

CAUSES, EFFECTS, AND IMPLICATIONS OF SUBLETTING:

*Experiences From Low-Income Neighborhoods
in Third World Cities*

by

Susan Ruth Bailey

Bachelor of Arts
Hampshire College
Amherst, Massachusetts
1983

SUBMITTED TO THE DEPARTMENT OF ARCHITECTURE
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF MASTER OF ARCHITECTURE AT THE
MASSACHUSETTS INSTITUTE OF TECHNOLOGY

JUNE, 1987

© Susan Ruth Bailey 1987

The Author hereby grants to M.I.T.
permission to reproduce and to distribute
publicly copies of this thesis document
in whole or part.

Signature of the author

Susan Ruth Bailey
Department of Architecture
May 8, 1987

Certified by

John deMonchaux
Dean, School of Architecture and Planning
Thesis Advisor

Accepted by

Julian Beinart
Chairperson
Departmental Committee for Graduate Students

MASSACHUSETTS INSTITUTE
OF TECHNOLOGY

JUN 08 1987

ROSEN

CAUSES, EFFECTS, AND IMPLICATIONS OF SUBLETTING:

Experiences From Low-Income Neighborhoods in Third World Cities

by
Susan Ruth Bailey

Submitted to the Department of Architecture
on May 8, 1987
in partial fulfillment of the requirements
for the Degree of Master of Architecture

ABSTRACT

In recent years increasing numbers of low-income families in Third World cities have found it necessary to share housing accommodation. Those with access to land may be unable to afford to build their house or to pay the fees associated with their housing (particularly in upgrading or sites & service projects). Families who entered the market later may be unable to buy land as a result of tightening markets. Government has interests in this process because, while it takes away aspects of their control in sponsored projects, it produces new housing stock with a minimum of government's financial or administrative resources, and without consuming government owned land or the land of powerful political constituents.

This thesis is divided into three parts. The first explores the interests of government in subletting. The second looks at the housing needs of landlord-occupants and renters in the present context. And, the third examines three mechanisms of subletting: commodification of housing, consolidation (as both a prerequisite to and result of subletting), and architectural design as an agent in the occurrence of subletting.

Thesis Supervisor: John deMonchaux
Title: Dean, School of Architecture and Planning

ACKNOWLEDGEMENTS

I would like to thank all those, both in and out of school, who helped me develop the background and interests which made it possible to do this thesis.

To my committee: John deMonchaux, for his willingness to take on an advisee he did not know, and to work closely with me throughout the semester. Bill Porter, for telling me at an early stage to let the thesis topic evolve with my fascinations. Reinhard Goethert, for aggressiveness in challenging me and arguing with me over the past year and a half - there aren't enough like Shrimp at M.I.T. Nabeel Hamdi, for his ability to help me with what I do even when he disagrees, and for his invaluable process suggestions. Ranko Bon, for immediately identifying and verbalizing critical issues in any subject, for his faith in me, and for giving well-timed boosts of confidence - his respect for the complexity of getting buildings built and his perceptions are both refreshing and inspiring.

To Barry Shuchter, who was my friend before I came to M.I.T., for still being my friend. His demanding questions, have often been the most difficult part of my life's education.

To Omar Razzaz, who went through the entire thesis process with me. Sharing long hours of personal support and academic discussion, he has been a cherished combination of companion and colleague.

TABLE OF CONTENTS

I.	INTRODUCTION.	1
II.	THE INTERESTS OF GOVERNMENT.	7
	A. Government's Role in the Housing Market.	8
	B. Interests in the Informal Housing Market.	9
	C. Interests in Subletting.	17
	D. Summary.	26
III.	THE CREATION OF RENTERS AND LANDLORD-OCCUPANTS. ...	28
	A. Housing Needs.	28
	B. Renters Sublet for Lack of Alternatives.	32
	1. Ownership.	
	2. Subletting as a Secondary Choice.	
	3. Housing Sources of the Past and Present.	
	4. Who Sublets?	
	5. Special Concerns of Renters in Upgrading.	
	6. Summary.	
	C. Landlord-occupants Sublet to Meet their Own Housing Needs.	47
	1. Who are the Landlord-occupants?	
	2. Satisfaction of Housing Needs through Sublet.	
	D. Summary.	53
IV.	MECHANISMS OF SUBLETTING.	54
	A. Commodification of Housing.	56
	B. Consolidation.	63
	1. Processes of Consolidation.	
	2. Stage One: Initial Settlement.	
	3. Stage Two: Savings-Accumulation - Internal Upgrading.	
	4. Stage Three: Complacency - External Upgrading.	
	5. Summary.	
	C. Architectural Design as an Agent in the Occurrence of Subletting.	74
	1. Landlord-occupants' Use of Architectural Characteristics.	
	2. Effects of Architectural Characteristics.	
	3. Summary.	
	D. Summary.	89
V.	CONCLUSIONS AND IMPLICATIONS.	90

INTRODUCTION

Housing is a fascinating area of study because it draws on both physical and economic fields: it is both necessary for human survival and highly variable depending on one's economic position in society.

For years professionals and researchers have examined the housing situation of low-income residents of third world cities with the aim of making concrete recommendations of house design, infrastructure services, and tenure and credit programs. As many of the projects which they created failed, it became clear that the problem was one of access - not just buildings and not just providing enough subsidy. Even if projects are viable according to the studies of engineers, sociologists and economists, they still may not be affordable (within the larger housing market) or viable (within the frame of reference of the residents). Technocratic solutions do not work. Important matters are resolved not by logic but by those who hold power. It is necessary, therefore, to examine the interests and dynamics of the groups involved and how those dynamics create the physical form of housing.

In recent years a particular form of housing provision has become increasingly prevalent in low-income neighborhoods of third world cities. It is called subletting and is the

subject of this thesis. In this context, subletting means that a resident rents out a part of his or her house to a renter, while occupying the remainder himself or herself. It frequently occurs in situations where ownership is disputable or in upgrading and sites and service projects, on the periphery of cities, and in owner-built or owner-contracted homes. In some parts of the world, particularly Africa and Asia,¹ a separate household, belonging to the same family, may move in. The definition of subletting may be somewhat fuzzy in these cases, though some financial or other assistance is quite common.

While subletting is a form of rental accommodation, clear distinctions can be made between it and the other two rental market forms: tenement and absentee-ownership. The fact that the forms have not been clearly distinguished in the past has resulted in a suspicion of, and a lack of research and professional emphasis on subletting. These three forms vary in both physical arrangements and economic consequences. Tenements are larger scale structures, usually accommodating six or more households. The tenement owner may live on the premises and be relatively poor himself or herself - or may be a conventional "slumlord," living in

¹ See, for example, Schlyter, 1986; Schmetzer, 1986; el-Sioufi, 1982; and Struyk and Lynn, 1983.

comfortable accommodations, and using the tenement to make as great a profit as possible.

Within illegal subdivisions, land invasions, and upgrading and sites and service projects, on the other hand, housing structures are generally smaller in scale. Absentee-owner rentals may occur in these areas for a variety of reasons, frequently including the owners' economic necessity.

The focus in the present study is on subletting, in small structures and involving owner occupancy. The progressive physical deterioration of inner city tenements is absent in subletting, where the quality of the property is likely to improve over time (see discussion on consolidation). And, while low-income landlord-occupants do profit from rent charged, the amount is relatively small, there is often flexibility in the amount charged and collection (Edwards, 1982), and they cannot get rich from it. The benefits of subletting over absentee-ownership are that 1) through sublet income original residents may be able to complete and remain in their homes, and 2) the renters in sublet accommodation are of the same or lower income as the owner. (Absentee-ownership is more akin to house sale than to subletting in that most often a household with significantly higher income moves in.)

This thesis attempts to identify and make a preliminary exploration of the key issues of subletting. The thesis is organized into three main parts. The first looks at the interests governments may have regarding subletting. It will argue that, while there are reasons for governments to support or to reject subletting, the concerns most relevant in third world cities today are likely to lead to a generally supportive position. Part two examines the economic needs of renters and landlord-occupants which give rise to subletting as a tenure form. Finally, the third - and largest - part explores the ways physical and economic processes converge to make subletting happen. Three mechanisms are discussed: commodification of housing; consolidation as both a prerequisite to and result of subletting); and architectural design as an agent in the occurrence of subletting. Commodification is explained as the process by which housing as a physical object is made "exchangeable" in market economies. Physical consolidation of the house is described as both a prerequisite to and consequence of the rent paid in subletting. And, finally, specific architectural characteristics of the house are examined in their roles as encouragements or constraints to subletting.

Despite its significance, the subject of subletting has received little attention. Three explanations may account for this neglect. First, past research has focused mainly on

invasions and illegal subdivisions, as they grew increasingly prevalent and were cause of government concern. It has been only more recently, with land prices rising as a result of development, speculation, and government intolerance of invasions that, with other options expended, large numbers of low-income residents have turned to subletting. Second, subletting has been associated with the images of exploitation and squalor popularized by Lewis' novels (1961 and 1972). Planners felt their efforts were better spent in developing and legalizing the "slums of hope" which were the squatter settlements, than coping with the seemingly insurmountable task of regulating tenement landlords in the "slums of despair" (Gilbert, 1983). And third, rental has been viewed as a temporary stop on the route to home ownership and therefore unimportant as a topic of study. This notion, however, does not take into consideration that while individuals may move out, the economic dynamics creating the phenomenon does not change: individual renters will be replaced by others in similar circumstances. Nor does it acknowledge that many were never able to afford any kind of home ownership and, even for those who could in the past, ownership opportunities are becoming increasingly rare.

Because no one available case study is sufficiently thorough to merit the exclusive focus of this thesis, many projects will be examined. These include: Bogota and

Bucaramanga, Colombia; Cairo, Egypt; Madina, Ghana; Nairobi and Dandora, Kenya; Mexico City, Mexico; Dagat-Dagatan and Tondo, Philippines; Santo Domingo, Dominican Republic; and Lusaka, Zambia. These cases were selected less on the basis of creating a cross-section of subletting throughout the world than on the basis of availability. The limitation of this dilemma is clear. A thorough understanding of the topic requires a highly interdisciplinary approach: the interests of a specific government will influence the availability of affordable land; the economic situation determines the needs of potential renters and landlord-occupants; and the culture will be reflected in the views on privacy and the nature of house design and construction. Only through such a case study can a full, consistent picture be formed and specific conclusions or recommendations be made. Nevertheless, through an examination of subletting in many contexts, the basic features and mechanisms emerge. Moreover, even the variations may be useful if laid out as a context and starting point for future work. This thesis attempts to be such a beginning.

THE INTERESTS OF GOVERNMENT

To be able to recommend viable strategies for low-income housing, the true interests of the government must be identified. Technocratic decisions, which do not account for government interests risk failure due to lack of - or poor - implementation. The interests and roles of government in low-income housing have been discussed or implied in much of the literature.² It is not necessary in the context of this paper to reiterate all that has been written. Much of it is not specific to the issue of subletting. However, a few points need to be outlined before proceeding. Moving from general to specific, this chapter will discuss government's role in the housing market, its interests in the informal housing market, and its interests in subletting.

² See, for example, Burgess, (1978); Castells, (1979); Collier, (1976); Gilbert and Ward, (1985); and Turner (1976).

Government's Role in the Housing Market.

As the issue of land availability dominates current problems and discussions, it becomes increasingly clear that government has a profound impact on the housing situation of the poor. Moreover, Gilbert and Ward show that formal and informal markets are closely related and that government takes as active a role in the informal market as the formal market. Through direct and indirect means, illegal subdivisions, land invasions and subletting are regulated. The mechanisms called "the market" by which housing and its components (land, materials, labor, etc.) are allocated are similarly influenced.

The primary ways in which the housing situation is affected by government are enumerated as follows. First, national, regional and local development policies will affect the income of the poor, the costs of housing and its components, and urban migration as a source of housing demand. Second, some governments directly provide housing or services. Government acts as land owner and landlord for public housing and when invasions occur on public land. (Direct provision may be the most obvious of government actions, and may be pursued to some extent precisely for its visibility, although it cannot reach a numerically significant portion of the poor.) Third, government - even

in laissez-faire economies - exercises a degree of control over land prices through infrastructure, zoning restrictions, tenure security and property taxation. Fourth, the legal system, including property law, is created by government. And, finally, it is the enforcement of law and the degree of favoritism exercised which turn policy into reality.³ Law, in fact, may be relatively insignificant, as its enforcement changes with the interests of the implementing agency. In their book, Housing, the State and the Poor, Gilbert and Ward (1985) conclude that government response to invasions is determined not by law but by local situation: invasions are very rare in Bogota for example, though they occur elsewhere in Colombia where the law is the same.

³ It may be noted that the above mentioned factors are highly interdependent and mutually defining. Failure to meet zoning codes and prohibitively high construction standards are generally the bases on which subdivisions are considered illegal, and thus denied public services.

Interests in the Informal Housing Market.

Housing, land and infrastructure are elements within the larger total relationship of government to the poor. The work of Turner and others in the 1960's and 1970's assumed a liberal government, developing a welfare system and trying to redistribute wealth, at least to some extent. The more recent work of Castells (1979), Saunders (1979), and Poulantzas (1973) challenges that perspective. Since groups within societies have conflicting and competing interests, government cannot represent all groups: that is, government cannot be seen as neutral. These authors have attempted to examine government as part of and responding to class conflict.

