to amass a viable housing stock.

2. VRDs--(services, water, electricity, roads, etc.)--First, it was recommended that what we call "off-site," meaning the primary or external infrastructure, could be the responsibility of other government departments, for example, public works, water and electricity works, etc. It was then recommended that the responsibility for the "in-site" system, i.e., the secondary or internal distribution systems, could be assumed by the beneficiaries themselves.

3. CONSTRUCTION--It was obvious that if self-reliance in housing is to be achieved, allowing the government to totally or partially abandon their participation in these operations, the beneficiaries must themselves build their own homes.

4. FACILITIES--Here, within the framework of government planning, every facility or installation planned for the project should be programmed so that it is entirely appropriate for the project in question. This usually involves total government participation. However, certain experiences, such as those in the Ivory Coast relating to the construction of schools, have shown that beneficiaries may assume the responsibility for certain operations. This is an experience that should be taken into consideration and that could eventually be useful in other countries.

5. TECHNICAL STUDIES--Here, technicians working for the government, architects, engineers, etc., could undertake studies without the participation of the beneficiaries. But every technical study sub-contracted to a private or para-public organization must be charged to the overall project costs.

The second group of factors considered was the finance costs and we considered that all finance costs should be charged to the project and payed for by the beneficiaries. Finally, we considered the notion of profit margin--if there is one. Since this type of operation is usually undertaken by the government, it seems that there cannot be a profit margin. However, if, in certain countries, private or para-public organizations undertake these operations, there can be a certain profit margin but this must be controlled by the government so that the portion charged to the operation is as low as possible. Finally, we recommended that the procedures for obtaining financing should be relaxed so that the operations or projects can be finished within relatively short times.

MR. MICHAEL BEKESFORD, CITY COUNCIL OF HARARE, ZIMBABWE

Group IV examined the question of self-help labor and the role of building groups particularly focused on Dandora near Nairobi. Although our topic has been categorized as financial, it could just as easily have fallen under the heading of training. If nothing else, it establishes the linkage between the two aspects. The Dandora study clearly demonstrated that savings can be achieved by beneficiaries contributing their own time, energy and labor in the self-builder process. In fact, the study showed that savings between 40 and 50 percent could be achieved compared with conventional construction costs. This occurred by eliminating some labor costs, and more significantly, by eliminating most of the overheads and the profit element of conventional contractors. The study identified three types of self-help construction. First was the building group. This comprised in Dandora between 10 and 20 members. They pooled their labor, financial contributions, and building loans. They undertook construction of rooms on each member's plot in turn. The second method was individual self-help, which is very self explanatory. Third, there were contractor supervision arrangements which basically involved small contractors. I don't want to confuse the small contractor that we are talking about here with the larger conventional contractor.

The members of the building groups were to be found in the lowest income and I think it must be assumed that they saw cooperative action as the best means of overcoming problems imposed by their low earnings. They were not necessarily anymore effective in achieving a lower cost of construction than the other groups. Indeed, the small contractors in Dandora seemed to have risen to the occasion and produced very competitive prices. The most important achievement of the building groups was that they successfully found a way to circumvent the basic problem of having insufficient capital to commence construction. The building groups evolved from the people and were not an artificial creation imposed by some zealous sociologist on an unsuspecting population. They were encouraged by the community development workers and indeed they needed advice and training in simple bookkeeping, cost control and site management. The concept of these building groups found favor with most of the delegates who attended our discussions. There were a number of suggestions as to how they could be strengthened and made more effective. One suggestion was that the group should be formed before plots were allocated to members and they could begin to save earlier. Perhaps it would be possible to allocate the plots in the same geographical area. It was suggested that building loans could be made to groups rather than to individual homeowners. There are obvious legal and financial complications here, but it's worth looking into. The continued existence of the groups after they had achieved their primary aim of building houses for their members was suggested. Environment or community tasks were possibilities for continuing groups. They could even become production rather than consumer groups by assisting others in the self-building process. Although these groups are registered with the authority, there is some need to clarify their legal status and their responsibilities vis-a-vis their members. At present, they seem to operate fairly successfully. Using social or moral pressures might not always work as smoothly as it seems to be at the moment.

