

# Mora McLagan - The Mukuru Slum: A Lesson In Inequality



*May 2014.* Like most of Oxfam's supporters, two months ago you could have said the words 'international development' or 'aid' to me and I would have pictured rural, not urban communities. But while the bulk of Oxfam's work overseas is still focused on

poverty in rural areas, a slow shift is now taking place, some might argue too slowly.

The face of global poverty is changing rapidly. Poverty is now growing faster in urban rather than rural areas. UN Habitat estimates that by 2030 about 3 billion people, or about 40 per cent of the world's population will need proper housing and access to basic infrastructure like water and sanitation systems. To achieve this, we'd need to build 96,150 new housing units per day on serviced and documented land starting right now.

But as an aid agency, what do we do in the meantime? With this question in mind, last month I was in Nairobi, Kenya to visit Mukuru slum and learn about one way Oxfam is responding, through a brilliant new sanitation project in schools with local partner Sanergy.

Read more: <http://policy-practice.oxfam.org.uk/mukuru-slum-a-lesson-in-inequality>

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## Stuart Theobald - On The Money: Lending Trends Could Yet Make

# Home Ownership A Political Issue

*bdlive.co.za. May 26, 2014.* THE trend in lending patterns in the banking industry is damaging the transformation of the South African economy, particularly when it comes to home ownership.

Since 2008, when banks were hit by bad debt, home loans have become more expensive and are provided at lower loan-to-value ratios. So whereas pre-2008 home buyers could obtain 110% loans at 2% below prime, now borrowers tend to be granted loans priced at a premium to prime, and at loan-to-value ratios of 80%. To find the extra cash to fund the value of their purchase, plus the transaction costs, borrowers are taking large unsecured loans. As I've argued in this column before, the actual cost of credit for the post-2008 home buyer has increased substantially — by my calculations monthly repayments for home finance, at least until the unsecured portion has been paid off, have more than doubled. A R500,000 house could be funded with monthly payments of about R4,000 — now the same house, financed with a mix of higher priced mortgage and unsecured loan, costs more than R8,000.

*Read*

*more:*

<http://www.bdlive.co.za/opinion/columnists/2014/05/26/on-the-money-lending-trends-could-yet-make-home-ownership-a-political-issue>

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## Dotun Ibiwoye - Makoko: A Slum That Refuses To Dissolve



*vanguardngr.com. May, 2014.* It is located on Lagos lagoon and a stone throw from modern buildings that adorn the landscape.

In this extensive slum on the waterfront, adjacent to the 12.5 kilometre long Third

Mainland Bridge, tens of thousands of people live in rickety wood houses supported by wooden stilts driven deep into the waterbed.

There are no official census records, but estimates suggest that about 100,000 people live there and the World Bank estimates that the population on land is just over 85,000.

On July 12, 2012, the state government gave residents 72 hours to vacate the area. Two days later, a large contingent of mobile policemen and staff of the Ministry of Waterfront Infrastructure Development arrived Makoko and started demolishing the wooden on water. It was however made clear that the houses for demolition were those built within 100 meters from the sea and those under high-tension wire.

Nearly two years after the demolition, there is still encroachment towards the high tension cable and more buildings are being erected.

See more at: <http://www.vanguardngr.com/makoko-slum-refuses-dissolve/>

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## **Adam Farkas - Townships In South Africa: Can Design Help Solve The Housing Crisis?**

*guardian.com. May 2014.* On the World Design Capital (WDC) website, Cape Town presents some remarkable shack design projects aimed to solve a nationwide slum problem. Yet even with more than 200 informal settlements and 600,000 residents waiting for formal housing, the Western Cape has been slow to implement the 'transformative design' it celebrates.

The reluctance is not surprising as all those designs respond to the fact that South Africa's housing programme is not coping. Born from a historic pledge by the ANC in 1994, the scheme to provide brick houses to all those in need is too costly and too slow. The backlog hit 2.1m units in 2013 and at least 1.9 million

people (more than 10% of all households) live in shacks or other makeshift dwellings.

Throughout the country, hundreds of thousands of shacks make dense townships which grapple with fires, floods and sanitation problems. To bring relief from these everyday dangers, designers are proposing intermediate steps between shacks and brick houses - quick, low-cost, temporary solutions - until the state housing programme catches up on its backlog. Yet political and financial hurdles have so far stood in the way of building modern shacks on a large scale.

Read more: <http://www.theguardian.com/south-africa-cape-town-slum-housing?>

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## SA Affordable Housing



SA Affordable Housing is a unique publication that is dedicated entirely to the subject of affordable housing in South Africa today. We address topics and issues relating directly to rural and urban infrastructure planning and development and the delivery of affordable housing. SA Affordable Housing does not support any view that lends itself to the construction of new shacks and slums.

This publication is grounded in the absolute conviction that every South African must have access to a home and that these homes, and the infrastructure that supports them, must be of a standard that is reflective of the needs and dignity of our citizens.

Read more: <http://www.trademax.co.za/saah.html>

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# Louise Scholtz On The Lack Of Social Housing In South Africa

Urban land is of symbolic significance in South Africa because it is land that people of colour were historically denied access to. But the historically privileged still own, occupy and enjoy the best urban land.

The question is, why hasn't our government been able to unlock well-located land in urban areas to provide housing for the people who need it most?

The historically disadvantaged continue to live on marginal land on the peripheries of South Africa's cities and the apartheid city remains untransformed. Both The South African Civil Society Information Service (SACISIS) and the Friedrich Ebert Stiftung South Africa Office (FES) wish to promote discussion about the transformation of the apartheid landscape in an effort to foster social cohesion in South Africa's still largely racially and economically segregated society. The organisations co-hosted a panel discussion to interrogate the issue on 17 April 2014.

The event was opened by Renate Tenbusch, Resident Director of the FES South Africa office and the panellists who spoke at the event included, Mark Napier: Principal Researcher at the Built Environment Unit of the CSIR and co-author of the book, "Trading Places: accessing land in African cities"; Them bani Jerome Ngongoma: Member of Executive Committee of Abahlali baseMjondolo (shack dwellers' movement); Louise Scholtz: Manager at World Wildlife Fund South Africa and leader on joint project with National Association of Social Housing Institutions; and Kate Tissington: Senior Researcher at the Socio-Economic Rights Institute of South Africa.

Overall, as a result of the contributions of this panel as well as questions and comments from the floor, it became clear that there is stasis, a lack of imagination and a lack of political will to house the poor and to transform South Africa's apartheid cities. Much of this is happening within a highly corporatized free market environment where municipalities would rather sell off their land for short-term profit than invest in the long-term sustainability of their cities for inhabitants and future generations. Rent collection and maintenance of rental housing stock are activities that South African municipalities simply do not want

to burden themselves with.

Talking about the availability of rental and social housing stock in South African cities, Louise Scholtz argued that there is a worldwide trend towards home ownership, which is affecting the availability of rental stock negatively.

In South Africa, municipalities have sold off much of their rental stock because they are unable to manage their housing stock. However, rental housing is important in South Africa because it provides flexible options to people, and in this country where people are employed in elementary occupations, they need that flexibility to move to where the jobs are.

Scholtz said that it was difficult to determine exactly what rental stock government owns because it is scattered across departments and nobody is accountable or takes ownership of the issue.

The creation of rental or social housing stock provides an opportunity to restructure and reconfigure the apartheid city and address historic inequalities, she concluded.