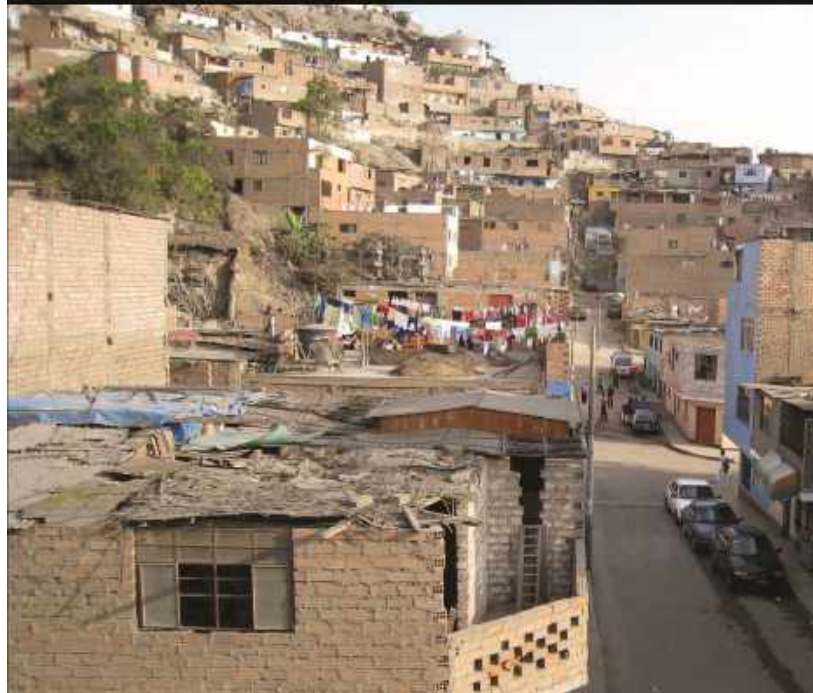
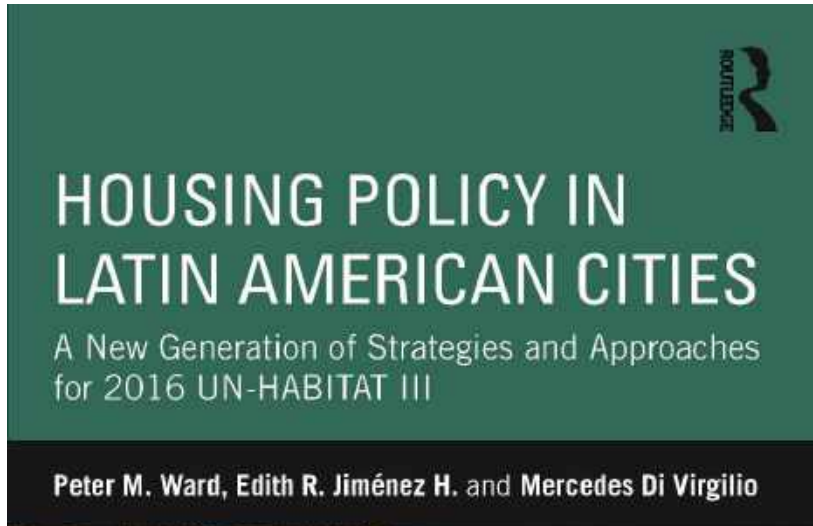


# 2015 Volumes in English and Spanish – for UN-Habitat III, Quito 2016



## Políticas de vivienda en ciudades latinoamericanas. Una nueva generación de estrategias y enfoques para 2016 ONU-Hábitat III


*Peter M Ward , Edith R Jiménez , Mercedes Di Virgilio , Angélica Camargo*


Hacia la década de 1960, la rápida urbanización en las regiones en desarrollo en América Latina, África y Asia, fue marcada por la expansión de asentamientos con población de bajos ingresos y que se desarrollaron informalmente. Para los años 2000 estos asentamientos constituyen usualmente entre el 20 y el 60 por ciento del área ocupada de las áreas metropolitanas y grandes ciudades. Además de las actividades de la red Latin American Housing Network (LAHN [www.lahn.utexas.org](http://www.lahn.utexas.org)), ha habido mínima atención directa a la enorme extensión de asentamientos informales formados hace 20 y hasta 40 años que hoy forman parte del anillo intermedio de las ciudades. En el marco de un proyecto coordinado y colaborativo de investigación, los autores y colaboradores ofrecen una perspectiva original en cuanto a los retos de densificación y rehabilitación que encaran actualmente los asentamientos irregulares en las ciudades latinoamericanas.

Investigadores, profesionales y expertos en temas de vivienda, política habitacional, investigadores en temas sociales, estudios comparados, desarrollo urbano, encontrarán este texto altamente significativo.

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***This PDF contains the pre-publication version of the individual city chapter for this particular folder. See the Folder “Introductory Chapter and Bibliography” for background orientation and bibliography relating to this and other chapters.***

***For a published overview and summary of the spectrum of policies, see Peter M. Ward. 2015 "Housing rehab for consolidated informal settlements: A new policy agenda for 2016 UN-Habitat III", Habitat International, 50, 373-384 (Publications Section of this website)***

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## **Chapter 6.**

### **The Consolidation of the City and Low-income settlements in Guatemala City**

**Bryan Roberts**

#### **GUATEMALA CITY AND THE LOGIC OF DISORDER**

In the 1970s, the Brazilian urban sociologist Lucio Kowarick (1977) used the term the “logic of disorder” to describe the chaotic urban growth of São Paulo. His argument was that the chaos had its own peculiar logic, that of unregulated capitalist development in a city where incomes were too low to allow the market to provide adequate housing for a population growing rapidly mainly through the migration of adults. Even housing for middle-income families was a financially risky project if developers had to pay the full costs of the road and utility infrastructure needed for new residential areas. Under these conditions, the logic of private developers was to sell off peripherally located plots at very low cost, and without any infrastructure or housing; when the municipality provided some basic infrastructure, such as access roads and links to a water supply, then developers could build middle- and high-income settlements that took full advantage of the infrastructure provided. This model of unplanned and unregulated urban growth characterized much of the development of Latin American cities from the 1960s onwards. This pattern of urban growth contrasts with that of cities in the developed world, such as Britain and the USA, where either the state or the market – through employers, landlords and speculative builders – provided housing for low-income populations (Roberts, 2011).