The involvement of voluntary organizations to supplement the efforts of the housing authorities was another aspect discussed. It was felt that this might help to support the building groups. Voluntary organizations are often able to get closer to the people than the public agencies. They are less hindered by the bureaucracy. That, I am sure, you all know about. They can be more flexible and they can tap financial sources which are closed to the public agencies. Clearly, there is much to be done in this field. I think the Dandora experience shows that building groups are another tool in the self-help housing arsenal and another aid in our task of achieving the impossible.

Thank you.

Training: Small Group Discussion Reports

MR. DAVID R. BENSON, REGIONAL HOUSING OFFICER FOR EAST AND SOUTHERN AFRICA, USAID

We do think that training is important. We do believe that training has a very important bearing on the theme of this conference, which is self-reliance and shelter. In many countries, highly professional staff is in short supply. I think it is possible to train staff at the institutions and organization involved in shelter to become much more efficient workers. As they become more efficient workers, we would anticipate there would be greater savings and greater benefits to the residents of communities or the beneficiaries of communities that we're working in. We think the training also provides great benefits to the organizations. Last, but not least, we think that training provides a benefit to the individual. Individual employees, if they are well trained, have a greater sense of responsibility and a greater sense of accomplishment in their own work. And, hopefully, they could be promoted on the basis of the training they have received. We have this morning representatives from five training discussion groups. The first group deals with in-country and regional-training institutions. I might comment that in my experience in Africa, I have learned that there are some very excellent Africa-based training institutions. I think that members of country delegations ought to carefully consider using the institutions that do exist in Africa to provide training for Africans. The second discussion group is called Planning and Organization for Training. In this particular one, we will try to discuss institutions that have not been involved in training previously and what they need to know to help them establish an in-house training operation. We will also examine how they can develop greater skills in selecting either local or regional training institutions that might meet their specific needs. Another important discussion group, the third group, is called Training for Paraprofessionals. There are a considerable number of paraprofessionals in the shelter field. Many of them are good men and women who can contribute greatly to the success of the organization and the achievement of goals, provided that they have good training. The last two groups discuss case studies. One case study is on the education of the beneficiary. Beneficiaries, of course, are really the target of all our activity. I think that it is very useful and very important to spend time at the very beginning of a project and during the implementation and co-implementation section of a project to deal very carefully with the beneficiary. This is done in several ways. One is continually providing information about the project. Another way of doing it is to ask the beneficiaries what they want in term of the project. The last topic we will talk about today is a case study on the Training of Implementing Staff.

Let me highlight some of the important points. One thing is that training is important. In some cases, training might be crucial to the success of a project. But, if an institution or organization wants to involve itself in training, there are a number of things that must be done. One of them is to analyze training needs. What kind of training is required for a variety of staff people? How specific or how unspecific should that training be? Then there has to be a training policy, either a sector-wide policy or a national policy or an institutional policy to set the framework for training so that everybody understands what training is to accomplish and, of course, how much money can be allocated to that particular area. Another important point is to talk about training strategy. There are all kinds of training. Some of it is good, some of it is bad. Some of it is relevant, some of it is not relevant. An organization or institution must develop a strategy to simplify its evaluation of potential training plans.

Training must serve the organization to be cost effective, but I think it also should serve the individual person who is being trained. Another important plan I think is to evaluate. Training is a process that should be implemented, evaluated, changed if necessary, reimplemented and validated and changed other times. Lastly, again, let me repeat that training should be designed to meet specific organizational and individual requirements.