Government intervenes in the informal housing market in response to the interests of powerful constituents and for the purpose of self-perpetuation. Moreover, it is important to remember that government is not a homogeneous body with singular interests. Policies instigated by federal bodies may act against the interests of local government, forcing or withholding responsibility. Various ministries in government may compete against each other for funding appropriation. And, even a single department may have to answer to equally important constituents who may exert pressures in opposite directions. Over time, alliances grow and deteriorate where

necessary: government policy and application of policy changes.

Politicians benefit when their actions in the informal market support those with whom they need alliances. Patronage in the form of tenure or infrastructure may secure government with a voting constituency from within the poor population. Providing consumer markets and an inexpensive labor force maintains the friendship and support of private capital. On the other hand, politicians have equally clear reasons for rejecting informal and self-help housing. Government has a need to present a respectable face for international visitors, potential businesses, aid organizations, and bodies like the UN. The conditions of the poor on the city periphery may indeed be the first view of the country for international visitors. Also, government may have functions planned for state owned land. And, if the government is committed to private property, it cannot allow squatting to become so pervasive to cloud the meaning of land ownership generally.

Government bureaucracy is most likely to be threatened by the presence of an informal market because the responsibility to respond to urban problems falls onto its shoulders. Even bureaucracy, however, may turn the situation to their advantage: legalization or service provision can be

used to increase the tax and fiscal base; and policies of housing provision or assistance provide sources of employment for government architects, engineers, planners and social workers.

Informal and self-help housing, moreover, benefits government in general by relieving it of responsibility. Squatters provide their own shelter and make do with a minimum of services. The work of Turner (1972 and 1976) was instrumental in convincing governments that self-help could be used as a solution to the housing problem. Sold as "freedom to build," it put impetus on the low-income population to house themselves with a minimum of assistance. Governments found, moreover, that even assisting them in sites and service or upgrading projects was considerably less expensive than providing public housing.

The demands of the poor, themselves, may prompt the development of government policies, particularly when the poor are organized. One of the primary motives for increased state intervention in many low-income settlements in the 60's was fear that such areas constituted a major risk to social stability (Gilbert and Ward, 1985). The poor are a political force whether or not they are a source of votes, as the revolutions of Cuba, Nicaragua and other countries reminds us. If the low-income population is organized, it may

successfully demand infrastructure and legalization: in Bogota the need for political alliance with the poor prompted the government to permit subdivisions and to simplify the process of legalization. Improvement in quality of life of the poor is likely to make them more conservative and less inclined to revolt (Gilbert and Ward, 1985).

Elite land owners and private capital are the primary constituents of most governments: policy frequently reflects their interests in the informal housing market. First, these groups benefit by the maintenance of the sanctity of private property, especially when tenure is legalized. Second, as the poor are given a stake in the property system, they are made more conservative politically. Third, private capital gains a new market, as the poor are put into the market place as consumers, making investments and taking out loans. Any kind of building - even illegal or self-help - benefits the construction industry through sale of materials if not labor as well. Fourth, land owners are provided with a means for profiting from otherwise unsalable land: when a land owner has a piece of property which cannot be sold, he or she may subdivide it or encourage its invasion;⁴ bringing government

4 In some cases, land owners, themselves, have been known to hire invasion organizers. The land owner receives payment from each "invader." Then, later, he complains to the government that his land has been occupied. If the government legalizes the settlement, the land owner will be reimbursed a second time (Gilbert and Ward, 1985).

in once land is invaded may settle border or title disputes; and government intervention may raise the price of other tracts of land he owns in the area. Fifth, private capital is provided with an inexpensive labor force. Self-help and the informal market reduce the cost of housing. Industrial and commercial employers are thus able to pay lower wages to the poor for reproducing their labor power. Moreover, having made a financial investment in housing or having project fees to pay, the poor learn to handle money and require regular employment.

Unless land owners are personally affected, they are unlikely to object to the informal housing market or invasions. However if, for example, there is fear of such a settlement lowering land values in the area, spread of disease, significant political unrest, or if the land that is used by the poor belongs to the land owner (and he or she will not be reimbursed to his or her satisfaction), objections will be raised. So long as invasions are confined to low-priced, or public land, and restricted to areas away from high price locations, the land owners may not be hurt.

The conflict for government between a desire to encourage informal housing and to discourage it, for all the reasons discussed, found resolution for a time in the policies of sites and service and upgrading. New problems

arose, however, as a direct result of pursuing these policies.

Experience with sites and service and upgrading projects found permitting squatting and regularizing tenure to be an important element in encouraging housing construction and improvements. These projects mobilized the residents' own resources, and brought them into the official urban economy as a new market for goods and services. But this process which transformed residents into consumers also made them producers with the potential to exchange their housing on the market. Three factors are of concern to government. First is the debate on whether or not the poor should be permitted to profit from land which they do not legally own, or from government subsidized housing projects. After all, it might be said, they should be grateful for what government has done for them. Second is the concern that the poor not only can sell but must sell out. A result of legalization, particularly in combination with infrastructure provision and resident investment, is that property becomes more desirable for higher income groups. In many areas what Peter Ward calls "downward raiding" has occurred: prices rise so high that the low-income population is squeezed out of the market or "encouraged" to sell out by the situation at large. Original residents are forced to return to other housing

forms, and do not receive the benefits of the project,⁵ and create similar problems elsewhere. Third, when original residents sell, aspects of the project are removed from the control of government.

5 They do benefit from the one time large cash flow on property sale, though its usefulness to them is questionable. If, in fact, the cash flows were found to be useful for purposes such as establishing an income generating business, it may be significantly easier and less costly to administer grants directly for such purposes. Downward raiding or simple inability to pay the charges for infrastructure services means that the target population will not be met. Instead, the government subsidizes housing for middle income residents.

Interests in Subletting.

Subletting involves commodification of housing, as does selling, however the issues determining government support or rejection are different. Cost recovery and meeting the target population, for example, may be less important causes for concern since subletting helps the original residents to pay bills and to receive the benefits of the project.

Government rejection of subletting revolves around residents profiting from housing and the loss of government control. Although socialist countries have not been the focus of this study, it should be mentioned that those societies tend to disapprove of subletting as much as capitalist societies, albeit for different reasons. In socialist ideology, housing is viewed as a right. It should not, therefore, be used as a commodity - as a source of profit for one citizen made by exploiting another.

Direct use of the house for income generation through sale or rental, unlike workshop or storefront uses, disrupts state control over resident population, urbanization, and local density. Insofar as government acts in the interests of the upper class and reflects their values, project selection processes will tend to favor families, as respectable as possible by upper class standards. If a

significant number of residents are renters, the character of the project is out of government control. The low-income landlord-occupants select renter residents and these are, in many cases, young single people. Further, minimum income levels required for cost recovery also serve to regulate the background of residents. In the case of rental, however, people of a lower income are included in the project.

By controlling the availability and price of housing, low-income residents exercise control over urbanization. Since subletting is a potential source of much new stock, the repercussions could be great. State programs designed to restrict migration to the cities are less successful if affordable housing is available. In fact, a major sector of the population served by subletting is the new migrant. He is likely to be the first in his family to "make it" to the city in hopes of a better life, and will send for other family members once he has established himself and found a more permanent home.

Subletting, further, affects local densities, since the original resident remains and new renter-residents are added. Government may have a number of interests behind control of density. Among them are the following three. First, there is frequently less space per person in sublet arrangements. In Bucaramanga, for example, residents rarely build additions

for sublet renters, but instead, put their own family into one room (Edwards, 1982). In Lusaka, while some sublet houses are larger than the norm, the additional space is used to house more renters, not to provide more space per person (Schlyter, 1986). When families in Colombia (Popko, 1980) have financial problems, they move into the back room and rent out the rest of the house, often including a storefront. Outdoor space per person will certainly be reduced since plot size does not change with added renters and, in fact, shrinks if the house size grows laterally. The area standards designed for the project will not be maintained.

Second, neighborhood density is identified with the "culture of poverty" and political unrest. Government wishes to avoid the critical mass in which political unrest can come to the surface and in which the poor's strength in numbers is uncontrollable by government forces. Further, there is a related misconception that density, in terms of persons per room, leads to promiscuity. In actuality, contrived and awkward arrangements for dressing and sexual relations are resorted to in order to preserve what are often very strict religious morals.

Third, projects designed for single family occupancy, with corresponding space requirements and infrastructure, which are later used for subletting may find their systems

pushed beyond acceptable limits. The project in Dandora, Kenya underlines the importance of socially realistic project design. The large plot size was specified without regard to land prices or urbanization forecasts but, instead, to permit use of low-cost wet core units, avoiding the need to install expensive sewage piping. Within two years, however, economic conditions led to increased density, with 76% of the rooms sublet. (Schmetzer, 1986). The sanitation system was no longer sufficient and health problems resulted. Further, in the conclusion of a report on upgrading and health, discussing policy implications, the authors refer to the benefits of upgrading on housing conditions but warn that "'upgrading' may also have negative effects and the extent to which they will appear is not yet predictable. Legalization of tenure will permit densification on the site.... The new infrastructure systems have not been designed to carry the increased load." (Bishart and Tewfik, 1985: 21).

It is certain that governments may have interests against subletting and that it is perceived as having a negative overall impact on them or their primary constituents. This is evident in the fact that it is illegal in many places.⁶ The law against subletting exists on the books, but is rarely enforced: subletting occurs despite its

⁶ See, for example, Schlyter, 1986; and Schmetzer, 1986.

illegal status. Government lacks capacity to monitor informal settlements. This difficulty is exacerbated by the informality of sublet arrangements which do not always involve financial transactions, the frequency of household moves, and the vagueness of where "family" ends and "renter" begins. Furthermore, subletting leaves no definitive physical evidence. While certain forms may be more conducive than others, rental is possible within any form and often no special design considerations are made. While consolidation or existence of multiple structures on the plot may be related to subletting, the same features exist in circumstances unrelated to subletting as well. Unlike squatter housing, in which the house itself can be demolished or blocked by government, landlord-occupants can easily deny the presence of renters, and their accommodation cannot be eradicated.⁷

On the other hand, governments have reasons to support subletting as well. The fact that the World Bank published a

⁷ The illegality of subletting, in fact, makes it difficult to assess the extent to which it occurs, because landlords are hesitant to admit the presence of tenants. In the research of Lusaka by Ann Schlyter, she found the quantitative data on subletting conflicting. In some areas only a few percent were recorded, while in very similar areas almost half the households admitted to having subtenants. Schlyter's more comprehensive interviews and investigations of houses have found more tenants than recorded in either of these and she believes that it exists much more widely and that the population of George is much larger than the census shows (Schlyter, 1986).

front page article "Rental Housing: A Rediscovered Priority" in Urban Edge, February 1984, indicates that it is being given some consideration.

As the land situation becomes more acute and other alternatives are admitted as failures, subletting begins to look more palatable to government interests. The poor have to live somewhere. And, since the focus of housing problems is creating new stock (not upgrading),⁸ if the poor don't rent, they will live in illegal subdivisions or invade land. Further, if no affordable alternatives are available, their financial situation becomes even more acute, and they will have to demand higher wages from employers or housing subsidized by government. Governments will be forced to choose which result they want: subletting may be preferable for governments in light of the alternatives.

Moreover, subletting creates additional stock without using additional land. The high cost of land, and lack of political will to find it, have been responsible to a large extent for failure to implement sites and service or upgrading projects, or to even move beyond the demonstration project stage. Invasions and subdivisions use up land as

⁸ Burgess estimates that 70% of housing demand is for new stock.

well. Urban expansion has serious public consequences for cities situated on agricultural land, such as Cairo.⁹

Other advantages of subletting appreciated by government regard infrastructure standards, cost recovery and the public appearance of projects. Higher levels of infrastructure may be included in projects. Although the income level of individual renters may be lower, the renters' aggregate ability to pay for services is higher, with the result that potential for cost recovery in infrastructure investment may be high. (Urban Edge, 1984). Cost recovery for land may also be increased. If original residents can afford to stay, they may pay the fees.¹⁰ Also, while subletting occurs at

9 El Sioufi (1982) describes the process by which farm land becomes housing land in Cairo: "The farmers who used to cultivate the land sold out for a variety of reasons. First, there is no primogeniture in Egypt so farms shrink through subdivision from inheritance; they are also uneconomically narrow because of the requirement that everyone must have access both to the nearest road and to water. When the plot becomes too small to earn a livelihood and landowners refuse to rent to tenant farmers, the only choice is to sell. Then, as farmers sell out and an area begins to be built up, it becomes difficult for the remaining farmers to maintain a proper farm because people trespass and destroy the crops." This subdivision and settlement develop despite the law prohibiting use of agricultural land for residences. In Tanzania, housing is so much more profitable than agriculture, farmers prefer to rent out rooms than to farm, though it is illegal there, too. Even in farm cooperatives, residents prefer to rent out than use the land themselves (Schmetzer, 1986).

10 On the other hand, if government's interest is greater in cost recovery than in meeting the target population, allowing "downward raiding" may be preferable to those institutions.

the expense of density within houses, the outward appearance of the house improves, because landlord-occupants use rent money to maintain and consolidate the house. The "image" of the city from the street may, therefore, improve to the benefit of government reputation.

One final issue of concern to governments is the political activity of low-income residents, and differences that a landlord-occupant-renter mix would make. It has been said that the strength of community action declines as neighborhoods become more heterogeneous, with low-income landlord-occupants being pitted against low-income renters, and that renters are less politically active than owners.

Edwards (1982: 150-1) responds to these comments, referring to his study of Bucaramanga.

