



Mexico is one of the most beautiful and diverse countries in the world. Filled with towering mountains and beautiful beaches; shining, modern skyscrapers and intricate, pre-Columbian pyramids.

But in spite of its incredible riches, Mexico faces the same inescapable problem faced by most nations of the world: Thousands of Mexicans don't have a decent place to live.

This study examines poverty housing in two areas: San Cristobál de las Casas, located in the state of Chiapas; and Tijuana, located in the state of Baja California. The former is typically a slow-moving, rural city. Set in a lush valley, and surrounded by pristine wooded mountains; its colorful markets filled with indigenous fabrics and fresh produce. The latter, a sprawling metropolis, stretching on for miles into the hot, dusty desert; dotted with industrial centers and bordered on the north by the towering fences and razor wire separating Mexico from the U.S.

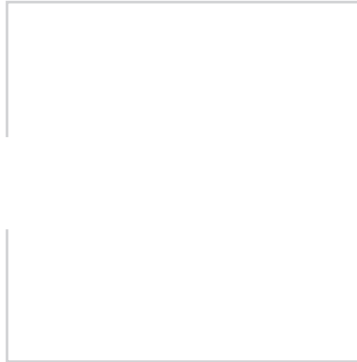
Two cities, at opposite ends of the country. And, in many ways, at opposite ends of the spectrum. But both cities share a lack of decent housing for their occupants. And when families in either city are asked why they live under those conditions, more often than not they answer, "Because we have no other option."

No Other Option – as well as the accompanying video documentary "Looking for Home" – are attempts at better understanding the situations of so many families.

Habitat for Humanity has been working in Mexico for well over two decades. We have had the privilege of helping thousands of Mexican families build new homes and a stable future. We would like to thank you for your interest in this publication. And we would like to invite you to help us create new options for families still looking for a decent place to call home.

*Steve Little
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Introduction



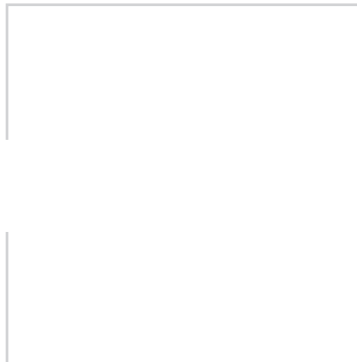
In May 2004, Habitat for Humanity for Latin America and the Caribbean¹ asked the Housing Office within the Department of Architecture of Universidad Iberoamericana to undertake a research project in San Cristóbal de las Casas, Chiapas, and in Tijuana, Baja California. This project was mainly established in order to identify the main causes, conditions and effects of inadequate housing in Mexico and to propose strategies to deal with them.

The project was based on the definition of “adequate housing” provided by the United Nations, which states that people have the right to live in a safe, peaceful and dignified place, anywhere in the world. This right does not only imply having the infrastructure, but also proximity to sources of employment, transportation, and social and public services. It emphasizes the importance of judicial protection against evictions, harassment and other threats. In addition, housing must have access to infrastructures that promote comfort, nutrition and health. The house cannot go against the cultural patterns of its occupants; it must provide security, appropriate lighting and ventilation, and individual spaces.



In order to identify the causes of inadequate housing and to focus this investigation on the specific areas about to study, the following questions were presented: Can housing be promoted among the low-income population under current market conditions? Do institutional actions influence the housing supply available to the low-income population? Does the government possess the necessary means in order to offer housing for the people in the cities under study? To answer these questions, surveys were taken in two cities to measure the capacity to respond to the demand, analyze the conditions of access to housing (costs, payment capacity, and funding resources) as well as to land and services, and analyze the nature of supply, operational and management systems, and institutional capacity.