IN-COUNTRY AND REGIONAL-TRAINING INSTITUTIONS BY MR. MATHEW OTHOW DENG, REGIONAL MINISTRY OF HOUSING AND PUBLIC UTILITIES, SUDAN

It appears to me, and maybe to many people, that the establishment of training institutions seems to get low priority in many countries in Africa, and indeed little actual attention. But, the question which the leader posed to our group concerned the need for establishment of such institutions. Is there a need? And the answer on which everybody agreed is that there is a need to establish such institutions because in all that has been said ahead of this report about finance and good plans for organization, and so on, you come up against implementation and for implementation you need the human being, not any human being, but a qualified trained person in the job that he is supposed to do. Therefore, you cannot think that anybody graduating from a university or a secondary school can be put directly on the job and do a good job. He needs some training before you put him on the job and he needs some training thereafter in the job that you put him on, especially when it is a shelter housing job.

The importance of the establishment of such regional training institutions is recognized, but I think that the expenses and other things are concerns of many people. Our group agreed that regional institutions are really good because they allow pooling of resources. The other advantage of regional institutions is that they offer great opportunities because the people who go and take part in these institutions come from different areas, different backgrounds, different cultures and so on. When they meet, they benefit from one another.

There are many advantages that can be offered by regional institutions, but they are very expensive. They require many people who are expensive to employ because we do not have them in Africa. We need people from outside, assistance from outside. We think that the developed countries and organizations are still very much needed to assist us in establishing such training institutions by providing staff, maybe facilities and equipment, research materials and other things.

Our group also agreed that it is important in establishing such regional institutions that the various countries of regions develop a coordinated policy. This can prevent one country from dominating everything. A financial commitment by these countries to the regional institution is also important so that the burden is not left to one country.

In conclusion, there is a need to establish such regional institutions in the various areas in Africa, whether they are French speaking or English speaking in order to develop the necessary housing skills.

TRAINING FOR PARAPROFESSIONALS, BY MR. HALIM S. SCANDAR, JOINT HOUSING PROJECTS AGENCY, MINISTRY OF HOUSING, EGYPT

Our group tried to define the paraprofessional for housing services. We considered how to train them, how to assess the training, who trains the paraprofessional, where to train them, and what type of people we need. Training, lecture, field work, on-the-job training, and case study work were the training methods we discussed.

Our discussion group considered three groups of papaprofessionals--administrative, community development, and technical. We classified the administrative group into administrative assistants, bookkeepers, cashiers, store keepers, general clerks, state assistants, cleaning assistants, drivers and gardeners. Community development included health staff, community development officers, community development assistants, health assistants and researchers. The third type, technical staff, included building technicians, carpenters, drain layers, electricians, masonry bricklayers, painters, plumbers, auto and plan maintenance.

Then, we went back to the administrative group and tr ed to look at the skill types needed in that category. We determined that office management, basic accounting, communication and language, housing studies, community development, estate management, public relations, store management and budgeting administrative procedures were needed. From these needs, we tried to look at the education level required. A minimum of ten years basic education level, subject to an aptitude test for the ten years to upgrade them. Where can they be trained? On-the-job orientation followed by a three month course at a technical training institution. Training courses should be arranged for assuming higher responsibility. By whom to be trained? Training component should be included in any project. Assign a unit training officer for coordination and liaison to communicate with the training committee. Prepare a module to be educated to the training needs.

Methodology

First, field work techniques are left to the project unit. The training officer is the person to be provided with a feedback by the trainees and employer to adopt or develop the training program according to the needs. Formal evaluation should be undertaken by an independent agency every three years. A training institution which has facilities should provide all facilities and must be paid a fee.

The second category was community development and health staff. The skills we identified for this group were community education, public administration, environmental studies, physical planning, elements of economics, general principle of housing and planning, building controls and regulation, home economics, agriculture, social studies, communication skills, and housing administration. Basic education for this category is a minimum of ten years. Workers in this category can be trained in appropriate training institutions. They should be trained by the agency employing them. Training methods would include on-the-job training, case studies, and lectures. The training officer is the person to be provided with a feedback by trainers and employers in order to adopt or develop training programs according to the needs of community development professionals.