"Owners are more interested in changes at the city and the community level, for example the regularization of land tenure or changes in land taxes. Renters are more concerned with their individual problems, levels of rent, eviction and so on, and are less interested in community-level issues from which they derive little direct benefit. Regularization, for example, is of little interest to those without a permanent 'stake' in the community. [In fact, regularization may even hurt renters by increased rent.] As such, a fall-off in political involvement and communal activity at the barrio level is the likely result of increasing numbers of renters living in the community.... In part, the 'apathy' of renters derives from their youth, lower incomes, and shorter periods of residence in the barrio; age, income and residence as well as tenure produce the difference. But the difference in political and

community participation between renters and owners should not be exaggerated."

Still, the differences in political strength and likely demands as perceived by government will affect its decision to support or reject subletting.

Stephen Mayo of the World Bank emphasized the importance of rental housing policies, including promotion of subletting, in fulfilling the objective of providing "as much shelter as possible with limited resources" (Urban Edge, 1984: 1). The advantage to government is not that subletting requires less resources but that, like self-help housing, the resources come from the low-income residents themselves. Public housing - and even sites and service projects - are expensive to build, maintain and administer. In subletting, residents have responsibility for all of these things. Subletting in this light can be seen as a logical extension of self-help policies. Where the poor provided their own housing until land prices became prohibitive, now the poor who have housing are providing housing for other poor people.

Summary.

This chapter laid out issues on which government's decision to support or reject subletting may be based. Government participates in the housing market in many capacities - some directly aimed at shelter, others more related to the economy at large. Through the legal structure, construction standards, and other means, it defines and regulates the informal as well as the formal market, blurring distinctions between the two, and frequently transferring land into the formal market. The specific actions of government will depend on the context, including government's need for alliances, and within the larger total relationship of government to the poor.

Reasons for rejecting subletting include not wanting the poor to profit from illegal or subsidized housing, and loss of control over resident population, urbanization, and local densities.

There are reasons, also, for government to support subletting. Through subletting, sponsored projects may actually improve their ability to meet target population and cost recovery, to provide a more costly standard of infrastructure, and improve the public image of low-income settlements. Presence of renters may decrease neighborhood

pressure on government and other kinds of unrest due to their somewhat less active political participation. The two most significant benefits of subletting for government, however, regard construction of new stock. These factors seem to be growing in importance in the present situation and may be decisive in creating government eagerness to encourage subletting in the future. First, because subletting is an action done by and for low-income residents, and occurs largely without government promotion, it is the logical next step of the self-help approach. With a minimum of financial and administrative resources of its own, government may be able to greatly increase housing stock, by furthering the needs of the low-income population. Second, subletting produces new stock without consuming additional land. In the present situation of rising land prices, governments are under increasing pressure to protect the holdings of its wealthy constituents. By providing an outlet for housing demand, invasions may become less likely, and government will secure the alliance of large land owners.

THE CREATION OF RENTERS AND LANDLORD-OCCUPANTS.

Housing Needs.

Neither renter nor landlord-occupant chooses subletting for its own sake. Fundamentally, their needs are not for subletting, but for housing. However, needs and the means for satisfying needs are defined by their context. That subletting is increasingly common can be explained by the political-economic system in which both renters and landlord-occupants have particular difficulty satisfying their housing needs as a result of their low incomes.

The low-income urban population has been increasing for a long time and, with it, the need for affordable housing: this situation is not new. The difference in the current situation is that previous housing options are no longer available. Renters choose subletting for lack of affordable alternatives.

The landlord-occupants of sublets in low-income neighborhoods are poor, just as the renters are. They, too, have difficulty meeting housing needs. They gained access to land at a time when it was free or inexpensive. In the present context, however, their limited income makes it difficult to consolidate their house beyond a rudimentary level, and they may find it difficult to pay the fees

associated with their house. The income gained by subletting is crucial for the provision of their own shelter.¹¹

Subletting, as a subset of the general rental category, sometimes has a negative image due to its connotations with deteriorated slum tenements. Fear that subletting involves similar exploitative qualities are generally unjustified.¹² Renters of sublet arrangements tend to be somewhat poorer than landlord-occupants: payment of rent, itself, maintains and accentuates income differentials. Still, it is most often found that the renters and their landlord-occupants are from the same background (Gilbert, 1983; Popko, 1980; Urban Edge, 1984).¹³

11 For the landlord-occupants, it was clear in the examination of the advantages and disadvantages that the advantages were predominantly economic and the disadvantages predominantly physical. That economic necessity is actually the cause of subletting is seen in the proof that landlord-occupants tend to have incomes lower than those around them.

12 In fact in some areas the tenements, themselves, do not deserve such a reputation. Conditions deteriorate despite the fact that tenement landlords frequently live on the premises, as the rents afforded by low-income residents are not sufficient for the high cost of maintaining old buildings.

13 In the past, the fact that tenants were younger than landlords, was considered the most important factor. However, today, as land prices rise and opportunities to buy on the informal market or invade decrease, families will remain in rental situations longer, if not permanently. It may be more accurate to say that tenants and landlords are differentiated by time of arrival in the city or of household formation (Edwards, 1982; Schlyter, 1986; Urban Edge, 1984).

The greatest concern in this regard is not that poor families will rent longer, but that as middle-

What differentiates the urban poor is their level of income: not tenure per se but type of accommodation which is owned or rented (Edwards, 1982). Although there are renters within every income group, wealthier renters will rent higher standard dwellings in wealthier neighborhoods and poorer renters will rent lower standard dwellings in poorer neighborhoods.

Edwards (1982) sets up a model for looking at this issue (see Figure 1). His model shows that

"the poorest households in the city are forced into tenement accommodation or to invade land if the opportunity presents himself; better-off families rent rooms outside the tenements where rents are higher [what we call "subletting"]; further up the income scale are those who own property in illegal subdivisions ('pirate' settlements), own government housing, or rent an apartment or uni-family dwelling; at the apex of the hierarchy are those who can afford 'conventional' (commercially-produced) dwellings"

income families are forced to rent as well, they will "out-bid" low-income tenants. Or, further, that middle-income people may completely buy out low-income owners, so the entire poor population is forced to rent.

It is clear that "rented" accommodation and "owned" accommodation alternate along the income scale.

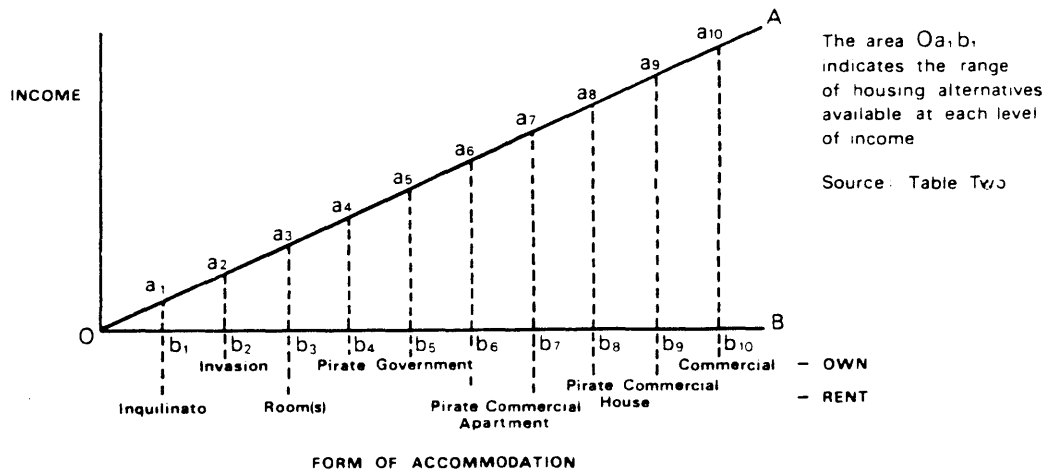


Figure 1.

Income and Type of Accommodation in Bucaramanga.
(Edwards, 1982: 133)

Renters Sublet For Lack Of Alternatives.

Edwards' model is based on the income level necessary to afford each type of housing, in other words, the relative cost of each type. The assumption is that "in capitalist economies the satisfaction of housing needs is a positive function of one's ability to pay the market price.... those with lowest incomes can afford only the cheapest forms of housing; those with higher incomes have access to a wider range of housing alternatives from which they may make a selection on the basis of personal preference and household needs" (Edwards, 1982).

Of course it is true that low income restricts housing options. But simply graphing income against form of accommodation misses important issues which determine how people house themselves and what kind of housing they get. Preference is nearly irrelevant. For the poor, options have always been extremely limited. However, the options, themselves, have changed over time.¹⁴

Ownership. The past twenty-five years have seen high rates of home ownership, even among the poor, as results of

¹⁴ Nearly everyone would prefer the most luxurious housing possible. Still, people take what they can have to suit their housing needs, such as proximity to jobs. (These needs, themselves, are not chosen by residents.) Also, unknown alternatives cannot be actively desired.

illegal subdivisions, invasions, and the influence of the World Bank through upgrading and sites and service projects. However, it would be wrong to romanticize that the poor had access to ownership before and are now worse off. While it is true that ownership increased during the last quarter century, it was not a result of resident choice. Ownership never represented freedom of choice nor equal access to the services enjoyed by the rich.

Ownership is not a universal ideal.¹⁵ The relative advantages of tenure forms depend on how they are defined by society. It is security people seek. Where land rights are connected to use (as in Lusaka), or adequate renter rights exist and are protected, ownership is not important.¹⁶

Subletting as a Secondary Choice. Still, there is validity in examining rental as the lack of opportunity to own. In most market economies private property is the most

¹⁵ The poor do not choose to have titles legalized and, it has been said, they have suffered more than gained as a result (Burgess, 1986). The desire for registration may come from authorities, and be linked to increasing the tax base, permit greater regulation of the city, and gaining political support (Gilbert and Ward, 1985). For residents, legalization results in higher taxes, higher prices and downward raiding (Ward, 1982b). De facto ownership may provide the advantages without the disadvantages of registration.

¹⁶ In Hong Kong, renting is an accepted and satisfactory tenure situation for as much as 40% of the population at large (Urban Edge, 1984).

assured guarantee security. Further, when people search for housing, the first approach will be the method most common in the recent past. In their minds, it is the lack of these options which force them to look to subletting as an alternative. The sources and options of the past are significant for this reason, and because it is within these sources that the landlord-occupants of subletting are located.

Housing Sources of the Past and the Present. The available sources of housing for the poor are determined by the historical development of the area and the current situation of this population as determined by political and economic forces. The relative percentages of each dwelling type will vary on this basis from place to place.

Early in the process of urbanization, tribal land allocations¹⁷ and tenement rental¹⁸ were the primary means of

17 In parts of the world where tribal leaders maintained some authority over the people and were a political force capable of enforcing their control over land in spite of the modern governments, people would seek out the leaders upon arrival in the city (Barros, 1983; Schlyter, 1986; Schmetzer, 1986). By customary law, land might be distributed on the basis of need in ways similar to distribution in rural areas. For example, in Balantyre, Malawi, new migrants would go with a long-established resident to the local chief and explain why the person needed land, the area required, the type of house to be built, and so on. If the chief agreed, he would walk to a suitable site, talk to the people already settled there, and mark out a new parcel with stones. The migrant would then give the chief a

obtaining housing or land for housing. The relative importance of the methods was determined by the history of and relative strength of traditional and new powers. As the number of people in the city requiring housing grew beyond the capacity of allocations,¹⁹ commercial and state rental, land owners throughout the world found subdividing land extremely profitable. Where this was permitted, it became a chief source of land for all but the poorest within the low-

gift, not based on the value of the parcel, but on the wealth and status of the donor (Barros, 1983).

18 The significance of tenements varies widely in different contexts. Asia and Africa have histories of strong rental sectors. Where the government provides large numbers of adequate rental apartments, a large proportion of the population will rent (Urban Edge, 1984). Where land is costly and both subdivisions and invasions restricted, the poor who cannot afford the formal market are generally housed in tenements (Schmetzer, 1986a and 1986b; Amis, 1984).

In Latin America tenements account for a relatively small portion of the market. In Bucaramanga, tenement households tend to be older than roomers elsewhere and are located there because this was the main form of accommodation available when they arrived in the city. They are also poorer, stemming partly from the nature of their jobs and partly from the structure of their households. Most of this group are approaching the end of their working lives, and many are single women. "Their age and sex condition the kinds of work they do, their occupations determine their incomes, and their incomes decide the kind of housing they can afford" (Edwards, 1982: 143).

Tenements are usually found in the inner city are in poor condition, and are the most inexpensive option (other than squatting). They may have once housed wealthy residents who moved out when more luxurious and private suburban homes were built and the buildings downtown began to deteriorate with age.

19 (or leaders no longer had power)

income group. Those who could not afford to purchase even in the informal market, attempted to occupy unused land. In some areas, invasions were tolerated, particularly when the government lacked power or where land was inexpensive or government-owned.

In the present market, demand for rental housing (broadly defined) is highly dependent on the ownership alternatives available. The formal "ownership" market is generally beyond the reach of the poor and is rarely considered. Home ownership, then, may come from three sources: government, the informal land market, or invasions.

Few governments today take an aggressive role in provision of low-income housing. Particularly as land prices have risen beyond the affordability of the low-income population, the subsidy required has grown beyond the limits acceptable to most governments. When contributions are made to the housing stock, it is not in a significant quantity, and the stock rarely goes to the low-income population. When it is allocated to the low-income population, those residents are frequently forced to abandon their homes because they could not pay the charges for services or were squeezed out by middle income populations.