Guatemala City stands out as an extreme example of this model. From the beginnings of rapid urban growth in the 1950s, Guatemalan governments, national or municipal never made serious attempts to regulate the city’s growth (Valladares and Moran, 2006). Little planning control was exercised over urban development, with the main instrument of development being the construction of a road infrastructure that heavily favored areas of high-income settlement (Valladares and Moran 2006: 210-11). As the city spilled over into neighboring rural municipalities, developers made use of the profit to be gained from converting rural to urban

land. They also took advantage of the absence of regulation in undermanned rural municipal offices to build high- and middle-income gated communities, as well as selling off plots cheaply. Even within the city, this was the pattern of housing development as peripheral land was sold cheaply without infrastructure to lower-income groups, while developers built middle- and upper-income housing in the better-connected southern zones of the city.

Government was a minor player in the provision of housing until 1976; it sponsored only a few housing projects that favored middle-income rather than lower-income populations. The neighborhood Primero de Julio contiguous with one of the case study neighborhoods, La Florida, was one such project built in 1966 destined for mid-level government employees (Camus, 2005). In response to the earthquake of 1976, the state had an active program to provide housing for the displaced population, but the new housing was on small lots and mainly situated outside the Municipality of Guatemala City. From 1989, the state's role in housing construction became mainly that of providing subsidies to private developers in the outlying municipalities of the metropolitan area.

The third force in urban development has been the popular sector with some 277 irregular settlements by 2000 of which 77 percent were within the city; but the fastest growing and some of the largest settlements were in Villa Nueva in the south of the metropolitan area (Valladares and Moran 2006: 205-209). As is often the case elsewhere in Latin America, settlements were allowed to develop on ecologically unsafe terrain such as the sides of ravines.

There are peculiarities about the situation of Guatemala City that need to be noted. Guatemala is one of the poorest of Latin American countries and of the cases included in this volume, and the city's economy has a large component of informal employment. Its topography is more fractured than that of most Latin American cities, with deep ravines and mountain ranges dividing the city from its newest areas of expansion to the west and towards the coast in the southeast. This topography and a concentrated income distributed has prevented the kinds of vector type residential segregation that characterize other Latin American cities with homogenous rings of poor housing, but also substantial areas of middle and upper class housing. Most areas of the city

are highly heterogeneous in income composition, and gated communities have become the prevalent solution to providing high-class housing in the expanding suburbs.

This chapter focuses on two examples of low-income housing development, following the housing strategies of their inhabitants since the 1960s until the present. It is based on fieldwork and surveys done in the two neighborhoods in 1966 and 1968, and follow-up research conducted in 2008-9. Both neighborhoods were founded in the 1950s, one, El Esfuerzo, through invasion and the other, La Florida, through the sub-division of a small estate into over a thousand lots that were sold without services. The two neighborhoods are representative of the two major types of third generation housing that were common during the period of the rapid expansion of Latin American cities from the 1960s to the 1980s.

El Esfuerzo is similar to the classic *favelas* of Brazil and *Villas* of Buenos Aires located relatively close to the city center, with irregular narrow streets and passageways and very small lots. La Florida resembles closely the more peripheral (at the time of formation) regularly laid out but initially unserviced settlements that are the norm in many Latin American cities, although La Florida's lots were significantly larger than those of the colonias and *loteos populares* described in the Mexican and Argentine chapters of this volume. Family self-help and self-management of housing production has been common to both, but the contrasting physical conditions have greatly shaped the nature of house consolidation and the opportunities for household expansion in each case, ultimately making necessary the consideration of quite different housing rehab policies.<sup>1</sup>

Both neighborhoods show physical change over time, most markedly in El Esfuerzo where the earth streets and clapboard shacks have been replaced by paved streets and substantial two-storey houses of cement and reinforced concrete. In La Florida the large (and narrow) shape of the initial lots have resulted in some formal subdivision into even narrower lots, and while two-

---

<sup>1</sup> While both types of consolidated housing are included in the LAHN study, the survey results displayed in the consolidated data matrix on the website ([www.lahn.utexas.org](http://www.lahn.utexas.org)) differentiate between the Villa/Favela subsystem and the colonia/loteo type that forms a much larger proportion of metropolitan built up areas. This same differentiation is adopted in the case of Guatemala City.

storey houses are also common, there has been much more opportunity to develop separate additional dwellings and rooms in the rear of the lot.

This paper concentrates on another aspect of these changes – the spatial and social mobility of three generations of the original settlers. I consider the types of residential moves that originally brought the settlers to the two neighborhoods and the logic behind these moves. I contrast the earlier moves with the residential moves of the second and third generations and their logic. Moves can respond to socio-economic mobility as when the children of the original settlers obtain better paying and more prestigious jobs than their parents and move to a more upscale neighborhood. Moves can also respond to demographic factors, such as the growth in population and the need for the children and grandchildren of the large families of the original settlers to find their own place to live – whether elsewhere in the same or another neighborhood, or by sharing the family home and lot.

Moves, however, are also constrained by the consolidation of the city, which removes available free spaces so that rentals remain relatively scarce. Imperfect housing markets in most Latin American cities based on the low value of the property and lack of clear titles means that the search for low-cost housing relies on word-of-mouth information. In the case of Guatemala, there is a further factor affecting residential mobility, and that is the high level of urban violence. This is the case in some other LA cities, but violence is so widespread in Guatemala that it affects all areas of the city, and is a consideration that people take into account when deciding whether to move or not.