One of the cities selected for the investigation



is San Cristóbal de las Casas, located in Chiapas, on the South border of Mexico. The other one is Tijuana, in Baja California, which is on the border-line with the United States. These cities show both profound similarities and differences. The first has a total of 132,421 inhabitants, while the second has a population ten times greater, with 1,210,820 inhabitants. They are both the preferred destinations of immigrants, although growth rates in these cities have begun to drop after having reached an average growth of 6%. Both cities are built on slopes. San Cristóbal is set in a small valley surrounded by mountains covered in forests, while Tijuana is located on top of arid mountain hills with little access to water.

build a home. They have to use their own resources, due to the lack of services and infrastructure required to work the great amount of irregular land. In addition, they find themselves far from job sites, social infrastructure and transportation, in unhealthy or hazardous conditions. Field data is used to document the magnitude of the problem caused by the lack of access to land and adequate housing. This problem persists, for no solution is found to regulate the real estate market, and land is still not considered a part of the institutional housing management.

We greatly appreciate the valuable collaboration of five experts: Noemí Stolarski, Alfredo Ramírez, Eduardo Ramírez, Alejandro Aguilera, and



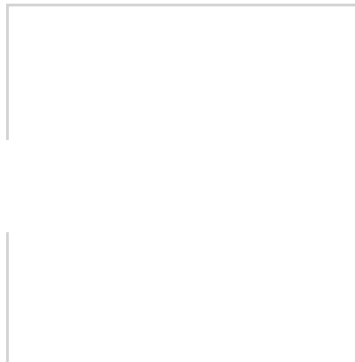
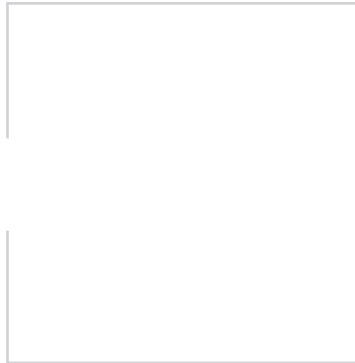
This study is not statistically representative, for its purpose is merely exploratory. Forty-two individuals were interviewed. They include people that work in the public sector, academics, regular civilians, inhabitants from ten development projects, and beneficiaries of the only low-income housing complex available. Five of the developments are in San Cristóbal de las Casas and six are in Tijuana. Of these, six have an irregular terrain, four are lot subdivisions and services promoted by the public and private sectors, and one is a housing complex.

“No Other Option” is the most common reply given by settlers when asked to explain how they overcome the limited access to land on which to

Carlos Morales, who enriched this effort through their interdisciplinary views about the proposal and interpretation of results. We also want to thank the people that were interviewed, for providing their time in such a generous and selfless manner.

¹ Habitat for Humanity is working in Mexico since 1987. Up to 2002, slightly over 12 thousand houses had been funded.

Background



The involvement of the Mexican government in housing issues is divided into two major periods. The first spans from 1940 to 1990, when the government began regulating housing construction and distribution. Priority was given to provide housing to solve the shortage issue. The National Housing System was created in the 1960's, which consisted of three groups of institutions dealing with different segments of the population: 1) the middle income sector, through FOVI, which operated with fiscal resources and international loans; 2) the wage-earners, through INFONAVIT, FOVISSSTE and FOVIM, which administered employer and employee contributions in benevolent funds; and 3) the low-income population, first through INDECO and later through FONHAPO, which gave preference to those who did not have a stable salary. The two latter entities operated with government resources and, for a while, the second worked with funds provided by the World Bank. INDECO decentralized its operations through state delegations, giving rise to the present State Housing entities (OREVIS). FONHAPO also recognized these as intermediaries for its investments.

The second period, during the 1990's, is consistent with the guidelines of international organizations. Mexico implemented a housing policy with a favorable approach, aimed at deregulating the current situation, favoring the participation of private agents in order to intervene in loans, organize the process, and build houses. National entities gradually modified their inflexible framework and their institutional processes due to the necessities generated by the free market conditions, regulated by the supply and demand. The target population was granted mortgage loans, enabling it to access the market to purchase a house built by the private sector. At the same time, the institutional support that had favored housing solutions for the poor, and allowed other social and institutional agents to build houses, was dismantled. Entities dealing with the wage-earning population contributed a greater share in order to fund the housing sector. In 2002, INFONAVIT and FOVISSSTE

contributed with 71% of the total investment.