Still, as discussed in the previous chapter, the government is involved in determining housing mechanisms far beyond direct housing provision. Government plays a role in determining the income of the poor; ideology; property law; and in the land market, allowing or even helping the price to rise, by provision of infrastructure, zoning laws, and taxation. And, generally, rental is common where the government does not stop urbanization (Amis, 1984).

The second potential source of home ownership is the informal land market. For less poor residents, the affordability of land and construction materials or finished dwellings will be decisive. This will depend on prices and income levels, pattern of land ownership, the physical amount of land available for purchase, the structure of the building and materials industries, and prosperity and the local economy. In the current situation, land price is the most crucial factor determining affordability. In the third world, land frequently accounts for 50% of the total dwelling costs, in comparison with only 20% in the U.S. (Urban Edge, 1984).²⁰ Organizing the markets is removing land from use by the poor giving land its 'true' market value (Angel, 1986).

²⁰ Considerations other than price may also effectively bar the low-income population from acquiring land. Racist selling practices and exclusionary zoning are two such considerations. Further, in Ghana, the prospective land buyer must have a bank reference indicating that he has enough money to build - by official standards (Asiama, 1984: 174).

Land price, moreover, has a noticeable effect on rental demand. A World Bank study of rental market in Egypt found that Cairo has a much higher proportion of rental than smaller cities, and attributed this fact to the market sales price.

The final alternative is land invasion. Especially for the poorest, this alternative has distinct advantages: unless, or until, government comes to legalize, the land is "free"; and the risk of eviction associated with missed rent or mortgage payments is eliminated (Perdomo, 1982). Successful invasions have been particularly common where land was in public or communal ownership,²¹ and depend on the responses of local government and landowners, and on the political strength of the invaders. Valuable land is generally not invaded as the likelihood of removal is high.

Where invasions are strictly controlled or prohibited, more will rent. Where invasions are tolerated, renting plays only a minor role (Gilbert and Ward, 1985; Schmetzer, 1986). Further, land available for invasion may be located in

²¹ Substantial quantities of land in Latin America fall under the categories of "baldios" (all unused land reverts to the government, and "ejidos" (collective rights in peripheral lands of settlements. Other parts of the world, colonized by Great Britain, have similarly acquired Crown lands which are significant in size.

inconvenient locations. For example, there was considerable demand for rental rooms in Bucaramanga center during the 50's and 60's, although there was considerable vacant land on the periphery (Edwards, 1982).

Where other choices are available, they are used and rental is minimal. However, as has been indicated above, the housing options of the recent past are becoming less available. Where the poor used to rely on informal processes and arrangements for access to housing and land, those mechanisms are now breaking down. The land market is increasingly dominated by large powerful interests. Informal settlements are destroyed for commercial development or speculation. Access to land is difficult due to increasing commercialization, and expanding regulation (Angel, et al, 1983). In a market economy, access is denied to those who cannot afford to pay. As the markets of third world countries more fully develop, and land in the informal sector is moved to the formal sector through "legalization," the past sources of home ownership are destroyed.

Moreover, within the rental sector itself, tenements are disappearing as a result of the interests of government and private capital in the city center for high income residents and commercial uses. With rising land prices and the convenient location of the tenements, landlords may be

persuaded to forgo the small profits of renting and sell out to commercial or high-income residential uses. The government's interests work on two fronts. Where rerouting streets to alleviate congested traffic is occurring, a tenement neighborhood is considered the most expendable site to be used. Second, "most local planners still view the tenement district as the center of a 'culture of poverty', crime and prostitution, to be removed in order to make the city center safer and more attractive" (Edwards, 1982). In many areas, this is leaving only subletting as an affordable housing solution.

Who Sublets? The low-income population is faced more and more with the prospect of subletting as the primary source of housing. Where no other sources exist subletting picks up the slack, due to two factors: 1) subletting requires little or no investment, as compared to most other sources including tenements, so it responds quickly to demand, and 2) subletting grows naturally from families sharing. Recent research has shown that most new migrants seek sublet accommodations in the low-income settlements (Gilbert, 1983), and not in the central city tenements as previously reported.²²

²² Turner (1968) wrote that recent migrants rented in the central city as a stepping stone to ownership.

Sub-letters tend to be young - either new migrants or recently formed urban households. They come from three general groups: young families, individuals who come to the city temporarily or in advance of their families, and stable very poor residents.

Young families sublet because they cannot afford to buy a home, but are generally saving in hopes of buying in the future. They may be characterized as

"male headed nuclear households with two or three young children. Household incomes tend to be some 50% lower than among owner-occupiers because household heads have spent fewer years in the labour market, their spouses rarely work full-time (being engaged in childbearing and childcaring), and their children are too young to work at all. Since the heads earn close to the legal minimum wage they can afford no more than a rented room. Most, however, are likely to benefit from the little upward mobility permitted in [the] rigid social structure: age, sex, educational attainment, a foothold in the housing and labour markets, and 'urban experience' are all in their favour"

(Edwards, 1982). This type of renter appears explicitly in case studies from both Colombia and Ghana (Edwards, 1982; Asiama, 1984).

Single individuals may come to the city with the intention of working for a few months then returning to their homes, as in the Tondo case (Struyk and Lynn, 1983), or intending to bring their family once they are established as in the Santo Domingo, Zambia, and Ghana cases (Schlyter, 1986; Ziss, 1986; Asiama, 1984). They sublet because of

their situation: even when their incomes are relatively high, they often prefer to sublet than to live elsewhere (Ziss, 1986). This is understandable in the West African context, by the fact that they see themselves as temporary urban dwellers, wishing neither to own in the city nor to set up housekeeping in a private apartment or by squatting themselves (Peil, 1976). Further, they may wish to minimize housing costs and send home as much as possible, and may not be prepared to cook for themselves, preferring to join another family.

In addition to the young, "temporary residents," a group of very stable permanent renters may be found who are poorer than the others. These were found in Santo Domingo and in Lusaka, and appears to be growing (Schlyter, 1986; Ziss, 1986). Indeed, many of the young renters who hope to eventually buy homes may find themselves renting on a permanent basis (Edwards, 1986).

Special Concerns of Renters in Upgrading. It is important to understand the occurrence of subletting in areas which are slated for upgrading. Particularly when renters are stable members of the community or when the market is tight, displacement is as significant for renters as for owners, and may come from any of six causes.

First, upgrading may result in higher rental rates, as a portion of fees are shared with renters. The poorest renters, who have been living in the settlement for many years, will be the most affected. In Santo Domingo, a large portion of this group were not able to pay and had to move out. For this reason, Ziss (1986) has recommended that where there is a substantial number of stable renters, upgrading should not be done.

Second, renters may be evicted by their landlord-occupants after upgrading has occurred. Designed for rapid implementation, the Slum Areas Act of India makes no distinction between legal and illegal settlements. On the one hand, this permits the government to aid residents independent of formal ownership status, limits speculation and price increases, and avoids the time consuming and costly process of purchase and titling of land. On the other hand, by not clarifying tenure, owners retain the ability to evict renters once upgrading is complete. Even long term residents may never enjoy the benefits of upgrading (Bapat, 1986).

The third and fourth causes of displacement arise when subletting itself is illegal. Renters may be evicted or leave due to fears of being caught when regularization or census taking is done. And, because of their unrecognized status, renters may not be given any rights or protection.

In Tanzania, for example, renters were not allocated plots in the overspill area, were given no aid, and were forced to leave the settlement (Schmetzer, 1986).

Implicitly or explicitly project planner decide rights of protection and of participation for renters. Still, in and of themselves, "rights" do not prevent displacement. The Lusaka case is illustrative on two fronts. Although subletting is illegal in Zambia, the renters of the upgrading project were eligible for plots in the overspill area if they lived in a house which was demolished. The fifth cause of displacement is the fact that although permitted to participate, few renters were able to afford to purchase plots for themselves. Sixth, and finally, renters were not able to continue renting from their landlord-occupants on the new site. Many of the landlord-occupants could not afford to go to the overspill area themselves. And, those landlord-occupants who did buy plots, had to build from scratch, and had no space to sublet.

Upgrading is certain to impact the renters in low-income settlements as well as the owners. Without legal rights renters may suffer evictions. Even with legal rights, economic factors may result in displacement. Renters may not be able to afford to buy plots. When dwellings are cleared to make way for infrastructure or to de-densify, renters may

be unable to find new rental accommodation. Fewer rooms may be available to rent because landlord-occupants cannot afford to participate or to rebuild their houses within a reasonable period of time. And, the rooms that are available may be priced beyond the reach of low-income renters. The poorest renters, those who have been living in the settlement for many years, will be the most affected.

Summary. The benefits of subletting for the renters cannot be debated if there are no alternatives to compare it to. While most residents prefer owning to renting, the present market is so tight the immediate goal is affordable housing of any type.

It may be noted, though, that the conditions of sublet housing are relatively good. While arrangements vary, renters and landlord-occupants generally share some or all the amenities of the house.²³ Most renter households live in one room within dense neighborhoods,²⁴ as do their landlord-occupants and as they might if they were owners. It

23 See for example Ghana (Asiama, 1984). Some restriction on use of amenities may be made depending on the rental agreement. In Lusaka, tenants have limited use on outdoor space (Schlyter, 1986).

24 As an example, in Bogota 71% of renters live in one room, 25% occupy two or three room apartments. The other 4% are owned by absentee-owners, and tenants have use of the entire house.

has been shown that accommodation varies with income - not
tenure.

Landlord-occupants Sublet To Meet Their Own Housing Needs.

Who Are The Landlord-occupants? Although landlord-occupants are somewhat better off than the renters, their housing situation is precarious. It is clear from the case studies that landlord-occupants are poorer than their neighbors.²⁵

The study of Bogota found that landlord-occupants have the same average income as home owners who do not rent. However it is pointed out later that rents are a significant part of landlord-occupants' incomes. It follows, therefore, that their income before subletting is substantially lower, and that subletting is used to fill the gap of income differential (Popko, 1980). Subletting is not the cause of, but the result of low income.

Landlord-occupants, as a group, come from two principal sources. They may have acquired land or built their homes in good economic times, which they find unaffordable in the present situation.²⁶ Or, they were part of sites and service

²⁵ See, for example, Edwards, 1982; Schlyter, 1986; Struyk and Lynn, 1983.

²⁶ In the early 1960's land in Cairo was redistributed to provide access to a greater number of citizens. This redistribution, combined with illegal farm subdivision produced a class of residents who owned small plots of land and had a need to earn additional income to sustain themselves.

or upgrading projects for which they now have outstanding loans or high service fees. Generally sublet landlord-occupants are found in subdivisions and sponsored projects. Rarely are residents of invasions able to sublet due to very low incomes and governmental response regarding insecurity of tenure and lack of infrastructure servicing. (These issues will be explored further in the discussion on consolidation.)

Landlord-occupants suffer the problems of poorer residents in general. Upgrading has been known to displace low-income residents. When owners cannot afford the new fees, they may be forced to sell or rent the entire house. Absentee landlordism rose from 15% before upgrading to 25% in the Lusaka project (Schlyter, 1986).²⁷ Displaced landlord-occupants move other squatter areas or become renters themselves. (Schmetzer, 1986).

27 The crucial distinction to be made here is between absentee landlords and resident landlords, which are here called landlord-occupants. Whether absentee landlords are wealthier or poorer than landlord-occupants is unclear from the available literature. It is difficult to ascertain, but is important to the discussion of whether the project meets the target population. The fact that absentee landlordism went from 15% before upgrading to 25% afterwards may reflect national economic conditions or may indicate a lack of ability to pay for the project on the part of poor now absent owners.

Age appears to make little difference in residents' decision to take in renters. One study hypothesized that younger, smaller families would rent space to the extent possible with their unstable earnings, middle aged owners would have larger families and expenses which would preclude renting, and that older families with fewer children at home would rent out extra space or build on additional units. It was found, however, that there was no statistical association between the age of the owner and the way the house was used. Still, while taking in a first renter is independent of owners' age, the hypothesis on lifecycle do hold for housing additional renters (Popko, 1980). The tendency, particularly for older landlord-occupants is supported by the literature.²⁸

Satisfaction Of Housing Needs Through Subletting. The importance of the home as a source for income generation is well known. Residents frequently use their housing as a workshop, as a store or outlet for services, or use the dwelling itself, renting out a room or the entire house, for its income.

Income is unambiguously the reason landlord-occupants sublet. In fact, when landlord-occupants in Madina were

²⁸ See, for example, Edwards, 1982; and Urban Edge, 1984.

interviewed regarding their criterion for renter selection, more than half said the only factor they considered was the renter's ability to pay. The issue of compatibility was surprisingly minor, although landlord-occupant and renter share most amenities. Only small minorities also considered renter's occupation or marital status (they were equally divided on preference for single or married renters), or behavior and comporment (Asiama, 1984).

Subletting, is somewhat different from other income generating uses, because it is primarily a means for satisfying the landlord-occupant's own housing needs. The case studies indicate that income from subletting is reinvested into the house²⁹ or, within projects, is part of a "common strategy among individual households in order to afford participation in the home ownership scheme" (Schlyter, 1986). It is likely that some spendable income results as well, though that does not seem to be its primary function (Asiama, 1984).