Figure 6.1. Map of Guatemala City. Source: Google Earth

## THE PROCESS OF URBAN GROWTH IN GUATEMALA CITY

The Guatemala City Metropolitan Area population has expanded mainly through the adjacent municipalities to the west and north of the city, such as Mizco, San Juan Zacatepequez, and Chinautla (Table 6.1). It has also expanded to the south into Villa Nueva, Villa Canales and Petapa. The population of these six municipalities is greater than that of the central city (*municipio*) itself. Most migrants to the metropolitan municipalities originate from the Municipality of Guatemala City. Many children of the original inhabitants of El Esfuerzo, one of the two neighborhoods that are the focus of this study, have moved to Villa Nueva to the southwest.



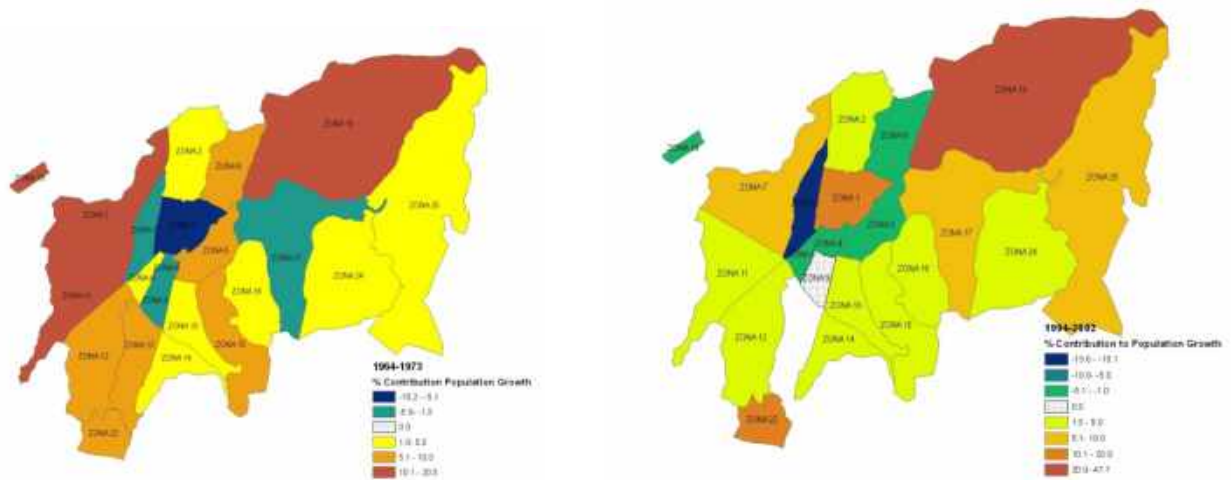
Municipality/Zone	Population 1964	Population 2002	Rate of Change 1964- 2002	Density km2 1964	Density km2 2002	Rate of Change 1964- 2002
<b>Municipality of Guatemala City</b>	572671	942348	1.31	2663	4382	1.31
Central Zones	328309	259144	-0.62	10208	8058	-0.62
Peripheral Zones	244765	683224	2.7	1230	3433	2.70
<b>Other municipalities in Department of Guatemala</b>	238187	1,599233	5.01	120.4	808.7	5.01
<b>Total Metropolitan area of Guatemala City</b>	810858	2,541581	3.0	370	1159	3.0

*Table 6.1. Population and densities of metropolitan area of Guatemala City and of the city's zones. Source: JF Martinez Lopez, El Proceso de urbanizacion en Guatemala, Cuadros, 1.49. 1.51, 2.32, 2.35. Own Tabulations.*

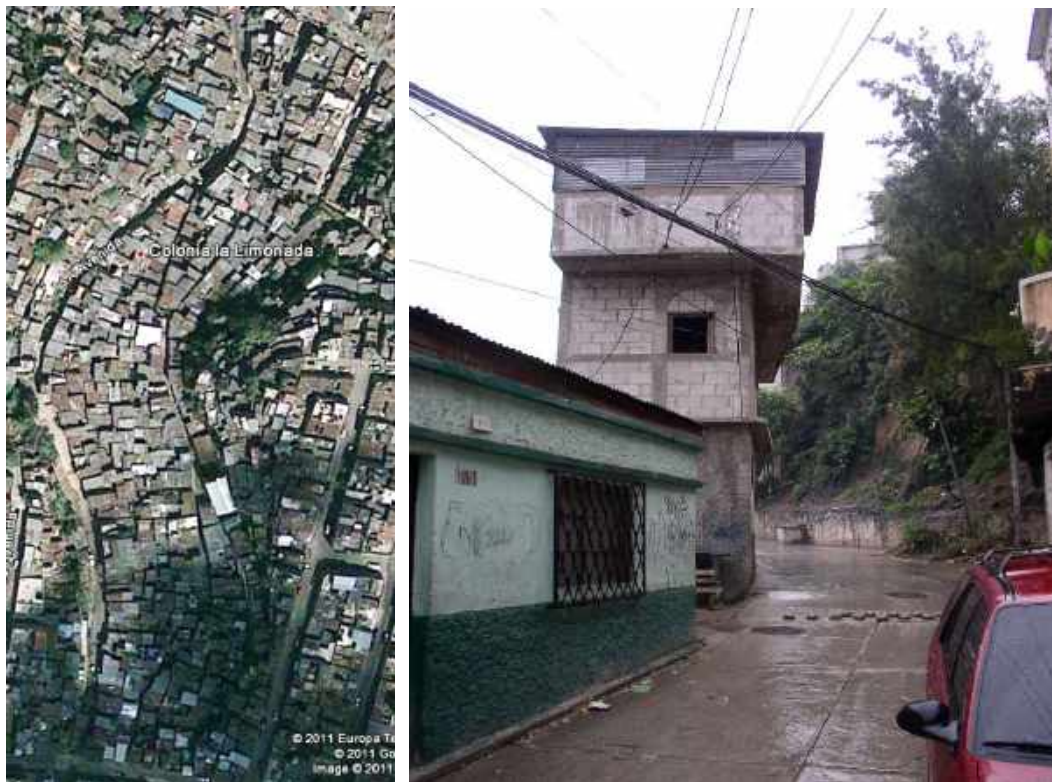
The population expansion of Guatemala City mirrors that of the Metropolitan Area, with the central zones of the city losing population, whereas the more peripheral zones have gained in population (Table 6.1). Maps of the population gain and loss of the city's zone in two time periods, 1964-1973 and 1994-2002, illustrate this process. The zones that expanded most rapidly in the first period are those such as Zone 5 where El Esfuerzo is located and where land was available at low cost through invasion, and Zone 19 which constitutes La Florida where land could be purchased at low cost. These were Guatemala City's equivalent of "innerburbs" as were the other zones showing contributions of 5 percent or higher to the city's population growth in the 1960s and early 1970s. The older central neighborhoods, particularly Zone 1, lost population in this period. Note, however, that by the second period, Zone 1 regained population, while Zone 5 and Zone 19 have lost population.