Land distribution after the Mexican Revolution was aimed at protecting community property against avid land hoarders, and considered the sale of this land illegal. Nevertheless, the urban concentration caused by industrialization attracted a large number of peasants to the cities. Small common lands were put up for rent, and the illegal sale of lots proliferated in urban areas. Many of these lots were sold to immigrant peasants; the government had not foreseen a plan for the space nor for the houses where they could live. By selling, ownership was lost, but the revenue was significantly greater than that received from renting the land for agriculture or cattle raising².

The “ejido” or common land is a very particular way of owning land in Mexico. After the Mexican Revolution, the peasants were awarded the use of a small piece of land on which to grow crops. Nevertheless, they could only benefit from the crops generated by the land, but not from economic resources they could have obtained by selling it, unless the government decided to expropriate it and pay for the damages and perjuries this caused. The Agrarian Law was modified in 1992; since then, the owners of “ejidos” have been able to sell the land legally as long as they comply with an administrative procedure established for this purpose.

The amendment to Article 27 of the Constitution enabled the possibility to “ejidos” to urban development, but results have been scarce. Owners of small common lands or “ejidos” are more encouraged now that they can sell to other markets, including social housing projects developed by authentic promoters, who can pay more than mere individual producers. This caused the surrounding land to become more expensive, which was previously more affordable for the individual producers; thus forcing them further away. However, land closer to the urban areas is underused because there is not much demand for land to create low-income housing developments. Owners of small commons have their hopes set on get-

ting higher prices resulting from other land uses, like large-scale commercial activities, which are much more profitable than social housing.

The few instruments that were available before the Constitutional reform, such as government-controlled seizure of common land and expropriation at an agriculture value (for community and common land) or at fiscal value (for private land), disappeared in the early 90s, and have not been substituted by any land tax system that could discourage land speculation. Government efforts in this sense have focused on solving the problems related to irregular land, while specific designation of the land has become a fundamental component of social policies (González and Vargas, 2000, page 61).

In the early 1990s, the Federation channeled resources to promote an ambitious program in order to create land reserves. That power was later transferred to the state and local governments; however, the resources were not. Urban development was entrusted to local administrations. Under this new arrangement, states were expected to provide the land on which to build homes.

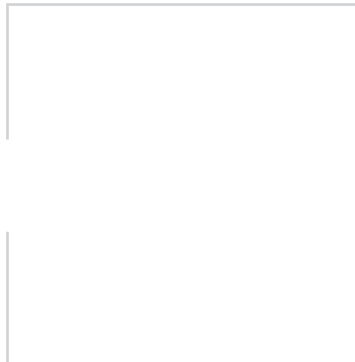
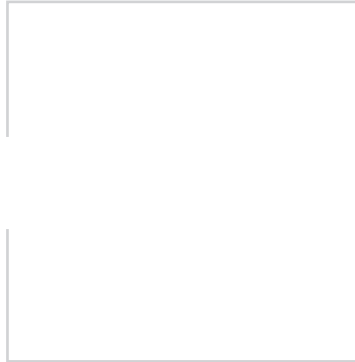
The Housing Institute of the State of Chiapas (INVI) coordinates the housing program and is responsible for regulating settlements that have developed on private property in the area of San Cristóbal de las Casas. In Tijuana, however, there is greater specialization: four separate entities deal with the lower-income sector. The State Government Real Estate Agency (INETT) and the Promoter of Urban Development in Tijuana (PRODUTSA) develop sub-divisions, sell land, and provide support for housing construction. The Commission for Regulating Land Tenure (CORETTE) controls private lands, while the Municipal Trust Fund for the Urban Development of the Eastern Area of Tijuana (FIDUZET) manages the land derived from a large-scale expropriation of commons.

Currently a new philosophy promoted by Hernando de Soto has become increasingly popular. It weighs the effects of regulation programs on the overall urban economy. It is supposed that an own-

ership title allows the poor to access credit, thus taking the growing informal economy into the formal economy. Similarly, the access policy driven by the World Bank recommends promoting ownership rights, creating a legal framework to develop private property systems, and programs to enforce this.