Rent income is likely to go towards house completion, maintenance, adding amenities for the owners use, or paying project fees. In Madina, for example, the earnings provided by renters enable landlord-occupants to speed up the

²⁹ See, for example, Asiama, 1984; and Edwards, 1982.

completion of their houses for their own use. Once the building is complete, rent money helps in the maintenance of the property and in the provision of amenities that are lacking (Asiama, 1984). The income may also go toward construction of additional space for the purpose of renting, as is the case in Cairo (el-Sioufi, 1982). Particularly within sponsored projects, income from subletting helps landlord-occupants to remain in their homes (Schlyter, 1986). An economist's explanation is offered by Manny Jimenez:

"At low income levels, households may be forced to 'overconsume' in the sense that they cannot equate their marginal rate of substitution with relative prices because their equilibrium consumption level is below the minimum level of shelter available even in the informal markets (a shelter has to have space, four walls, and a roof). To get closer to household equilibrium, they take in renters." (Struyk and Lynn, 1983: 447)."

Other income from subletting occurs in some cases as the residual, after housing reinvestments are made. Generally, however, subletting occurs on a small scale, with no indication of becoming a business.³⁰ The relatively low rents charged in Ghana seem to further substantiate this (Asiama, 1984). In Ghana, Lusaka and Bucaramanga, two-thirds of the homes had one, or occasionally two, renter

30 Due to a very tight market and construction system conducive to building many stories, Cairo may be the exception.

households.³¹ Tenements and rooming houses are generally absent from these neighborhoods (Edwards, 1982; Schlyter, 1986). Lack of space may be a partial explanation in the Bucaramanga case, but in others, such as Lusaka, plots are quite large. Rather, renting on a large scale demands that the landlord-occupant spend a good deal of time and energy overseeing the dwelling and its inhabitants, altering the casual character of subletting. Rent is an important adjunct to income from employment, contributing between 22% and 60% of income,³² and the potential profits are attractive to those who have retired from the labor force, however, they are still less than what most younger households can make from their jobs. As a result, petty landlordism shows no sign of developing into a larger scale, and more avowedly capitalist activity (Edwards, 1982).

31 In Ghana 63% of landlord-occupants had one or two renters, 27% had three or four, and 10% more than four. In Bucaramanga landlord-occupants usually let one room (62% of homes have two or three households). And in Lusaka, 65% of houses accommodate two household (a landlord-occupant and one renter) and 35% accommodate three or more (my calculations).

32 In Bucaramanga rent is an important adjunct to income from employment and contributes 22% to 60% for landlords in pirate settlements. In Bogota it accounts for an even greater 30 - 60%.

Summary.

Both renter and landlord-occupant use subletting to satisfy their housing needs. Landlord-occupants are poor, just as renters are: most either have difficulty financing house construction or paying periodic housing fees. The principal difference between renter and landlord-occupant is that landlord-occupants entered the housing market at a time when land was free or inexpensive. Renters looking for housing today find little affordable land, and turn to subletting as a final alternative.

MECHANISMS OF SUBLETTING: Physical and Economic Processes Converge.

Previous chapters introduced the interests and needs of the principal characters in subletting: government, as a representative of its powerful constituents (most often private capital in the case of market economies); the landlord-occupants; and the renters. It is important, also, to understand the processes of subletting. Clearly this requires inquiry into both physical and economic fields. Housing fulfills physical needs, providing shelter and a framework for daily activities. In market economies the satisfaction of these needs involves exchange and reflects the position of the characters within the broader system of production. Subletting is a particularly interesting topic of study because the physical and economic fields are so intertwined.

This chapter explores the "why" and "how" of subletting, as physical and economic processes come together. Three basic mechanisms are examined: commodification of housing; consolidation (as both a prerequisite to, and a result of, subletting); and architectural design as an agent in the occurrence of subletting.

The question "Why does subletting occur?" is answered in two parts. First, supply and demand exist in the form of

housing needs of landlord-occupants (the producers) and renters (the consumers). This has already been covered in the chapter "Creation of Renters and Landlord-occupants." Second, the market economy necessitates the development of exchange value when housing as a use value is brought into being.

The "how" of subletting might be rephrased into two questions: "What is necessary for subletting?" and "What are the results?" Physical consolidation of the house is identified as the key answer to both questions. A certain level of consolidation is necessary before a renter can be brought in. After that, further consolidation occurs as a consequence of renters' presence.

In another view of the process of subletting, architectural characteristics are examined. Their roles as encouragements and constraints to subletting are explored.

Commodification of Housing.

It should first be said that self-help housing is an anomaly within the capitalist system. In capitalism, we are accustomed to products being produced by agents separate from those who consume them. In self-help, the intended consumer is producer as well. This puts self-help in an awkward position in the economic system. It would not be surprising for a system based on specialization of labor to view self-help with suspicion. But if that system is not working, it may reassess its opposition. It finds in self-help the means for housing the poor without threatening government or its budget (Burgess, 1978).

John Turner has been one of the most influential writers of the past fifteen years on the topic of third world housing policies and settlement processes. His focus on use-value, disconnected from exchange-value (the "issue of use-value versus market-value") has, unfortunately, been rather misleading to housing professionals. Turner has indicated that self-help can be encouraged without simultaneously producing commodities. (Burgess, 1978) As a result, governments, donors and NGOs have become frustrated and even confused when project beneficiaries sell their housing. They may ask "Why can't the poor appreciate what we have done for them?" They may be disconcerted that the poor profit from

property they do not own or which was provided through subsidies, making up the difference between the project cost and the market price. It is important to recognize that this conflict occurs not from two interests which are separate but contradict, but rather from interests which are contradictory in themselves. The desire is to bring the poor into the formal market and for them to use housing, but not to profit by it. At first glance, this seems reasonable, since one loses the ability to use housing if one sells it. However, within the free-market system, use of housing cannot be had without the ability to exchange it. The contradiction becomes quite clear in cases of government objection to subletting, in which residents do not lose use of housing, though they do profit from it.

It is certain that use-value is important, and may be the aim of most housing projects. However, housing (in market economies) cannot be understood through use-value in isolation. Referring to Marx (1859): "use value as such lies outside the sphere of investigation of political economy." We have already examined the significant roles of the market, of government policy, and of government's influence on the market in determining the housing conditions for the low-income population. It is clear, in fact, that political economy is crucial to an understanding of housing.

The contradiction within the interests of Turner and those who follow him is that they want to separate use-value from exchange-value. They want the market to rule, but want to exclude a particular group from an aspect of that market. They want the poor to consume housing as a use-value, and even want the poor in the role of consumers of construction materials, land and services - thereby participating as one of the players in the exchange-value of housing. But, they do not want the poor to participate as a seller of housing. The process of commodification necessary to get the poor to consume housing as a use-value and to act as consumers for the components of housing, will necessarily provide them with the ability to sell as well.

What, then, is this commodification and how does it relate to subletting? The ability to exchange housing (in sale or rent) as with any product, is the basis of the market system promoted by government and capital. In the specific case of housing its exchangability is even further developed by the actions taken by government (although the actions are aimed at the other role in the exchange). Subletting is simply one way to use the exchangability of housing, which comes directly from the concepts and processes of capitalism. "Rent according to Marx, was but one manifestation of surplus value under capitalist institutions (such as private property), and the nature of rent could not be understood

independently of this fact. To regard rent as something 'in itself,' independent of other facets of the mode of production and independent of capitalist institutions is to commit a conceptual error" (Harvey, 1973: 141).

The house, itself, is a commodity. By Marx's definition, the application of labor to materials creates commodities with exchange-values. This definition holds true even with self-help, since labor is still involved. The commodity status of the house is even clearer, however, since paid labor is used more frequently than self-help;³³ and because the materials of construction are often industrialized, already embodying labor and having their own exchange value.³⁴

Still, as we know, the house is not useful without land to sit on. In the market system land is also commodified,

33 It is now widely known that "self-help" is a misnomer, since "even poor households hire labor to improve their dwellings when it is economically irrational" (Struyk and Lynn, 1983).

34 Use of industrialized materials, as would be expected, stimulates the commodification process and raises the market price of housing. The George upgrading project in Lusaka, Zambia included homes to be built of traditional mudbrick as well as homes to be built of more modern materials. House prices were measured during the eight years after implementation. While houses built of modern materials increased rapidly over that period, the price of a small mudbrick house did not increase even in pace with inflation (Schlyter, 1986).

through the mechanism of competitive bidding for its use. Because human beings occupy space and cannot live without land, the poor are already in the land market system in some way. They cannot be kept out of the system and certainly cannot be kept half in and half out.

Subdivisions, though they may be illegal, exist within the market system. Invasions move land temporarily into the political realm, by questioning the validity of market functioning. Even invaded land returns immediately to the market with the concept of "ownership" and "private property." The private property nature of land is understood throughout, as it is the pervasive concept of the society. Its ownership is clearly with the residents and its commodity status clarified by government acceptance of the residents' occupancy over a period of time; especially when given titles; even more when the government has had to purchase the land from a private land owner, thus establishing its exchange value; and more still when the residents themselves pay a specific price for the land. Though the price they pay may not be the price they could get in the open market, the fact that it has a price and can be bought and sold is reinforced in a public manner. Governments have granted

titles because it is understood that this promotes investment.³⁵

Secure tenure, it is hoped, will "mobilize" the resident's resources in construction for his personal domestic use. This concept was understood long ago and explained by Engels, "Self-help can be effected only... insofar as the principle of private ownership is so strengthened as to react on the quality of the dwelling" (Engels, 1872: 59). However, legalization also provides the final necessary ingredient to commodification, allowing it to be put on the market.

The combination of labor and materials - into a house as anything else - produces a commodity with exchange value. That the house itself belongs to the resident who built it or paid for it is beyond dispute. The land on which it sits is,

35 As we have said, formal legality of ownership is not necessary if residents hold de facto security. Officially "illegal" settlements exist, which have very high levels of consolidation, and active house markets. Here, the de facto security is equal, for all practical purposes, to legal title. Further, commodification in relationship to tenure security is not an all-or-nothing situation, and can vary in extent and terms. As Doebele (1978) points out "the critical element may not so much be the precise legal category involved as the perception of the occupant of his security in relationship to the investment contemplate." With limited security, housing still has some of the latent aspects of commodities and may be commodified to a degree proportional to its security. In contexts of a high risk of eradication, it may still be possible to rent or sell the dwelling for a low price.

itself, a commodity under the competitive system. When the land is conferred on the resident, the entire package of house and land, is established as an owned commodity, and is therefore exchangeable by its owner.

Consolidation³⁶

Processes of Consolidation. Consolidation is both a prerequisite to and a result of subletting. The house must be large enough to accommodate the renter and of good enough quality before subletting can begin. Later, the landlord-occupant reinvests money from rent into the house, maintaining it, improving it or constructing additional space. Three basic scenarios exist. Rooms may be rented on a temporary basis during active construction, until the house is complete and the family occupies its entirety. A variation on this occurs when rooms are rented as a way for very poor residents to maintain their housing. Subletting is not directly correlated with construction. The landlord-occupant may intend to rent out a room until economic conditions improve, though the arrangement may, in fact, be permanent. Finally, additions may be built specifically to house renters.³⁷ These scenarios are not fully distinct. Frequently house construction is phased over periods of years, blurring its distinction with maintenance. And, if

³⁶ Consolidation refers to the physical development of the dwelling. It is measured both in size and structural permanence (relating to materials and construction method).

³⁷ These landlord-occupants are much like landlords in the formal market, apart from the fact that they began the consolidation process with the need to satisfy their own basic needs.

economic difficulty lessens, renters may be kept on to finance amenities.

Consolidation in property that is rented is subject to the encouragements and constraints of house consolidation in general. Issues of infrastructure provision and security of tenure are seen to be crucial. Early stages of consolidation are particularly difficult because landlord-occupants are generally poorer than others in the same area. Moreover, the fact of receiving rent creates variations to this general process.

A three-stage model of consolidation is described by Struyk and Lynn (1983).

"The first might be entitled 'initial settlement.' A household reaches this stage by shifting from renting a room or by 'acquiring' a unit when it moves out of the dwelling shared with other family members or even upon arrival in the area from the countryside....The squatter household has constructed itself or otherwise taken possession of a rudimentary structure made of light building materials.... The structure is only large enough for the family itself; or if somewhat larger, it is not situated so as to make taking a roomer or boarder feasible. The objective of many households at this point is to make a sufficient incremental investment to allow taking in a boarder to supplement its income, thereby making future housing investment as well as increased consumption possible. Because of the density in Tondo and some other squatter areas, expansion often implies adding a second story, which in turn means strengthening basic materials.

"The second stage might be termed 'savings accumulation-internal upgrading,' as it is above the minimal squatter levels and permits the

household to raise additional income through rentals.

"Stage three might be called 'complacency-external upgrading.' It implies having reached a higher sustained level of income. At this stage, the household is less dependent on renters as a source of cash or in kind income.... Households in this stage have a dwelling of strong materials and considerable space..."

The other cases confirm this basic model. For example in Cairo, el Sioufi describes the process by which houses develop in subdivisions, beginning from small load bearing structures. The difference here is that additional renters' quarters are constructed after the first.

"After the sale, water is located and a pump installed to mix the concrete from which the house will be built.... First, an ordinary concrete foundation and two or three rooms on top of it are roofed with palm fronds as a temporary shelter to be used for family bedrooms and a kitchen. Next, when the owner has saved some more money he hires a contractor to pour a concrete roof over these rooms, and he begins to build his second story, room by room. The rooms the family does not need are rented out. The third stage simply repeats the second, with the rental money used to pay the bill. (el-Sioufi, 1982).

Stage One: Initial Settlement. A certain level of consolidation is necessary before taking in a renter. Reaching this level is the principal incentive for construction at the early stage. Further, consolidation of the dwelling hinges on the first stage in consolidation, since rent payments are the source of development thereafter.