The uneven terrain and ravines that divide the city, the absence of government programs to build low-cost housing and a weakly developed private construction sector have all meant that the low-income population of the city, many of them rural migrants, acquired shelter in a variety of ways: staying with relatives, renting rooms in tenements in the central districts, buying lots that were sold cheaply, but without services, and invading land (Moran, 2000: 7). From the 1950s, governments tolerated settlement along the sides of ravines, even where they were the result of invasion, and despite the environmental dangers. By 1994, Moran (2000: 8) estimated there were some 350 settlements in the city that were irregular because of a combination of uncertain title, location at the margins (including the sides of ravines), and lack of services. These settlements housed some 425,000 people.

Obtaining clear title was a difficult process. Those occupying state lands could wait thirty or forty years, as happened to the inhabitants of El Esfuerzo who lobbied to obtain title to the lots that they occupied in 1959, finally receiving title only in 1998. The title granted by the government was one of “family patrimony” that prevented the person receiving title from selling the dwelling until there was no longer any dependent family that needed accommodation. Those occupying private lots also frequently did not have clear title since lots were often leased under uncertain conditions, and whole neighborhoods might spend twenty or more years seeking to regularize their status through purchase (Moran, 2000: 91-98). These challenges meant that neighbors had to come together to lobby for collective services, whether for transport, drainage, water or electricity. Over time they were to improve their housing, replacing more flimsy or makeshift materials with more solid materials.



Figures 6.2 (left) and 6.3 (right). Central Municipality of Guatemala City 1964-73 (left) and 1994-2002 (right). Outlying Zone 19 was then part of a surrounding municipality. Today's Zones 19 and 5 form part of the innerburbs.



Photos 6.1 and 6.2. Aerial view of the Ravine that forms part of La Limonada, Esfuerzo (left) and street views of the same (right).



*Photos 6.3 and 6.4. El Esfuerzo, main street 1968 (left) and 2008 (right)*



*Photos 6.5 and 6.6. View across El Esfuerzo showing tin roofs (left) and alley access off main street (right).*

The two neighborhoods that are the focus of this study are La Florida, a city zone of about 16,000 inhabitants, located some six miles from the center of Guatemala City, and El Esfuerzo, originally a squatter settlement of about 1,500 people that is part of a much larger squatter settlement, La Limonada, located in Zone 5 of the city, within a ravine only two miles from the city center. El Esfuerzo resulted from a land invasion in 1959, organized by people living in the zone bordering on the ravine. The residents organized to install services, including drainage (Roberts, 1973).

The original settlement in La Florida resulted from the owners of the land breaking it up for sale into lots of about 240 square meters to avoid expropriation under the land reform of 1951 (Municipio de Guatemala, 2012). The lots were sold without infrastructure, drinking water or

electricity. As mentioned above, the relatively large size of the lots in La Florida were sufficiently large to allow for multifamily occupancy and for rental. The original settlers of La Florida worked together to get utilities and paving. Perhaps their most dramatic achievement was persuading the Municipality of Guatemala City to declare the settlement a zone of the city, despite their belonging to the rural and then mainly indigenous Municipality of Mixco. To this day, La Florida is surrounded by Mixco, which is one of the largest municipalities of the metropolitan area, and no longer predominantly indigenous.



*Figures 6.4 and 6.5. La Florida aerial view (left) and section of plat map (right).*

La Florida is located on a major access point to the city center and has been an attractive temporary commercial and service center for salespeople moving to and from the rural areas and the city. Thus rental accommodation was in demand from early on and became an important source of supplementary income for families. The proportion of renters to owners in La Florida is one of the highest in the city, with one half (50.1%) of households renting according to the 2002 Census compared with 29.2% in the city overall, and 29.9% in Zone 5. Additionally, the proportion of the population that rents in La Florida has not changed significantly from 1968 to 2009.



*Photos 6.7 and 6.8. La Florida: split lots (left) and examples of commerce In Photo 6.8 (right) “Tienda Brayán” and 6-77 are part of a divided lot*

In both neighborhoods, families are long-term residents where owners have been in residence an average of 37 years (Table 6.2). Even La Florida renters have lived 8 years in their present accommodation and some 18 years in La Florida (statistic not shown). The relatively large lots of La Florida enable the construction of separate houses on a lot, a reasonably large number of rooms and multifamily occupancy. Residents of owner families enjoy almost four times as much space per person than owners in El Esfuerzo (and even renters have twice as much lot space). Thus there is a considerable difference between the two neighborhoods in the amount of living space. El Esfuerzo has small lots crammed into the ravine. Over time, most households (80%) have alleviated levels of overcrowding likely because they have built second floors to their homes. Household size is somewhat lower in 2009 than in 1968, with 4.2 persons per household compared with 4.8 in 1968. Households have installed separate bathrooms with running water and electricity. The streets of the neighborhood are now all paved, contrasting with the earth streets of 1968. House construction is now more solid, with cement floors and concrete and concrete block walls.

Data were not gathered on the level of satisfaction with housing conditions in El Esfuerzo. However, in La Florida, most owners and renters reported being fully satisfied with the quality of the construction of their houses, and even larger proportions were content with their utility service. There was, however, less satisfaction with the neighborhood in general, with only a small proportion being fully satisfied. This proportion was even smaller in El Esfuerzo. In both

neighborhoods, insecurity and violence are the most frequently cited reasons for lack of satisfaction.