We have decided to arrange the technical staff into two categories: technicians and skilled. For both groups, the training level should be ten year with upgrading, or twelve years education. The skills needed in this category are technical drawing, materials, building signs, basic surveying, building technology, building services, basic planning and building laws, land laws measurement, quantity and costing, contract laws, administration, office management, and supervision. Technicians can be trained in polytechnics, in technical schools, and on-the-job. Skilled craftsmen can be trained on the job, at training centers and should be trained by the agency employing them at the government technical schools.

EDUCATION OF BENEFICIARIES, BY MR. RICHARD JULLION MARTIN, MINISTRY OF WORKS AND HOUSING, KENYA

As this discussion group was a case study, my presentation this morning will be largely an over-simplified version of the papers that were presented by Mr. Isaac Whenapole and Mr. Steven Mulenga. This project was undertaken in squatter settlements around Lusaka. It started in 1974, and there were about 23 thousand households affected. The project was substantially completed in 1980.

One of the important things we noted about the project was the substantial degree of efficiency the squatter settlements had shown in organizing their own affairs. There was a strong local leadership based on the ruling national party unit. Under this leadership, the development of the squatter settlements had been done in an orderly and efficient way. Its accomplishments included building young children centers and markets and installing a water supply.

This experience in self-reliance was taken into account when the upgrading operations were started. For this reason, the implementing agency was composed of a strong community development staff whose responsibility was to work with the residents. This agency was known as the Housing Project Unit. It was established as a new department of the Lusaka City Council. The housing project unit took into account the need for participation and organized its management in a slightly unusual way. It arranged for the majority of day-to-day decisions to be taken in the field by a field team. The field team included representatives of all the professions working in the area at the time, including community development workers, architects, engineers, and so on. When difficulties arose in the field, the field team would refer back to the management at the head office, who would then help solve any problems.

In addition to its management responsibilities, the field team handled a number of additional tasks. These included making available information to involving residents in the project, training them in construction skills, and making them aware of their rights in the operation of the project and in the upgraded situation as a whole. This information was conveyed through a series of seminars.

Briefing was done on separate occasions in the implementation of the project by community development staff who worked with a number of separate groups. Initially, the briefing task was to explain to the leaders in the city, such as party officials, counselors, and so on, what the project was, what upgrading would mean and how long it was going to take to finish the job. This was called the "off-site" leadership briefing. Once this had been done, a similar process was followed with the "on-site" leaders, that is, the community leaders in a squatter settlement that was to be upgraded.

With the support of the local leaders, the team then went through the same process with the residents in groups of about 25. These meetings were held over a period of months, during which time every resident had an opportunity to hear about the project and to ask questions.

At a subsequent stage of the briefing process, the leaders formed themselves into a road planning group. The project unit gave this group the responsibility of deciding the location of community facilities such as schools, clinics, markets, and so on, as well as decisions regarding the location of all roads to be built within the settlement. However, first they had to understand some of the technical issues involved, the cost factors, and some of the procedures by which decisions were to be made. This required another briefing process.

The third stage briefing was undertaken when families who were affected by the new road had to move and wanted to know what would happen to them. This was called the resettlement briefing. People in this category went to a series of three or four meetings in groups of 25. They would hear about the cost of building, how to organize labor, how to obtain building materials, how to get a loan, how their belongings would be transported to their new plot, where their new plot was going to be, and so on.

The second method for educating the residents was through the use of seminars. These seminars, which usually lasted one or two days, were conducted primarily for the leadership within the community. They were designed to give the leadership an opportunity for discussing the state of the world at that point in time. They were conducted before, during and after upgrading as the need expressed itself. Seminars were also conducted with the chief officers and counselors of City Council in order to keep them informed of the project progress. The format of these seminars was three stage design: first to identify the problems that were being faced by the people and by the communities, second, to determine what solutions to these problems could be found, and third, to decide who could implement those solutions.