Lack of consolidation, on the other hand, physically deters subletting. One study found that 75% of those not already landlord-occupants intended to let once they had sufficient room to do so (Edwards, 1982). Landlord-occupants who are displaced by upgrading and do move into overspill areas are not likely to be able to retain their renters, despite the fact that income is even more crucial at that time. The Lusaka experience shows a rather slow progress of construction in the overspill area, reflecting the economic difficulties of the owner and high prices of building materials. Eight years after the project, most of the houses still had no more than one or two rooms, though six had been the norm. A vicious circle, overspill residents had no space to accommodate a renter and no renter to aid in consolidation.

The initial stage of consolidation requires both money and time. Two sources of capital for this early investment are found in Tondo: an unusually good year in the labor market, and intra-family gifts.³⁸ While lack of

³⁸ These gifts are reciprocal - like loans. Gifts are given for special occasions but also on the basis of need or availability of funds.

"In general, transitory income will be more important in financing investments in developing countries than in developed countries. This is not necessarily inconsistent with the idea that purchase of durables is, in principle, more heavily dependent on permanent than on transitory income. Rather, it reflects the serious imperfections in capital markets, which make it difficult either to convert atypically

consolidation is the physical constraint, lack of funds is the economic cause of the constraints.

Although the residents of Lusaka realize that construction of an additional room is paid for within 2 or 3 years, they lack the capital to invest. In her study of the area, Schlyter (1986: 15) questioned why subletting was not more common, and found lack of funds to be the key. She writes:

"Usually, a house is built in stages and the final structure includes six rooms....[Eight years after the upgrading project] only ten percent of the houses had reached the size of six rooms; most of them were still in the first stage of one or two rooms. There is, thus, a rather slow progress reflecting the economic difficulties of the owner and high prices of building material. Eight percent of the houses had unfinished extensions and many more had sand or concrete blocks or some other material piled up for future extensions."

Building materials tend to be accumulated over a long period of time, made in the family's spare time or purchased when money is available. Likewise, construction occurs little by little if the process permits. Because families rely on transitory income for construction - and because high inflation and variable availability of materials discourages saving and all-at-once construction - the timeline is unpredictable and may take years of slow and not always visible progress. Families intending to sublet have a

high income into reasonably safe liquid savings yielding market return or to borrow to finance improvements at reasonable interest rates" (Struyk and Lynn, 1983: 446).

particular incentive to construct as quickly as possible since in the meantime they cannot earn that income from rent. The frequency of subletting increases as consolidation increases (Edwards, 1982).

Ability to achieve the level of consolidation necessary to take in renters varies depending on the source of housing. Invasions are rarely a source of sublet accommodation. Only the poorest invade - and they also have the most difficulty investing to consolidate. Further, because of government objections to invasions, there will be no security of tenure or infrastructure (Edwards, 1982). Security and services are important stimuli for consolidation in general. Without them, also, the area will be less attractive to renters (Edwards, 1982).

Residents of subdivisions, on the other hand, are wealthier by definition since capital is required to buy a plot. Because they are more acceptable to government, subdivisions are more likely to be granted tenure and provided infrastructure. In Bucaramanga, within 3 years 1/3 of households in government projects were renters. Pirate settlements required between 2 to 5 years before renters entered and invasions even longer, approximately 10 years (Edwards, 1982). Even further, government housing projects, which are handed over to residents more or less complete and

fully serviced are sublet much more quickly, because residents don't need additional money or effort to consolidate.

Being at an early stage in consolidation should not be confused with extreme poverty. The scenarios presented earlier may be misleading: by no means do all families make it through the process to full consolidation. One only need walk through old sites and service projects to see that some families, years later, still live in a shack at the back of the plot. While this is the process when it occurs, as the author points out, most families are not able to move through these various stages...and may never (Struyk and Lynn, 1983).

Stage Two: Savings-Accumulation - Internal Upgrading.

Once the family has a renter, in the second stage, the income from rent is the primary determinant of consolidation. As has been indicated previously, rent money is put directly into the house. The money may go towards title or service payment, maintenance costs or additions.

In some areas it is common to have renters who do not pay rent. Particularly where there are extended family networks and much temporary urban migration or a lack of accessible and affordable housing, rent-free arrangements

exist. This is particularly common in Africa and Asia,³⁹ and among lower-income households. Rent-paying vs. non-rent-paying arrangements have a great deal of impact on the consolidation process and on ability of residents to remain in sponsored projects.

The contributions made vary from culture to culture. In Tondo, some form of assistance to the household is assumed. If the renter cannot afford to help out financially, he contributes to consolidation, nonetheless, providing labor for housing improvements, especially when between market jobs (Struyk and Lynn, 1983).

The nature of the family combined with the process of urbanization in a tight housing market, however, can put residents at a disadvantage. Because familial responsibilities do not end with the nuclear family, cousins may show up and overcrowd their city relatives. This occurs even when the city dwellers have a one room house, but more so when there is additional space, such as a second room. It is very difficult, therefore, to rent out (for income) when obligations to family are higher (Schmetzer, 1986b). Experience in Lusaka shows that residents feel abused by distant relatives and friends who come with the agreement of

³⁹ See, for example, Schlyter, 1986; Schmetzer, 1986; el Sioufi, 1982; Struyk and Lynn, 1983.

paying. For this reason, residents prefer renters they do not know: it is easier to collect rent (Schlyter, 1986). Furthermore, when rental income is figured into the design and fees of sponsored projects, having non-rent-paying relatives puts residents at a disadvantage (Llewelyn-Davies Kinhill Pty Ltd., 1978; Schlyter, 1986).

There is some evidence to show that there is a connection between perception of tenure and presence of a renter. The relationship between tenure security and marketability has been noted by Struyk (1983) in the case of Tondo, Manila. He points out that residents with renters feel a higher degree of security of tenure than their neighbors who do not rent out rooms. Struyk implies that the presence of renters causes the feeling of security. Perhaps the reverse is even more plausible: that security - real or imagined - provides the impetus to commodify the house, fixing it up for renter use and being able to find a renter who feels sufficiently secure.

Struyk finds, further, that tenure and incremental income are less important as determinants of housing investment for owners with renters than for owners without. Though no explanation is given, perhaps it can be explained by the strong correlation between money from rent and housing improvements, as primary determinants.

Stage Three: Complacency- External Upgrading. In the third stage, the household is less dependent on renters as a source of cash or in kind income. Investment stimuli will be more similar to that of owners without renters. "Investments are more frequently financed through accumulated savings, and the stimulus for major undertakings probably comes from external shocks such as upgrading of infrastructure in the neighborhood, the ability to obtain secure title to the site, or needs of the household to further expand its unit to accommodate more children or a married child and spouse" (Struyk and Lynn, 1983).

The importance of infrastructure, legalization, and family size is the subject of considerable debate. Tenure has long been considered by the World Bank and others to be necessary for resident investment. The Tondo experience confirms this insofar as tenure was found to be more important than incremental income, within the third stage. However, "the critical element may not so much be the precise legal category involved as the perception of the occupant of his security in relation to the investment contemplate." (Doebele, 1978) The expectation of tenure, in fact, may be sufficient for investment. It has been found that promises of tenure and even a minor decrease of harassment, though made through slow political maneuvering over the course of

years, was sufficient to give residents hope, for them to voluntarily cut and remove houses in the way of upgrading infrastructure and to make personal investments. (van der Linden, 1986).⁴⁰

More recent work has questioned previous assumptions about the necessity and real advantages and disadvantages of title regularization for residents. In systems where the right to land is connected to use ownership is not a high priority. Moreover, the increases in land prices and taxes, and the results of downward raiding, indicate that fully titled status may not be in the best interests of the residents. It has been suggested, moreover, that infrastructure may be more important than tenure. Its impacts are both direct - in the sense of physical and health improvements - and because it demonstrates the government's recognition of their existence, and is a sort of de facto tenure.

⁴⁰ Van der Linden's study found that a candidate for local community office promised legalization of tenure. House consolidation began immediately. Four years later, a survey team arrived, houses were numbered and those in the track of the proposed street were marked to be cut. Still having faith, residents voluntarily cut their houses and continued investing in consolidation.

Architectural Design as an Agent in the Occurrence of Subletting.

In previous chapters the interests of various groups in subletting have been enumerated. Landlord-occupants and renters see the need for subletting in the current situation. And, while government loses a degree of control, as the significance of land becomes clear subletting appears to be in their interest as well. This section explores the role of architectural characteristics in the occurrence of subletting. Having seen that subletting has positive attributes for all three principal characters, an emphasis of this thesis is to find ways to promote subletting. To this end, it is important to ask: 1) how do landlord-occupants use architectural characteristics? and 2) how might those architectural characteristics designed into sponsored projects encourage or constrain subletting?⁴¹

Landlord-Occupants' Use of Architectural Characteristics. Recall the three scenarios described in the previous section in which subletting occurred during

⁴¹ It will be argued later that architectural characteristics are most significant as encouragements or constraints for landlord-occupants at the upper end of the income range. The importance of architectural characteristics for attracting tenants varies, depending on the general housing market. The emphasis in this thesis is on contexts with very tight markets, in which tenants' need for affordable housing supersedes issues of comfort.

construction, during conditions of economic hardship, or as a conscious and permanent income generating activity. In the latter case, house construction is viewed as an investment, though the income generated goes first towards fulfilling the landlord-occupant's own housing needs. The primary form this investment takes is in simple house expansion (eg. Cairo and Dandora). Nevertheless, only in the Cairo case is income reinvested on a continuing basis into higher and higher structures, housing more than one or two renters.

Most commonly, no major architectural consideration is given in house design and no major changes are made to accommodate renters. Two factors, roughly corresponding to the other scenarios, explain this. First, subletting is perceived as temporary, particularly for those who rent out during construction (eg. Madina and Manila). Second, subletting occurs when financial hardship is great, at the point when landlords have the least money to spend (eg. Bucaramanga and Lusaka). These factors do overlap: households in the process of constructing their homes have little extra income and; conditions of economic hardship may be perceived as temporary - though this condition may, in fact, be permanent.

Generally, landlord-occupants rent out to only one or two renters. It was shown in the discussion on landlord-

occupants' needs that this fact was unrelated to plot size. The construction of multi-family dwellings "alters the casual character of letting; it demands that the landlord-occupant spends a good deal more time and energy in overseeing the dwelling and its inhabitants. While the potential profits are attractive to those who have retired from the labour force they are less than what most younger households can make from their jobs." (Edwards, 1982: 148). Generally, people rent because they need to, not as a business.

Effects of Architectural Characteristics. An understanding of the role of architectural characteristics as encouragements or constraints is crucial to build a policy promoting subletting. One approach to developing such a policy is to first analyze how relevant characteristics can encourage or constrain subletting, then develop strategies to promote the encouragements and remove the constraints.⁴²

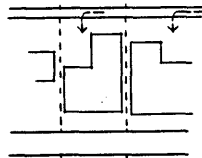
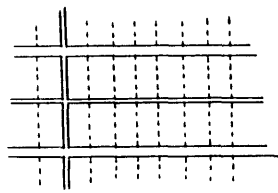
The limit to this approach is clear. For the majority of landlord-occupants, the impetus for subletting is overwhelmingly financial need for house completion or to pay housing expenses. They will sublet even when given difficult

⁴² Constraints, it should be noted, may have been intentionally designed to restrict subletting, may have been unintentional but following logically from the designer's frame of reference, or may be true coincidence.

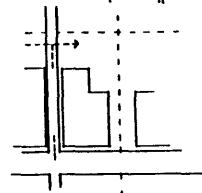
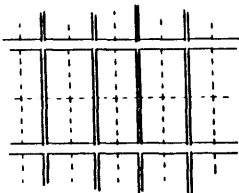
physical circumstances. In fact, as we have just seen, landlord-occupants make only minor changes themselves.

This is not to say that subletting occurs in any architectural environment. The significance of the "initial settlement" stage of consolidation was discussed in the previous section. Construction of at least two rooms is an absolute prerequisite to subletting. In fact, it appears to be the eminent architectural factor which can determine the occurrence of subletting.

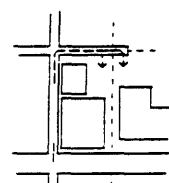
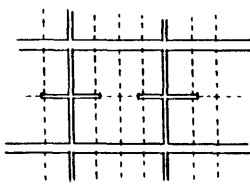
Other architectural characteristics can affect the ease with which the house can be divided and the comfort of subletting for the landlord-occupant and renter. These characteristics relate primarily to privacy. Relationships within and between households, degree of privacy needed, quantity of space per person, and other factors are, to a great extent, culturally determined. In the following paragraphs a few observations are made, as examples, regarding: infrastructure provision and design, plot size, plot shape and general siting, building entrances, room dimension and shape, and construction materials. These are provided to identify some of the characteristics which should be considered in programs to encourage subletting: because these factors are culture-specific, the following is not intended to serve as recommendations for implementation.



*Secondary Pathways
Parallel to the Road.*



*Secondary Pathways
Perpendicular to the Road.*



*Secondary Pathways Perpendicular
and Parallel to the Road.*

Figure 2.

The presence of infrastructure services and their design are important to subletting insofar as they encourage consolidation and increases the attractiveness of the area to potential renters. On the neighborhood scale, road layout can provide private access for renters. The diagrams show three such designs making use of secondary pathways perpendicular to the main road, parallel to the road and in combination (see Figure 2).