Like many of the other LAHN case studies throughout this volume, dwellings in both communities have acquired a significant asset value, especially in La Florida where the median dwelling value in 2009 was close to US \$40,000. The much lower values in El Esfuerzo reflect the more modest homes, the very small lots, and the poor levels of access for vehicular traffic. The poor physical conditions notwithstanding, the location remains important for most residents.

	El Esfuerzo	La Florida	
	<i>Owners</i>	<i>Owners</i>	<i>Renters</i>
<b>Total Cases 1968</b>	125	53	52
<b>2009</b>	106	58	64
<b>Years family on lot</b>	36.8	36.9	7.8
<b>Mean (Mode) year lot acquired</b>	1972 (1959)	1967 (1955)	
<b>Average size of lot (m2)</b>	43.8	255.2	212.1
<b>Average length of front of lot (metres)</b>	6	9.2	8
<b>Independent households on lot</b>	1	1.45	2.46
<b>Families on lot</b>	1.35	1.65	1.52
<b>Average number of people on lot</b>	4.2	6.6	9.2
<b>Lot density (m2 per person)</b>	10.4	38.7	23
<b>Number of rooms</b>	n.a	5.4	4.9
<b>Number of bathrooms</b>	1	1.9	1.8
<b>% reporting problems with building</b>		39.6	34.4
<b>% reporting problems with utilities</b>		8.0	10.9
<b>% reporting satisfaction with neighborhood</b>	11.2	16.4	21
<b>Mean (Median) Estimated value of house (US \$)</b>	9884 (6667)	38708 (33333)	

*Table 6.2. Selected characteristics of two low-income consolidated barrios in Guatemala City.*

*Source: Household Surveys, 2009.*

## THE ORIGINAL SETTLEMENTS AND SOCIOECONOMIC PROFILES

Three quarters of the original settlers in both neighborhoods were born outside the city; but had lived previously in the central zones of the city before moving to the two neighborhoods. In the case of El Esfuerzo, 51% had first lived in the two most central zones of the city (Zones 1 and 3) and a further 35% had first lived in the other four central zones. In La Florida, 27% had first lived in the two central zones and 18% had first lived in the other central zones. La Florida settlers were more likely to have first lived in more peripheral zones of the city, including La Florida itself. In both cases, those who had lived in the most central zones had moved closer to each neighborhood, prior to actually settling there. In the case of El Esfuerzo, they moved invariably into Zone 5, which is located directly above the two squatter settlements.

The two settlements appear to have attracted different types of households. The case of La Florida is different in that it required a certain outlay of capital to acquire lots, and the owners of lots reported a higher income in 1968 than did those of El Esfuerzo (\$59 to \$45 a month). The median cost that owners recalled paying for an empty lot was \$450, making them accessible to migrants who had savings from rural properties or small businesses. Even the renters in La Florida had a higher average income than El Esfuerzo heads of household (\$53), although the El Esfuerzo average is lowered by the relatively high proportion of female heads of household (15% versus 3% in La Florida). Sectors of employment also differed in 1968 between the two neighborhoods. El Esfuerzo heads of household were mainly employed in the informal sector as vendors, independent construction workers, craftspeople or servants (58.2%), with 17.3% being employed in the public sector, mainly within the municipality as laborers or police. Only one-quarter worked in the private formal sector in jobs such as bus driver, mechanic or formal construction.

In La Florida there was a contrast between owners and renters. A third of owners worked in the formal private sector in somewhat higher level jobs than Esfuerzo private enterprise workers, but fewer (11.1%) worked in the public sector. Many (51%) worked in the informal sector, with several working in agriculture. Renters were more likely to work in the public sector (21.3%) with a similar range of jobs to El Esfuerzo public sector workers. Some 15 percent worked in



formal private sector, while 59.6 percent worked in the informal sector, and 4 percent in agriculture.

The families attracted to the two neighborhoods predominantly comprised a couple with children (Table 6.3). However, childless households were common in both neighborhoods, although their composition was somewhat different. Among owners in El Esfuerzo and La Florida, childless households were often older people who in the first case had little income and were seeking low-cost shelter, or were long-term residents whose children had left home. In contrast, the childless renters in La Florida were much younger (34 years old on average compared with 58 years for the owners). Single parents, almost entirely female, were much more common in El Esfuerzo than in La Florida; and given their situation of little or no security of income that would enable them to rent or to buy a lot, invading land was, for many, their best alternative.

Over 40 years, the two neighborhoods consolidated and experienced demographic changes as children of the original settlers grew up and sought to establish their own households. In the 1960s the rate of natural increase of the population was about 3 percent. The average number of children in El Esfuerzo households and in renter households in La Florida was 4 children, while that of owners in La Florida was slightly larger, on average 4.6 children. In the forty years since 1968, those young second generation children formed their own families and some became grandparents. In one case that we documented in El Esfuerzo, that of Doña Rosa, the couple originally interviewed in 1966 and 1968, had 61 descendants over four generations, all of them were still living in Guatemala and all but one of the children and his family were still living in El Esfuerzo.

## **HOUSEHOLD EXPANSION AND ACCOMMODATION DYNAMICS IN CONSOLIDATED COLONIAS**

There were limited means of accommodating the population increase over generations of colonia residency. One that has been common in many cities of Latin America, and which is documented extensively in other chapters of this volume, is sub-dividing lots or houses to provide shelter for children and even grandchildren. This requires sufficient space, which in the cases in Guatemala

City is only present in La Florida. In 17 percent of the cases of current owners in La Florida, there has been some subdivision of the lot among the family. In addition, 13 percent of owners rent out space. This was not possible for all, and when the descendants of other original families left for other zones of the city or when their parents died or moved on, they did not return to the parental home. Titles granted to households in 1998 in Esfuerzo were granted as family titles, restricting sale for up to 25 years. This has, however, not prevented families from informally selling property. This last possibility has occurred in both El Esfuerzo and La Florida. However, in El Esfuerzo, the lack of title and the restrictions placed upon free sale, together with the negative stereotypes about the neighborhood have depressed the housing market and prices there (see Table 6.2).