In some cases, the leaders found the people were in a position to implement a solution themselves. In other instances, they couldn't do this and they, therefore, requested the housing project unit to make the decision itself.

This seminar process was designed to help rationalize decision making and to establish clear roles for all the actors involved. Also, it had the beneficial effect of building harmony between leadership and those in the field, thereby making more effective use of all the skills available.

In addition to briefings and seminars, other media were used which included displaying posters, handing out leaflets, staging plays and singing songs. The songs were written by the staff of the housing project unit and performed by local bands. They were very popular and were designed to bring out project themes, such as how sensible it is to try to build small houses initially and then to expand the house later on.

The existence of a strong part leadership made all this much easier than it would be in situations where the leadership was not as strong. Also, my discussion group felt that such procedures might be difficult to introduce in Fran Cophon, Africa, as there are different traditions there relating to government versus popular roles. There were also fears expressed that participation and educational sessions can delay the actual progress of the project. The speakers reacted to this by stating that although it did take time, it saved time in the long run. There were examples in the Lusaka projects where this type of participation was not incorporated. In these instances, the greatest problems and the greatest delays were evident.

That is my summary. Thank you very much, Mr. Chairman.

TRAINING OF IMPLEMENTING STAFF, BY MR. FABIAN PHALADZE, LOBATSE TOWN COUNCIL, BOTSWANA

During this discussion, the group came up with the following points.

In response to the needs of low-income people, government has embarked on large housing projects. In turn, implementing agencies are under great pressure to ensure that the projects are successfully completed. Manpower constraints inhibit smooth and efficient implementation. Training is needed to overcome these constraints.

The discussion identified two types of training; institutional training and on-the-job training. On-the-job training was viewed as the most appropriate means of training within the time constraints and pressure to implement a project. It was felt that on-the-job training must be taken seriously. This can be facilitated by making it more formal through proper planning and organization. It should also be tied to institutional training. This means at a certain period, those that have been trained are given some certificate which thereafter would enable them to go for institutional training.

Training requires the consideration of the following six major items. Item one is analysis, which would help determine the exact skill level of the staff and the skill level required to complete the job. Item two is curriculum development, which establishes the training agenda. This enables the training needs to be addressed specifically according to the needs analysis. The curriculum must include definitive learning objectives so that trainees will know what is expected of them. Item three is the materials production, which includes a combination of materials, such as posters, manuals, handbooks, role plays, street theaters, slide shows, learning diaries and the like. Identification and training of trainers, is the fourth item. The priority should be to build up a cadre of trainers. This can be effected in the early stages by relying on experienced officers and senior officers who can train the less experienced. The fifth item is methodology, which is varied according to style and environment. However, hands-on training should be emphasized.

Trainees start with knowledge and then, with the assistance of a trainer, the trainee evaluates and reviews that knowledge or skill. The evaluation helps the trainee to formulate new theories, new concepts, and skills. Next, the trainee must experiment with the new theory or skills. This helps lead to a new knowledge. This brings the trainee back to the beginning of the process which continues constantly, building new knowledge and new skills. The final item is, follow up which is essential to insure that the training was effective and complete and to identify any training needs. Review and evaluation of any and all sessions are essential in order to keep the trainee responsive. The implementation of any training session must be weighted against the time lost on the job. Trainees should be involved in the planning an evaluation of training in order to maximize their involvement and commitment to training efforts. Finally, active trainee participation will help ensure that the training will be successful and meaningful to the trainee. In addition, the process of organizing training from needs analysis to follow up must be continuous in order to keep the training framework flexible according to the changing needs of the staff. This was based on a case study of training being conducted in Botswana.

Thank you.

COUNTRY PRESENTATIONS AND SUMMARY REPORTS

Chairman: Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, USAID

Brief closing statments were heard from delegates representing the following countries and organizations.

Delegates from Zimbabwe. From left: Mr. Michael Patrick Beresford and Mr. Donald Tobaiue, Harare City Council; Mr. George Deikun, Regional Office of Housing and Urban Development, USAID Abidjan; and Mr. Antio H. Ramarokoto, African Development Bank.