Limited capacity of the service, however, generally does not affect subletting. Recall the example of infrastructure given in the chapter "The Interests of Government." A wet core unit was used in a project in Dandora, Kenya. Density increased dramatically within a few years despite the limitations of the system. The result was that the system was over used and health problems ensued. The example demonstrated that subletting affected

infrastructure by increasing density, thus over-using the sewage systems, but did not act as a constraint to subletting. Because subletting occurs on an individual basis, the addition of "one more" person or family has little noticeable effect. Further, the technical/ professional nature of "modern" infrastructure means that residents do not understand how it works and do not appreciate the implications of over-use. Only in the extreme case, where sewage runs in the walkways or all standpipes are broken, might the area become so unattractive to renters to limit the occurrence of subletting.

Size of plot, similarly, has little direct effect on the occurrence of subletting. Rather, its effect is indirect: affordability of the plot determines whether or not potential landlord-occupants can purchase it.

Plot sizes vary widely from context to context: they are extremely sensitive

to local economic conditions. If the plot is very small, the portion which could be divided off is less than the space available to renters elsewhere for a similar price. Sponsored projects in Bucaramanga, for example, had few sublets as a result of small plot size, relative to local norms (Edwards, 1982).

Larger plots would seem to be useful for subletting. Unfortunately, this is not true for two reasons. First, to afford a large plot, landlord-occupants would need to sublet to a number of renters. As has already been indicated, few landlord-occupants wish to take responsibility for overseeing multi-family dwellings. Second, and perhaps more important, the opportunity to use larger plots is not provided since larger plots are attractive to a higher income population, and therefore subject to "downward raiding" (Schmetzer, 1986). A feasibility study of Dagat-Dagatan stated that "There appears to be no correlation between the

size of the plot and the number of people living on it. Thus, a larger plot is not necessarily an invitation to rent out rooms." (Llewelyn-Davies Kinhill Pty Ltd., 1978: 43). The general conclusion is reinforced by a study of slum area plots in India. It found that "plot size is influenced by the number of families on the plot, but not as much as expected.... Larger plots provide more area per person." Plot size, it is said, has more to do with household income. "Large plots tend to house large households with many income earners." (Barquin, 1986).

On the other hand, plot shape and siting of the service core or house do have strong implications for subletting, because of effects on privacy. Generally, separate outdoor space, access to the plot and to services are desirable. The street layouts described above can provide private access to the plot, implying separate entrances and living space. Wider plots

permit greater privacy in juxtaposing uses and in circulation within the plot. In the Dagat-Dagatan study, it was acknowledged that "there is likely to be more than one household per plot and on average, 1.5 households per plot" and that "plot size and shape should relate to the expected occupancy levels...and the likely use of the plot by the occupants." The proposed design included a plot ratio of 1:2. Its concept permitted a separate side entrance for the renter and separate access to the shared sanitary core (see Figure 3). The service core or house may be sited to break up the space and reinforce the privacy: separate structures may even be used. Siting such that open space is concentrated and not divisible does not allow privacy and may be unaccommodating.

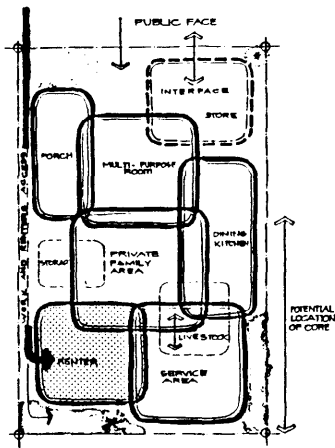


Figure 3.
 Plot Layout with Private Renter Access.

It is common throughout the cases for landlord-occupants to provide private entrances. In fact, this is the most common adaptation for subletting.

(Llewelyn-Davies
 Kinhill Pty Ltd, 1978)

Homes in Las Colinas, for example, were built with multiple entrances to permit various subletting arrangements at future points (Popko, 1980).

Residents have not always been able to incorporate them, however. A sites and service project in Amman, Jordan, in which residents must build to prescribed plans, illustrates this point. The reinforced concrete staircase to the second floor is located such that renters would have to walk through the private living space of the landlord-occupant to get to his or her room. Attesting to the importance of such privacy, residents have occasionally created doorways onto the street by breaking through the wall. This action, however, is prohibited and landlord-occupants may be fined and forced to reconstruct the wall.

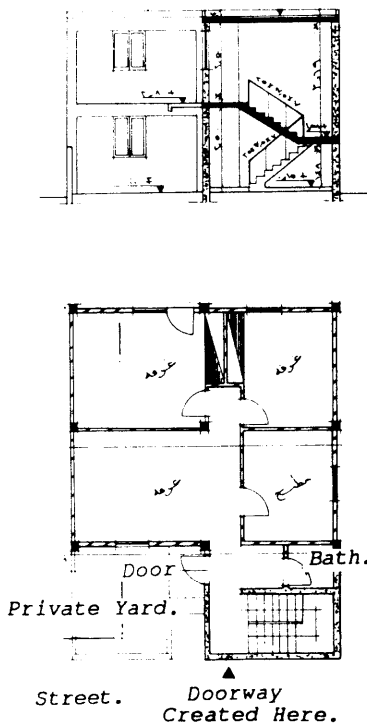


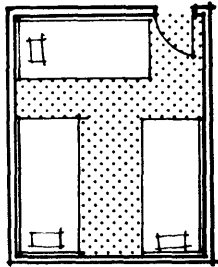
Figure 9.
Staircase Awkward for
Subletting.

The size and shape of rooms is especially crucial in very small houses. What are normally minor considerations

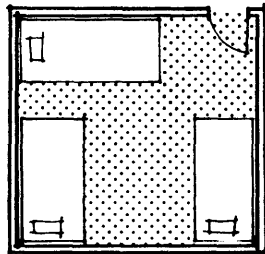
become decisive in limited spaces. Because frequently all indoor rooms are used for sleeping, the number of beds that can be accommodated is a useful criterion.⁴³ Standard bed dimensions vary from place to place: appropriate room dimensions vary accordingly. Provision by a government project of fully constructed rooms, specified plans, or even pre-cut materials, will affect room size in the completed house. Consideration may be given to the number of people that can be accommodated, and the flexibility of the space for division into multiple living spaces.

The floor area or number of beds cannot be directly applied to determine a maximum occupancy. If it is necessary to rent out additional rooms, the family will simply double up and share the space and beds available. However, a

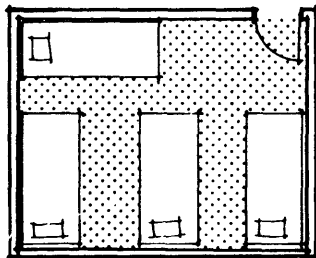
⁴³ Houses, in fact, may be explicitly designed around the number of beds necessary, as is the practice in Nicaragua. (This is similar to the Japanese house design process, which is based on the modular tatami mats, with a standard of one mat per person.)



*Slightly Smaller Room
Accommodates Three Beds.*

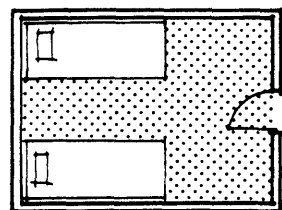


*In-between Size Room
Accommodates Three Beds.*

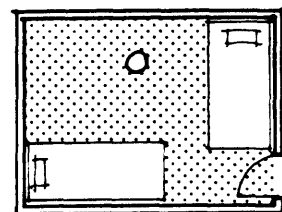


*Slightly Larger Room
Accommodates Four Beds.*

Figure 4.



*Door Placement
Interrupts Useful Space.*



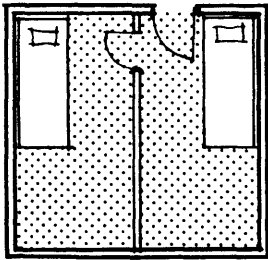
*Column Placement
Interrupts Useful Space.*

Figure 5.

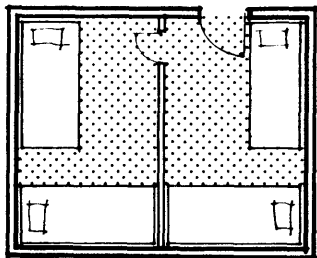
general relationship does exist, and larger space and more beds will accommodate more people. If bed placement is maximized, rooms of an "in-between size" as defined by bed dimensions are no more useful than a smaller size room. Until an additional bed may be added the extra space can not be utilized (see Figure 4).

Both doors and columns interrupt space and limit bed placement. The space in front of a door and around a column is left for circulation, and is not viable as "use-space" (see Figure 5).

Flexibility of rooms for division is particularly relevant because additional rooms are often added at a later date by residents from scrap or by hanging a curtain. A single large room may, thus, be broken into separate spaces for purposes of subletting.

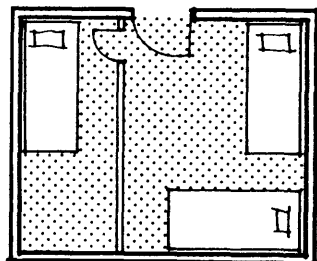


In-between Size Room is Awkward when Divided.

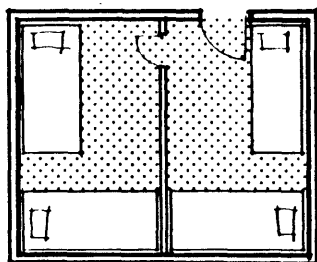


Slightly Larger Room Maximizes Useful Space.

Figure 6.



Door Placement Makes Room Division Awkward.



Door Placement Maximizes Useful Space.

Figure 7.

However, if the distance between walls is insufficient to divide and fit two bed lengths, it will be inefficient and awkward if divided, and may not be worthwhile for the landlord-occupant to divide at all (see Figure 6).

Further, the location of doors, effects where rooms can be divided (see Figure 7). As the example shows, a small room with a door in the center of a wall cannot easily be divided into equal size pieces. The placement of the door determines circulation space and does not provide a surface to connect partitions to. Locating the partition to one side creates a very small room (which may not be usable) on one side and a larger room on the other. Location of the door to one side permits the partition to be placed in the center.

The material used for construction is one of the most significant decisions in permitting or constraining adaptation

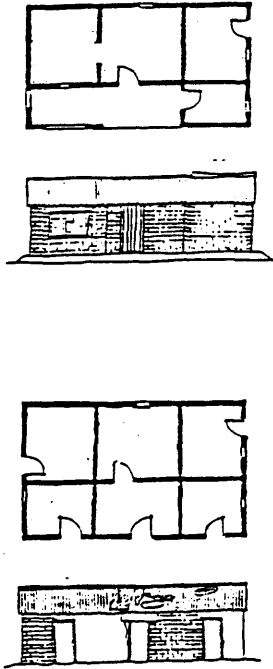


Figure 8.
Mudbrick Facilitates
Rearrangement of Doors.

of the dwelling for subletting. The story of mudbrick houses in Lusaka illustrates the flexibility of mudbrick both for connecting additions to and for rearrangement of doors (see Figure 8). The illustration shows a house built in 1967. At that time the owner had six children and the household was growing. Over a few years more children, grandchildren, relatives and renters came and went. In the early 1970's the house was extended. The doors of the house were changed several times to fit the various compositions of the household, which had about fifteen members. In contrast, concrete houses, which were encouraged through the upgrading project, are more rigid. Doors cannot be changed easily: changes in household - particularly bringing in renters with higher requirements for privacy - are not easily accommodated.

Ironically, concrete is crucial to the existence of subletting in dense areas, such as Cairo or Manila. In both

locations, accommodating renters generally necessitates vertical expansion. In Manila, the incidence of two or more stories is significantly more likely in homes with renters than in homes without. The common reinforced concrete frame construction system used in Cairo is well adapted to carry loads of multiple stories. Houses are routinely built with reinforcing pillars in place on the roof to facilitate addition of rooms as money comes in (Urban Edge, 1984).

Summary. The above mentioned architectural characteristics impact the privacy of landlord-occupant and renter households. They can make a difference between comfortable and awkward sublet arrangements. For owners with a border-line need for the income generated through subletting, these architectural characteristics may be decisive. By altering the physical features of the house, subletting may become attractive to owners at a higher point on the income scale.

Summary.

This chapter examined three mechanisms of subletting: commodification of housing, consolidation, and architectural design. The importance of all three lie in the fact that through these mechanisms, economic and physical processes come together.

The physical combination of materials and labor produces the house for use. Commodification necessitates that the house may be exchanged as well as used directly - bringing it into the economic realm.

Consolidation may be the catch-22 of subletting. As in any income generating activity, initial capital is required to reach the level of physical consolidation in which subletting can occur. After a renter is taken in, the money received is reinvested in the house, for further construction or maintenance.

While the majority of owners seem to sublet out of clear financial need, border-line cases may exist as well. Architectural characteristics, which alter the comfort of landlord-occupant and renter households, are relevant in that they may encourage or discourage subletting in these border-line cases.

CONCLUSIONS AND IMPLICATIONS

This thesis has attempted to lay out an initial survey of the principle factors involved in subletting. It covered the main actors - government, renters, and landlord-occupants - and their interests and needs related to subletting. It explored three mechanisms of subletting - commodification, consolidation and architectural design - in which the physical and economic processes converge.

Subletting occurs in market economies amidst the characteristics of tightening land markets. Less land is available. The markets are increasingly controlled by large and powerful organizations. Government moves land from the informal to the formal market. And displacement of low-income residents occurs when the true market value is realized through formalization.