This weak housing market creates, paradoxically, another means of keeping family close to their original homes. When residents have died or left, their properties are usually sold by word of mouth. This means that other residents usually have first option in buying vacated property for their children. This is how Doña Rosa and her children have managed to acquire eight houses in Esfuerzo. By contrast, in La Florida most of the siblings of those still living in their parents' house are resident elsewhere in the same community.

The default solution is, of course, that children leave the home and find accommodation elsewhere in the city, elsewhere in the country or abroad. The decision to leave the home can also result from the need to be closer to a place of employment or, as has happened in several cases that we documented in El Esfuerzo, from social mobility. The only member of Doña Rosa's family that is not living in El Esfuerzo is a son who lives in a gated community in a middle-class suburban area of the metropolitan Municipality of Petapa. The son is an accountant and his three children have all gone to university.

These different options have resulted in a pattern of inter-generational spatial mobility that is similar in both neighborhoods. Most of the children of owners in both La Florida and El Esfuerzo live in the same neighborhood as their parents. Indeed, 70 percent of those living independently of their parents in El Esfuerzo are living elsewhere in the same neighborhood. The remainder is divided between other zones of the city, the outlying peripheries of the metropolitan

area, and the US. A similar pattern is observable in La Florida where 53 percent of the children living independently also live in La Florida, 25 percent elsewhere in the city and 12.5 percent in the US.

In both neighborhoods, this high degree of concentration of family members means that families and households are probably more kin-based today than in the original 1960s studies where I observed the relative absence of kinship ties as the basis of community (Roberts, 1973; 1974). At that time, of course, most were migrants whereas today they are born within the city or neighborhood. The resulting stability and the anchoring effect of the neighborhood for many second and third generation individuals and families is an important underlying feature of consolidated innerburb settlements.

The household structures of El Esfuerzo and La Florida in 2009 demonstrate some of the implications of these processes. Data on family extension was not collected in 2009, but in the case of El Esfuerzo, there was little evidence of extension in 1968. Most owners were migrants to the city, and though many of them came as part of an extended family movement, a higher proportion of them had migrated alone than was the case in Florida (34 percent compared to 21 percent). Even when family members migrated together, invading land and building one's own shelter was not viewed as a family enterprise because of the limits on space. Brothers might erect separate shacks and build another for an aging parent, but the small lots and insecure nature of the initial settlement meant that compound arrangements were not a common way to house an extended family. With time, however, as housing and the neighborhood consolidated, siblings, nieces and nephews and grandchildren were given shelter, resulting in similar levels of family extension as found in La Florida by 2009 (Table 6.3).

The increase in single parent families in both neighborhoods is not an indication of family breakdown, but rather reflects the implications of aging when families retain their houses (Table 6.3). By 2009, the single parent was usually an aging widowed mother or father living with their adult children. In El Esfuerzo, the average age of a single parent was 60 in 2009 compared with 40 in 1968. The change in La Florida is similar with single parents being in their 40s in 1968, but in their sixties in 2009. Childless households were less frequent in 2009 than in 1968. This is

also likely reflects family and household aging. In Esfuerzo male heads of childless households had an average age of 45 and their spouses 39 years of age, but by 2009 the average age of childless heads of household had risen to the late 60s. In 1968, childless couples included those about to begin a family, as well as older couples without children or whose children had left before the parents invaded the lot. In the 2009 situation, children may leave, though one adult child member usually remains with the aging parent. An elderly person living alone without children is likely to have a niece or nephew living with them. In the difficult housing situation of Guatemala with little possibility of invading land or purchasing lots cheaply, the elderly rarely live alone because caring instincts and self-interest are likely to result in co-residence and care from a relative.

Colonia	El Esfuerzo		La Florida			
	Owners		Owners		Renters	
	1968	2009	1968	2009	1968	2009
<b>Childless Households</b>	14.9	9.5	22.6	13.3	17.2	12.1
<b>Single Parents</b>	12.5	16.2	3.8	21.7	0.0	17.2
<b>Extended Family</b>		21.0		25		22.4
<b>Couple with children</b>	74.2	53.3	62.1	40	81.8	48.3
<b>Total %</b>	100.0	100	100.0	100	100.0	100.0
<b>Number</b>	93		29	60	22	58

Table 6.3. Family structure of the two neighborhoods, 1968 and 2009

## EMPLOYMENT PROFILES

There have also been important shifts in the occupational structure of the two neighborhoods since 1968. The sharpest change is the decline in public sector employment among residents in El Esfuerzo and renters in La Florida. In La Florida, informal employment, defined as self-employment and owners or workers in small businesses, has declined since 1968 while formal private employment in enterprises of more than 5 people has increased. In both neighborhoods, the levels of workers who do not have social security coverage is higher than the 2002 city-wide average of 54.4% of workers without social security coverage.

Colonia	El Esfuerzo		La Florida			
	Owners		Owners		Renters	
	1968	2009	1968	2009	1968	2009
<b>Public Sector</b>	17.3	7.3	11.1	13.1	21.3	4.9
<b>Formal Private Sector</b>	25.5	31.3	33.3	40.8	14.9	51.9
<b>Informal Sector (Without Social Security)</b>	57.2	61.4 (61.4)	55.6	46.1 (50.00)	63.8	43.2 (63.2)
<b>Total %</b>	100	100	100	100	100	100

*Table 6.4. Sector of employment in El Esfuerzo and La Florida, 1968 and 2009*

El Esfuerzo residents are in general less well educated than owners in La Florida, and the decline in their public employment reflects the overall decline in public sector unskilled employment and the difficulty of obtaining office or secure jobs with the municipality when one has only primary education or less. In both neighborhoods, it is likely that the informal sector now includes illegal activities, such as drug trafficking and selling contraband. Neighbors in both El Esfuerzo and La Florida commented upon the presence of drug trading and other illegal activities in the neighborhood. Small business people in La Florida were particularly worried about activities of gangs extorting money in return for “guaranteeing” security.