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CLOSING CEREMONIES

Chairmen: Mr. S. T. Ketlogetswe, Mayor of Gaborone

Mr. Peter M. Kimm, Director, Office of Housing and Urban Development, USAID

Participants: Mr. Peter O. Molosi, Permanent Secretary, Ministry of Local Government and Lands, Botswana

Hon. Archibald Mogwe, Minister of External Foreign Affairs, Botswana

MR. S. T. KETLOGETSWE, MAYOR OF GABORONE

The themes of this conference have been self-reliance and shelter. I have tried to identify the dominant words or the most frequently used words in this conference and I think I have recognized two. One is linkages. We have talked about all sorts of linkages. We have talked about linkages in the mobilization of savings, between formal and non-formal finances. We have talked about linkages in employment creation. We've talked about linkages in traditional and non-traditional financial institutions. But, I think the most important linkage in my mind is the human linkage. And, I think it has been emphasized by many delegations that the contacts we have made here are the very most important. Since so many words of appreciation, so many kind words of appreciation have been said about our town that I would like to thank you very much for those words of appreciation and hope that you will come again to Gaborone. In fact, within our tradition we say that you need to have a visitor so that the best foot can come out. You need to have a visitor so that the best behavior can come out. So, the more you come here, it'll make us put out our best. Finally, I would like to say to all of you, farewell, and have a pleasant journey.

MR. PETER M. KIMM, DIRECTOR, OFFICE OF HOUSING AND URBAN DEVELOPMENT, USAID

One of the things we have debated here is how frequently we should meet. There are different views. But, I'm sure you all have seen and heard enough of me to last for several years. I have expressed many times, but I will say one more time, how impressed I have been by this Conference. I'm not really talking about the logistics and the planning and the goodwill of the Botswana people, of which we are all aware. I'm talking about the level of competence, the degree of expertise that is represented here. This is the cream of the resources who are going to solve the housing and urban development in this continent. I have absolutely no doubt that that's what you all are going to do. It's a pleasure to spend a week with you and I really feel very good about it.

Finally, I would like to say to the Minister as the official representative of the Government of Botswana--I would like to extend to him the thanks of all of the delegates here who I presume to represent and the thanks of my Government who I do represent--for all of the fine things that the Government of Botswana did for us this week.

Thank you.

MR. PETER O. MOLOSI, PERMANENT SECRETARY, MINISTRY OF LOCAL GOVERNMENT AND LANDS, BOTSWANA

On behalf of USAID, we'd like to make a couple of comments. One, our great appreciation for your participation in making this conference a success. Without your presence, the conference clearly would not have been what it was. Secondly, on behalf of the USAID, we'd like to extend our appreciation and thanks to the government of Botswana who has been a most gracious host. And, particularly our thanks to the Ministry of Local Government Lands for the untiring efforts to prepare for this. To the Gaborone Town Council and, last but not least, to our AID Office of Housing, Mr. Kimm, thank you and farewell. Hope to see you at our next conference.

OFFICIAL CLOSING SPEECH, BY MR. ARCHIBALD MOGWE, HONORABLE MINISTER OF EXTERNAL FOREIGN AFFAIRS, BOTSWANA

Mr. Chairmen, distinguished delegations, Ladies and Gentlemen. Let me assure Mr. Kimm that I certainly will convey to the Government of Botswana the gratitude he has expressed on your behalf for hosting this conference. Your deliberations here in the last four days were on a very important subject: housing in Africa. Now that we have seen for ourselves the conditions prevailing in Botswana, you have all come to realize the seriousness and the magnitude of the problem that the housing shortage imposes for the developing countries of our continent. And, it is only through coming together to exchange ideas and experiences that some solutions to the problems may be evolved.