² Information from Minister Eduardo Ramírez Favela

1 Market Effects on Land and Housing Supply in the Cities



1.1 Prevalence of poverty and its influence on housing

Low-income residents are a majority in the cities studied, as is the case in the rest of the country. In San Cristóbal, in the year 2000, the income of 63% of the inhabitants was no more than 2 times the minimum wage (TMW); while in Tijuana the percentage was significantly lower (18%). In other words, there is a greater amount of people in San Cristóbal whose survival needs are barely met. It is alleged that families with this level of income will not likely be able to meet their basic needs for a dignified living.

Eighty-five percent of the population in San Cristóbal earns no more than 5 TMW. In 1990, however, the figure was 92%. In Tijuana, 69% of the total population earns less than that, but it totaled 80% in 1990. Evidence shows that housing is more available where most of the economically active population (EAP) is located, with incomes greater than 5 TMW, for they have more access to institutional housing programs. (Ordóñez and Ramírez, 2002)

Taking this parameter into consideration, one third of the population in Tijuana has better opportunities of having access to these programs, while in San Cristóbal this percentage barely reaches 15%. This explains the increase in the housing supply in Tijuana, which experienced a mean annual growth rate of 49% between 1999 and 2002.

The deficit³ in the year 2000, resulting from the difference between the number of homes and the number of households, was minimum in San Cristóbal; while in Tijuana more households than homes were reported. Between 2001 and 2002 (based on CONAFOVI⁴ estimates) approximately 11% of the demand in San Cristóbal, and 20% in Tijuana, was met. Therefore, institutional coverage is low and its supply is not likely accessible to the lower income population.

San Cristóbal has seen a significant arrival of settlers in the last 15 years. Due to internal strife, indigenous people left their communities of origin. A large number of political and religious dissidents⁵ were

expelled after the armed conflict of 1994. More job opportunities and better infrastructure and services also had an influence on this. The resident population born outside San Cristóbal in 2000 was only 4%, while in Tijuana half of the inhabitants were immigrants.

Indigenous immigrants that arrive to San Cristóbal do not just settle anywhere. They move close to communities of the same ethnic origin, and continue linked to them. Consequently, far from losing their identity, they strengthen it by preserving their administration systems and community representation. Housing needs are basically met in two ways: rented neighborhood houses and peripheral settlements. The neighborhood houses⁶ link the workplace and the place of residence. Indigenous families that sell products near the markets store their goods in their own homes, aggravating the already overcrowded and precarious dwelling conditions. Peripheral settlements allow these people to solve their housing and work needs in environments and conditions similar to their places of origin, so they continue to exploit forests as a way of living.

In Tijuana, on the other hand, most immigration is related to a search for better wages. Immigrants expect to cross the border and benefit from the minimum wage differential, which is seven to eight times higher in the USA.

Since immigrants coming to Tijuana expect to cross the border, they move in with relatives that came before them. If they cannot cross, they invade gullies⁷ and canyons, without a stable residence. They consider themselves to be in transit; they show strong characters, and are usually daring. Massive deportations from the United States in recent years turned the refugee population (approximately 30%, SIDUE) into permanent residents.

Independent houses were predominant in both cities in the year 2000; there were slightly more in San Cristóbal (88%) than in Tijuana (70%). The same

neighborhood ratio was reported (7%). On the other hand, the availability of apartments in San Cristóbal was a minimum (1%), while in Tijuana it represented one tenth of the housing stock. Although apartments would be preferable in San Cristóbal, for a more rational land use, they would not be well taken due to the current way in which housing is arranged.

The number of low-income inhabitants, and independent houses in both cities, confirm the settlement patterns followed by poor families to solve their housing needs. Most of the interview respondents in both places purchased lots, few of which already had some type of housing construction (12%). Due to their scarce resources they find it easier to purchase lots without services. Almost one third of the lots (28%) accommodate two, three and up to four families, while an even greater number of families live on invaded lots. Most family groups share expenses, which, aside from a survival strategy, is a way to meet the housing needs of their members.