## **HOUSING NEEDS AND POLICY IN GUATEMALA**

### *Housing Policies: An Overview*

A housing policy designed to meet the quantitative and qualitative housing deficit was established with international co-operation in the first decade of the new millennium. The National Policy for Housing and Human Settlements (Política Nacional de Vivienda y Asentamientos Humanos) of 2004 established the right of citizens to decent housing and the obligation of the government to provide it. It included the commitment to provide titles to those who had occupied state lands, but not to those occupying private lands. The major means of providing housing to the poor was through subsidizing the cost of private construction. It also

envisaged working with co-operatives, NGOs and loans from international agencies, including micro-credit to help homeowners improve their residences. The policy differed for rural and urban areas. Urban areas, particularly Guatemala City, were encouraged to build high-density housing, such as tower blocks.

In practice, the policy has had little effect. One commentator pointed out that the main government housing agency, FOGUAVI (Guatemalan Fund for Housing), helped construct 67,163 housing units, with another 17,294 in construction during the four years of the Alvaro Colom administration from 2008 to 2012; but the commitment had been to build 200,000 (Marroquín, 2012). By the mid-2012, the deficit in housing nationally has been estimated at 1.7 million units, of which 60 percent consist in housing of poor construction and/or in areas that are environmentally risky. Some 15 percent of the deficit is in Guatemala City. The new government has plans to provide subsidies to buy 18,000 new houses, and help to improve 6,000 more by replacing earth floors with concrete. The private sector is expected to add a further 22,000 a year; although a representative of the sector pointed out that at least 70,000 new housing units need to be built to begin to reduce the deficit (*Prensa Libre* 15/06/2012; *El Periodico* 15/6/2013).

The Municipality of Guatemala City has been an active agent in urban development. The municipality has expanded urban governance through officially appointed neighborhood level committees, which have access to municipal officials and are consulted on municipal projects. It is working with the national university on a program of popular housing that contains space for a business. It has considerably improved citizen access to information through its website ([www.muniguate.com](http://www.muniguate.com)), which provides detailed maps of the quality of housing for each zone of the city, indicating the concentrations of poor standard housing. It has also sought to address the problem of transport in the city by the construction of a *Transmetro* modeled on the *Transmilenio* of Bogota. This system was begun in 2007 and is intended to serve all sectors of the municipality, although at present it concentrates mainly on the south and center.

The main problem with urban policy has not been the lack of ordinances or outreach, but lack of enforcement. The situation has been made more chaotic by the failure to develop any metropolitan authority to co-ordinate policies in what now is a contiguous built up metropolitan

area. Mayors of the Municipality of Guatemala City have attempted to obtain some control over development in contiguous municipalities, but have failed (Valladares and Moran, 2006: 226-246). The contiguous municipalities had even fewer resources to enforce policy than did the Municipality of Guatemala City, enabling developers to situate their projects where they would have fewer obligations.

### *Specific Housing Policies for Informal Settlements*

The lack of an effective urban regulatory policy has meant that irregular settlements and badly service low-income communities developed alongside gated communities developed by private enterprise in the outlying zones of the city and in the outlying municipalities of the metropolitan area (Bravo Soto, 2007). Within the inner areas of the city, neighborhoods have erected their own fences and gates to limit access and free passage, as in the case of neighborhoods contiguous with La Florida. Not only do neighborhoods keep out unwanted visitors, but the authorities also keep in unwanted residents. Neighbors in El Gallito, a once socially heterogeneous neighborhood in Zone 3 of the city, complained on the municipality website's 'Barrio Querido' about the police closing 12 streets and leaving only three entrances and exits (Municipio de Guatemala, 2012). The neighbors posted commentaries saying that this made life more difficult for residents and reinforced in the eyes of outsiders the neighborhood's reputation as the home of criminals and drug traffickers.

Adding to the problems is the current state of high insecurity in the city, which is general to all zones and to the metropolitan municipalities. In both La Florida and El Esfuerzo, residents told us in interviews that although they had problems with their neighborhood, they would not move because everywhere was insecure and, at least in their own neighborhood they know the people around them. One of Doña's Rosa's daughters, when asked the pros of the neighborhood, cited proximity to the center, the cost of housing elsewhere and pointed out: "here we already know who we are surrounded by."

Titling is an issue, not only for residents of El Esfuerzo, limited in buying and selling by the family property regime, but also for residents of La Florida. In La Florida, the problem is not titles per se, but rather the absence of wills (83 percent of cases). But in both cases, perhaps the

most serious issue is residents' wariness of legal procedures and their costs. To resolve these issues requires legal reform and making procedures better known and more accessible to the public.

The two neighborhoods are good examples of the way in which urban development 'from below' helped the poor – both migrant and non-migrant – cope with the difficulties of the rural-urban transition in face of an economy that did not produce jobs that paid an adequate family wage, in the face of corrupt governments and in the face of a private sector that did not provide housing for the majority of the urban population. The achievements of both neighborhoods are considerable. El Esfuerzo organized to install a sewage system; established a numbering system for the crowded shacks; built its own community facilities, including churches; pressured donor agencies and the municipality to provide drinking water; and finally had the streets paved. Residents transformed the original shacks into solid and livable homes. By 2012, the government's '*Piso Seguro*' program had become irrelevant for El Esfuerzo since the neighbors themselves had replaced earth floors with concrete. El Esfuerzo did encourage a degree of social mobility and a considerable degree of spatial mobility; but at the same time, it retained most of its original families. Given the degree of urban insecurity in Guatemala, this is testimony to the community cohesion of the neighborhood.

In a different way, La Florida was also successful. The size of the lots meant that residents there had a greater capacity to sub-divide and provide shelter for children than did those in El Esfuerzo. Also, it became one of the most important sources of rental accommodation in the city. The new housing policies of the government emphasize the need to develop more rental accommodation in the city, and over forty years, as the neighborhood grew, Florida expanded its rental accommodation. Rentals were a useful source of reliable extra revenues for homeowners, many of whom did not have stable incomes. Some of the rentals are owned by migrants to the US, who delegated relatives the task of renting out rooms or the whole house. Children who had bought their own houses in La Florida might rent out their parents' house when the parents died. Thus Doña Kristy, a third generational inhabitant of La Florida, lives in a house that her father bought. She rents her grandmother's house as a means of income, helping her send her children to private school in the city. Families in La Florida lived under better conditions than those in El



Esfuerzo and enjoyed better access to schools, health facilities and bus services that run through the neighborhood. Also La Florida is a bustling commercial center, with a large-scale street and indoor market. One result is a more evident social mobility among the children of the original inhabitants than is the case in El Esfuerzo. Many more in La Florida had attended university-level colleges and have professional and semi-professional qualifications.