The current land situation creates strong responses by each of the three principle actors. In the future, government support for subletting is likely to increase. Reasons exist for government to both support and reject, however the two factors most significant in light of the current land situation indicate support. The first is related to governments desire to use as little of its own resources as possible. It is this same desire that led

governments to the "self-help" approach, to bring houses closer to the standards of upper classes by emphasizing mobilization of residents resources, home ownership, sometimes including industrialized building materials. Self-help did not operate as envisioned however, because it did not account for the ability and need of the poor to sell their homes or the pressure created from the middle class. The mechanism responsible for these events was the commodification of housing, inevitable in market economies. Commodification can result in house sale, absentee landlordism, or subletting. Subletting may be the most positive of these, however, as the original residents are able to remain in their houses. Second, subletting creates new housing stock with little government resources, and requires no additional land. Government is, thus, able to protect its land owning constituents.

Sublet landlords, it has been seen, tend to have incomes lower than their neighbors who do not rent. In one scenario, the owners' economic hardship, resulting from the system of production, is worsened by 1) being required to pay for titles or services beyond their means, or 2) having built during good economic times, they can no longer afford it due to a worsening economy. Because of commodification, they hold an exchangeable product and have a need for cash. A similar situation exists for those owners who cannot complete

construction on their houses for lack of financial resources. They, too, have an exchangeable product - albeit unfinished - and need cash to improve it.⁴⁴ The response of landlords to their housing needs and the land-cash dilemma is to look for a renter to occupy part of the house.

The renters have come into the housing market later than the landlord-occupants. Because of the high prices in subdivisions and rigid control over invasions, they are unable to find land for their own homes. Moreover, the tenements which once housed the majority of low-income residents in some parts of the world, are being demolished as a result of the interests of government and private capital in using the city center for high income residential and commercial uses.

Subletting clearly occurs as a result of economic need on the parts of both renters and landlord-occupants. Moreover, where need is great, virtually no constraint is large enough to preempt its occurrence. Illegality has not stopped residents from subletting. Even faced with

⁴⁴ A third scenario is also briefly discussed within this thesis. The Cairo example, demonstrates that even once the living quarters of the landlord are complete and he has enough money to live on, he may continue to rent out - and even to add additional units with the money received from rent.

architectural characteristics that deny privacy and create awkward social arrangements, households share their housing. Limited capacity of infrastructure poses no block, though its inadequacy results in health problems at the increased densities.

Lack of consolidation is the only physical feature which can fully prevent subletting. It is, unfortunately, a catch-22 situation. As in any income generating activity, initial capital is required to reach the level of consolidation in which subletting can occur. After a renter is taken in, the money received is reinvested in the house, for further construction or maintenance. But the poorest, most in need of income, frequently are unable to reach that minimum level.

Architectural characteristics impact the privacy of landlord-occupant and renter households. These characteristics can make a difference between comfortable and awkward sublet arrangements. They can influence the decision whether or not to sublet of those residents with higher incomes and only a border-line need for the additional income of subletting.

Within the income range of poorer neighborhoods, sublet accommodation comes from households in the middle of the range. They are able to achieve the "initial settlement"

stage of consolidation, but are still poor enough to require income more than they can make in the labor market to fulfill their own housing needs. Residents below this group are unable to consolidate. Above this group, they have no need to sublet.

Government's principle interest in subletting, it has been said, is in its potential to increase the housing stock. To this end, strategies would be wise to focus on the points at the upper and lower end of the subletting group's income levels.

One strategy could be to help the residents just below the line to consolidate. In particular, residents displaced into overspill areas of upgrading projects, have extreme difficulty in that they must build their homes anew. In both cases, rapid consolidation up to the point where it is feasible to take in a renter is crucial. (Also recall that families who have not before, may take on renters during hard times. Assistance in consolidation at later periods can be useful as well.) This strategy also has the benefit of keeping low-income residents in their homes.

Programs might include provision of two-room core houses for immediate rental; in dense areas, use of a construction system with bearing strength for vertical expansion; and

careful use of loans for the minimum consolidation. It should be remembered that the lowest income levels are particularly susceptible to being squeezed out if housing becomes desirable to a middle income population. Large plots, though seemingly useful for subletting, run a high risk of ending up in the hands of wealthier families who may not need to sublet. Stable tenure may be sufficient encouragement for consolidation, without causing displacement: de facto tenure may be preferable to legal title.

A second strategy could focus on residents with borderline need for income, just above the subletting group's level. Through project design, government can minimally alter the point at which the economic-physical trade-off is made. Special consideration should be given to privacy in plot layout, house size large enough to rent (but still provide the space the landlord-occupant wants and can afford), and multiple doors for private entrances.

In combination with either of these two strategies, or if government is simply willing to accept the occurrence of subletting, it may choose to make the environment liveable despite the occurrence of subletting. One of the most significant consequences of subletting may be the increase in density it brings, with ramifications on infrastructure and

health. Adjustments in infrastructure to account for high densities must be made with care, again, to avoid displacement. Changing from one technology to another or adding a new infrastructure system (particularly ones that are seen as more "modern," such as moving from pit latrines to flush toilets) may make the area more attractive to upper income people. On the other hand, simply increasing capacity of a technology (eg. using larger dimension piping) may not be perceptible to potential buyers.

A crucial question relevant to any policy or program of action is "What role of government will be of the most benefit to the poor?" This question has not been explicitly explored in this thesis, though it lurks in the back of the author's mind. It is too easy to focus on what would be ideal and ignore the question "What is government interested and willing to do?" Moreover, it is important to stop seeing government aid on a scale on which more necessarily is better. Specific policies may help or harm the poor in various circumstances. The outcome will depend largely on trends in real wages, price of land, and the power of the groups influencing government policy. More sophisticated and rigorous planning does not necessarily help the poor, and legalization often hurts them.

Gilbert and Ward (1985) have stated that: "There is increasingly vocal support for the idea that the poor survive best in the interstices of the formal economy; they survive in those areas which are not subject to formal control by large-scale organizations whether of the private or the public sector." Subletting may be such an "interstice" - not clearly definable in the legal jargon of the formal market, and not easily regulatable.

It has been clear throughout this thesis that subletting, in and of itself, is not the goal of landlords or renters. It is the only option for many, is inevitable in the current housing situation, and is beneficial in the absence of a more comprehensive government policy, giving citizens access to the basic necessities of life.

REFERENCES

- Amis, Philip. (1984): "Squatters or Tenants: The Commercialization of Unauthorized Housing in Nairobi", World Development, 12, (1), 87-96.
- Angel, Shlomo. (1986): "Where to Focus? Housing Vs. Urban Land Development", Open House International, 11, (4), 30-36.
- Angel, Shlomo, Raymon W. Archer, Sihijai Tanhiphat and Emiel A. Wegelin (eds.). (1983): Land for Housing the Poor. (Singapore: Select Books.)
- Asiama, Seth Opuni. (1984): "Land Factors in Low-Income Urban Settlements", Third World Planning Review, 6, (1), 171-184.
- Bapat, Meera. (1986): Trialog Conference, Berlin. Lecture, November 27-30.
- Barquin, Carlos et al. "How the Other Half Builds: Volume 2: Plots." (Research Paper No. 10, Centre for Minimum Cost Housing, School of Architecture, McGill University, Montreal), reviewed by A. Graham Tipple, in Open House International, 11, (4.)
- Barros, Paul. (1983): "The Articulation of Land Supply for Popular Settlements in Third World Cities", in Land for Housing the Poor, by Shlomo Angel et al. (Singapore: Select Books.)
- Bisharat, Leila, and Magdy Tewfik. (1985): "Housing the Urban Poor in Amman", Third World Planning Review, 7 (1).
- Burgess, Rod. (1978): "Petty Commodity Housing or Dweller Control? A Critique of John Turner's Views on Housing Policy", World Development, 6, 1105-34.
- (1986): Trialog Conference, Berlin. Lecture, November 27-30.
- Castells, M. (1979): City, Class and Power. (Macmillan.)
- Collier, D. (1976): Squatters and Oligarchs. (Johns Hopkins.)
- Doebele, William. (1978): "Selected Issues in Urban Land Tenure", in Urban Land Policy Issues and Opportunities. (World Bank Staff Working Paper No. 283).

- Edwards, Michael. (1982): "Cities of Tenants: Renting Among the Urban Poor in Latin America", in Urbanization in Contemporary Latin America, edited by A. Gilbert with J.E. Hardoy and R. Ramirez. (Chicester: John Wiley.)
- Engels, Frederick. (1972): The Housing Question. (Moscow: Progress Publishers. 1975 reprint.)
- Gilbert, Alan. (1983): "The Tenants of Self-Help Housing: Choice and Constraints in the Housing Markets of LDCs", Development and Change, 14, 449-477.
- Gilbert, Alan, Jorge Hardoy and Ronaldo Ramirez (eds.). (1982): Urbanization in Contemporary Latin America. (Chicester: John Wiley.)
- Gilbert, Alan, and Peter Ward. (1978): "Housing in Latin American Cities", in Herbert, D.M. and Johnson, R.J. (eds.), Geography and the Urban Environment. (Chicester: John Wiley.)
- Gilbert, Alan, and Peter Ward. (1985): Housing, the State and the Poor. (New York: Cambridge University Press.)
- Harvey, David. (1973): Justice and the City. (Edward Arnold.)
- Lewis, Oscar. (1961): The Children of Sanchez. (Penguin.)
- (1972): A Death in the Sanchez Family. (Penguin.)
- Llewelyn-Davies Kinhill Pty Ltd. (1978): "The Second Feasibility Study of Dagat Dagatan and Regional Centers" (Mimeographed.)
- Marx, Karl. (1859): A Contribution to the Critique of Political Economy. (New York: International Publishers. 1970 edition.)
- McCallum, Douglas, and Stan Benjamin. (1985): "Low-Income Urban Housing in the Third World: Broadening the Economic Perspective", Urban Studies, 22, (4).
- Moser, Caroline O.N. (1982): "A Home of One's Own: Squatter Housing Strategies in Guayaquil, Ecuador" in Urbanization in Contemporary Latin America, edited by A. Gilbert with J.E. Hardoy and R. Ramirez. (Chicester: John Wiley.)
- Nientied, Peter, and Jan van der Linden. (1985): "Approaches to Low-Income Housing in the Third World: Some Comments", International Journal of Urban and Regional Research, 9, (3), 311-329.

- Ospina, Jose. (1985): "Self-Help Housing and Social Change in Colombia", Habitat International, 9, (3/4).
- Peattie, Lisa. (1979): "Housing Policy in Developing Countries: Two Puzzles", World Development, 7, 1017-22.
- Peil, M. (1976): "African Squatter Settlements: A Comparative Study", Urban Studies, 13, 155-66.
- Perdomo, Rogelio Perez, and Pedro Nikken. (1982): "The Law and Home Ownership in the Barrios of Caracas", in Urbanization in Contemporary Latin America, edited by A. Gilbert with J.E. Hardoy and R. Ramirez. (Chichester: John Wiley.)
- Perlman, J.E. (1973): The Myth of Marginality: Urban Poverty and Politics in Rio de Janeiro. (University of California Press.)
- Popko, Edward S. (1980): Squatter Settlements and Housing Policy. (Washington: Agency for International Development Occasional Paper Series.)
- Poulantzas, N. (1973): Political Power and Social Classes. (New Left Books.)
- Saunders, P. (1979): Urban Politics: A Sociological Interpretation. (Penguin Edition, 1980.)
- Schlyter, Ann. (1986): Commercialization of Housing in Upgraded Squatter Areas: A Preliminary Presentation of the Case of George, Lusaka. (Berlin: Trialog.)
- Schmetzer, Harmut. (1986a): Slum Upgrading and Sites-and-Services Schemes Under Different Political Circumstances: Experiences from East Africa. (Berlin: Trialog.)
- (1986b): Trialog, Berlin. Conference lecture, November 27-30.
- (1986c): Trialog, Berlin. Response to lecture by Ann Schlyter, November 27-30.
- el-Sioufi, Mohamed M. (1982): "El-Mounira Informal Settlement, Cairo", Designing in Islamic Cultures 2: Urban Housing. (The Aga Khan Program for Islamic Architecture.)

- Smart, Alan. (1986): "Invisible Real Estate: Investigations into the Squatter Property Market", International Journal of Urban and Regional Research, 10, (1), 29-45.
- Strassman, W. Paul. (1982): The Transformation of Urban Housing: The Experience of Upgrading in Cartagena. (Baltimore: Johns Hopkins University Press.)
- Struyk, Raymond J., and Robert Lynn. (1983): "Determinants of Housing Investment in Slum Areas: Tondo and Other Locations in Metro Manila", Land Economics, 59, (4.)
- Turner, John F. C. (1968): "Housing Priorities, Settlement Patterns and Urban Development in Modernizing Countries", Journal of the American Institute of Planners, 34, 354-63.
- (1972): "Housing as a Verb" in Freedom to Build, edited by John F. C. Turner and R. Fichter. (Collier Macmillan.)
- (1976): Housing By People. (Marion Boyars.)
- The Urban Edge. Vol. 8, No. 2, February 1984): "Rental Housing: A Rediscovered Priority," (Washington D.C.: World Bank.)
- Van der Linden, Jan. (1986): Trialog Conference, Berlin. Lecture, November 27-30.
- Ward, Peter M. (ed.). (1982a): Self-Help Housing: A Critique. (London: Mansell.)
- (1982b): "Informal Housing: Conventional Wisdoms Reappraised", Built Environment, 8, 85-94.
- Ziss, Roland. (1986): Trialog Conference, Berlin. Lecture, November 27-30.