On several occasions, one or more relatives of the respondents live on different lots in the same neighborhood, mostly in irregular settlements; which is something more common in San Cristóbal than in Tijuana. In settlements consisting mostly of indigenous people, up to five or six siblings of the respondents were found living on adjacent lots, confirming their prevalent migration patterns and reflecting the importance they give to family support networks. This shows, like with other cases of housing offers, that obstructing such networks limits part of the demand and reduces the viability.

Since there are so many in San Cristóbal, poor families subsist thanks to self-production. Their priority is to have their own lot on which to plant, and raise animals, using the least amount of land possible for dwellings. It is evident then, that the regular supply of lots must increase. However, federal government actions focus mainly on housing. Moreover, these efforts do not truly match the demand.

Lots are usually purchased from private individuals, especially from relatives. Most people insist upon the fact that they purchased their lot, while just a few accept that they invaded the property (12%). This fact contradicts the general belief that most people in irregular settlements have invaded, and not purchased. However, the cases discussed in this paper show just the opposite.

Houses are built mainly with the support of the nuclear family. For loans people resort to relatives first (40%), then to friends (“tandas” or “cundinas”: an informal mechanism of saving money, composed by a group of people who know each other and make a commitment to save a specified amount periodically). A smaller percentage of people employ moneylenders or loans and savings entities (societies that are regulated by the National Commission of Bank Values, a formal entity that works upon the same bases as banks). In San Cristóbal, a larger portion used popular savings and loans associations, while in Tijuana the respondents reported to have used “tandas” or “cundinas”. This leads to the fact that the people in San Cristóbal have a better chance of improving their houses, thanks to micro-funding resources.

Although their need for a roof has been met, these people live in limited conditions. One third of the respondents live in single rooms; of these, one third continues to be in the same situation after 11 years. Single-room constructions prevail in San Cristóbal (38%), while in Tijuana two rooms are most common (45%). The most frequently found number of members per family in both cities consists of 4 to 6 people; although in San Cristóbal many larger families are found, ranging from 7 to 10 members. This shows that conditions in each region are different. Family size cannot be generalized and, therefore, solutions must attend to their diversity.

Census data from 2000 showed that 50% of the homes in San Cristóbal were overcrowded⁸ at the

³ In 2000, in San Cristóbal, there were 28,569 homes in 27,248 households; in Tijuana there were 269,965 homes in 292,782 households.

⁴ The National Housing Development Committee (CONAFOVI) estimated the housing requirements for 2001–2010 based on the existing housing shortage, demographic growth, and natural deterioration of houses. The average annual deficit of new houses was considered to be 3,088 in San Cristóbal de las Casas, and 36,238 in Tijuana.

⁵ One quarter to one fifth of the population of San Juan Chamula; 90% of the immigrants that came to San Cristóbal are from this town. (Betancourt, 1997)

⁶ Hallways with rooms on both sides, bathrooms in the back, cement, and second floor.

⁷ The Urban Administration Directorate of the Municipality of Tijuana estimates that close to 1,200 families live in high risk areas.

⁸ Overcrowded is when more than 3 people are sharing the same bedroom.

time, whereas in Tijuana the figure was closer to 40%. San Cristóbal is much more overcrowded than Tijuana, and the situation is worse in irregular settlements (27%) than in privately promoted sub-divisions (19%), endorsed about five years ago. The reason for this is that irregular settlements were built first, many years ago, thus, heads of families are older, and family circles have extended. There are also severe overcrowded conditions (40%) in regards to the groups of houses, for they are all less than 30 meters away from each other. It is a very basic type of housing that consists of a room for multiple uses, a bathroom, and a kitchen. In these circumstances, bigger houses will not necessarily improve the buyers' living conditions.