Despite these achievements, neither neighborhood is in a good situation. Insecurity and violence are major threats to well being in both neighborhoods. Also, El Esfuerzo remains overcrowded and is situated in a ravine environment subject to land slippage and flooding. However, the conditions of other established irregular settlements in the city and surrounding municipalities are often worse. Ideally, the residents of these settlements should be moved to more salubrious and safer environments. This is unlikely to happen. The revenues that the government commits to new housing are totally insufficient for a project of this nature. As noted earlier, the subsidized units that the government has constructed are not even sufficient to keep up with the additions to the housing deficit. Also neighbors are worried that any government relocation projects would, as in the past, relocate them to very peripheral areas and burden them with excessive transport costs and journey time.

In this situation, the housing policy priorities in Guatemala City need to focus on making neighborhoods safe for their inhabitants and generating economic growth that reduces poverty and enables more people to buy housing. Both are formidable challenges. In the meantime, legal reform would help remove some of the uncertainty about ownership and inheritance. This is a general problem in Latin America, and in Guatemala it is particularly challenging in face of the generalized lack of trust in the law and entrenched belief in the corruption of officials. The hopeful note is that on returning forty years later to the two neighborhoods, I found the inhabitants of both still actively determined, through participation in organizations of various types, to cope with what are now, as in the past, difficult urban living conditions.

## **SUMMARY: TOWARDS A “NEW GENERATION” OF HOUSING POLICIES FOR CONSOLIDATED SETTLEMENTS?**

A primary aim of each chapter in this book is to characterize the nature of housing, household and community processes in older established consolidated informal settlements, the argument being that, to date, these areas are rarely the focus of specific policymaking. As noted above, in Guatemala City there are few systematic policies targeting even the newer established informal areas. Unlike other cities in this volume, in the case of Guatemala City it may be even more difficult to effectively argue for a “new generation” of public policy since earlier generations are barely discernible.

However, the insights presented above do offer some way-markers that I hope might inform policy thinking in the coming years. Moreover, the sharp contrast between in the two settlements allows us to highlight the priorities that should be considered: as other chapters conclude, rarely does one size fit all.

In both settlements there is an urgent need for improved security, and to the extent possible, for local authorities to embark on upgrading and maintenance of basic roads and infrastructure. Also, the creation of micro financing and low interest loans to owners to incentivize housing rehab is likely to be key.

In **La Florida** the larger lots make it easier to reorganize dwelling space and technical assistance here might best focus upon:

- Individual housing rehab for extended households and/or separate second dwelling construction for adult children expecting to inherit.
- The improvement and upgrading of rental accommodations, especially petty owner-tenant situations that have been an important feature of La Florida since the early days. Some rental rooms are rudimentary “*se renta casa de madera*” (wooden shack for rent), such that more permanent and better structures would raise the house value and the potential rent that could be levied while also improving the living conditions.

- In the same vein, the wide streets and high level of commercial activity in La Florida has given rise to many owners opening up a store on the street frontage of their lots. Financing support to improve the structure of these shops and workshops would also enhance the income generation from self-employment activities and investment in the home.
- There is an urgent need to ensure title security and the maintenance of clean title as these properties are inherited by the next generation now that many of the original owners are quite elderly. Title regularization in La Florida has meant that most titles are clean, but given that under Guatemala's testamentary regime less than eight percent of the population has a formal will, dwelling assets will fall under intestacy processes which, as has been shown elsewhere (Ward and Jimenez, 2010; Grajeda and Ward, 2012), can quickly lead to conflict and "clouding" of titles. If title cannot readily be transferred for sale or after inheritance, then few will wish to invest in home improvements and rehab. Ways forward would be to promote the widespread use of formal wills (as in Mexico City, Grajeda and Ward, 2012), ensuring that these wills and probate can be achieved at low cost; as well as to facilitate sibling inheritance share buyouts, and family patrimony arrangements (although these can inhibit the market value and market functioning as El Esfuerzo demonstrates.)

In **El Esfuerzo** the priorities are rather different. Technical assistance and micro finance support for physical home improvement and rehab will be welcomed, but the priorities should probably be:

- To ensure that second and third levels are safe, and, where possible to build upwards in order to create more dwelling space. Many of the dwellings have provisional roofs, such that important elements in housing rehab will be: a) secure staircases (spiral?), and b) concrete roofs with supports to allow for a second floor.
- To enhance, simultaneously, ground level rehab targeting the elderly and less mobile populations. As we have seen, there is a significant number of single elderly households, or households where an elderly parent lives with an adult child or nephew/niece and rehabbing the home to cater for this structure is likely to be a priority.

- To promote clean and unencumbered title (i.e. without restriction on sale) as a mechanism to improving market operations and exchange (property) values. The small lots, poor vehicular access, and the stereotyped attitudes already limit external market interest and for the most part it is to be expected that second and third generations would provide the effective demand such that “gentrification” is unlikely to be an issue.
- And tied to the promotion of clean title, to encourage the use of Wills or en vivo transfers to ensure that titles, once given, do not become “clouded” due to intestacy and inheritance conflicts.

Guatemala City offers perspectives on two types of consolidated low-income self-built settlements: the inner-city erstwhile shantytowns, and the formerly peripheral *loteamientos* and subdivisions that both now form part of the innerburbs (see also Chapter 11 on Buenos Aires). As described here the housing subsystems are very different and, perforce, require different housing and policy approaches and instruments to tackle dwelling and community rehab. Here I have identified the broad brushstrokes of priorities that might be expected to apply in each case. For more precise details of specific actions and policies the reader is referred to the text and Appendix Tables in Chapter 2.

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