We are all aware that this problem has its roots in our colonial past. At that time, no effort was made by the colonial administrators to formulate any policies aimed at providing the majority of nationals with adequate shelter. Or, where some effort was made to tackle the problem, it was so half-hearted and so poorly provided, giving indigenous communities with badly designed ill-ventilated structures with no amenities, no running water, no roofs, and from far away from residential areas, set aside from expensive communities. In this part of Africa, the collection of such structures did not even merit the name of town or city irrespective of the number of inhabitants. They were known as locations. And, everybody knew what the name "location" denoted. I believe that in our part of Africa they are known as compounds.

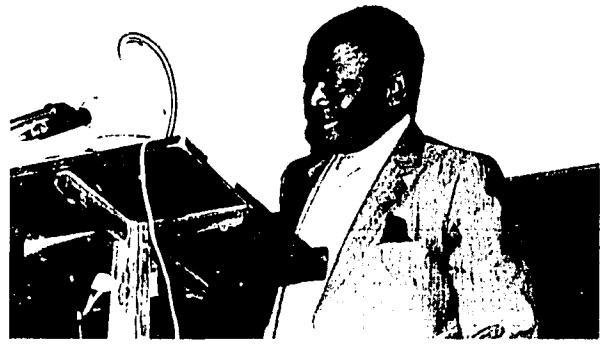
Coupled with the problem of inadequate housing, there's always been the insecurity of tenure. It rests with us, with this conference, to attempt to correct this situation. I have been informed that you've been shown around Gaborone. You've seen the effort the Botswana Government is making to meet housing demands in our urban center. Since the independence of this country, and until quite recently, it was government policy to provide urban housing to a large percentage of our people through the Botswana Housing Corporation and the self-help housing agency. The Botswana Housing Corp. was engaged in the construction of houses on the high, medium and low-income groups while the self-help housing agencies provided sites and building materials to the section of our urban communities that came mainly from squatter settlements. This tended to confine our housing efforts to the towns, to the total exclusion of the country's rural areas. This, together with the already developed urban areas had the undesired effect of moving large groups of people to the towns where they created serious situations of unemployment and even aggravated the housing problem itself. Delegates, you probably have had the opportunity to read the report on the residential housing policies in Botswana. And note that far-reaching changes will soon be introduced by government to accelerate the provision of houses in the urban areas as well as in the rural areas. The housing division will be created in the Ministry of Local Government and Lands. It is intended in the future that our development plans should have a section dealing with housing.

Mr. Chairman, the Vice President, in his opening address, dealt with the political situation in this region of Africa. And it will be abundantly clear to the distinguished delegates that Botswana's success or failure in finding a solution to our housing problem will be determined to a large extent by the political climate in which we'll find ourselves from time to time. Both our geographical situations, as a number of countries, and our present state of development make us depend on South Africa. Our economy is tied to South Africa and we rely on that country not only for most of the building materials, but for other commodities as well. We are deeply concerned about this relationship. No sovereign state wants to be totally dependent on another. And for this reason, Botswana cooperates with other countries in this region through the Southern African Development Coordination Conference to reduce their dependence on South Africa. We are confident that its goals will be progressively achieved.

Distinguished delegates, ladies and gentlemen, I have heard from many quarters that this has been a very good conference. Africa will be looking forward to receiving your reports on this very important subject. And we hope your recommendations will help our various governments in the formulation of the housing policies. We are very happy to have you here in our country. Botswana is among the least developed countries of the world. And, as such, it lacks the amenities for the hosting for international conferences. We, therefore, apologize for our shortcomings, for any inconveniences which you may have suffered as a result. We wish you a safe return to your respective countries, and hope you will carry with you pleasant memories of the warm hearted people of Botswana.

Thank you, Mr. Chairman.

Official Conference closing speech was given by Mr. Archibald Mogwe, Honorable Minister of External Foreign Affairs, Botswana.



Botswana delegation, Conference hosts (above), and Conference Co-Chairman Mr. S.T. Ketlogetswe and Mr. Peter Kimm at closing session.

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