In both cities poor families build their houses with wood. In Chiapas they use wood scraps or "costera", while second-class wood is most commonly used in Tijuana. Census data from 2000 showed that the quality of 59% of the houses in San Cristóbal was deficient, while in Tijuana it was only 8%. These figures include various imperfections, such as dirt floors and waste materials used for walls and roofs. Although overcrowded and of poor quality, home improvements offered by national entities between 2001 and 2002 met 0.7% of the population's needs in the first city and 6.3 % in the latter, as estimated by CONAFOVI.

Despite the difficulties that they were confronting, most respondents felt they were living in better conditions than before (70%), although some felt it was worse (22%), while the remainder reported it to be very similar to before, particularly in San Cristóbal. In their opinion, the reasons for this were, firstly, related to housing and, secondly, related to their surroundings. A house, therefore, is not only a roof. Other needs are equally important.

In their opinion the situation has improved because they own their property; they no longer have to expend rent money, they do not fear to be ejected by a landlord, their children have more freedom, and they can improve and enlarge their house know-

ing that it belongs to them. However, as mentioned above, a few respondents said that their previous house was better. Others appreciate the fact that they are no longer "bunking in." Although housing needs are partially solved when several families live on the same lot, this does not mean that the families want to live in the same space for survival purposes, but instead would rather have their own roof over their heads.

Regarding their surroundings, there were different responses in respect to the relationship between the location of settlements and that of utilities and services. Some considered their situation to be better than before; others said that nothing had changed, while the rest believed to be worse than before. Several of them said that their previous homes were better located, they were closer to downtown, built on flat land, and possessed the basic services. Nevertheless, others appreciated to no longer live in high risk areas. People in San Cristóbal appreciated the opportunities brought about by the city: jobs, and access to services and transportation.

Respondents were asked what they liked and disliked of their neighborhood. What ranked as the highest liking in both cities were the social environment, and, particularly, a peaceful life. Although this was the opinion of 56% of the respondents in Tijuana, some said they were displeased with crime and drug distribution (12%). These downsides were not mentioned in San Cristóbal.

Steep slopes were considered a negative point in San Cristóbal; however, respondents said they truly enjoy the view of the city. The absence of pavement is a big dislike in Tijuana, because it is difficult when it rains, and there is also frequent and abundant dust. Few people mentioned the environmental degradation caused by the lack of cleaning services (garbage collection, maintenance of parks and green areas, and cleaning of main roads).

It is worth noting that in Tijuana close to one fifth of the respondents (18%) said they did not like anything about their neighborhood, and there was

a stronger tendency to mention negative features instead of positive ones. In contrast to that, in San Cristóbal more positive aspects were highlighted, and people seemed to be pleased with what they had. The profile of expectations in both cities, therefore, is quite different. People more willing to take risks moved to Tijuana in search of a better living, but they did not find what they were looking for.

When asked if they would move from their current home into a publicly provided home, the majority (63%) said they would not, and about one third said they would. Their main reasons for not moving, in order of importance, were: they could not afford to, they liked where they were living, and they valued their achievements or efforts made to obtain a home. Those willing to move considered that their current conditions could improve, especially with a greater availability of services and better opportunities for education and employment. They believed they would not have to face the uncertainty of being irregular settlers and, particularly in San Cristóbal, they would not have to worry about the slopes. However, they considered this was not within their reach. The generalized notion was that public offerings were for people with higher standards of living.

The main characteristic that the people considered in order to evaluate the quality of the habitat was that it had to have access to services. However, the provision of infrastructure has not gone parallel to urban growth. The division between the housing sector and those who take control of infrastructure truly affects the active population, who end up resolving for themselves their need for housing. The location of housing is extremely relevant, and thus cannot be left to the simple interest of real estate agencies; it must be regulated by the government.

Two very different regions of the country share similar realities as a result of a structural problem, which is mainly the unequal distribution of wealth. However, some differences need to be addressed individually, such as cultural patterns, settlements in family circles, size of family groups, their lifestyles

and expectations. The institutional supply attends to a segment of the demand; but a one-size-fits-all solution cannot be applied for the entire population. Schemes that focus on diversity must be created. Housing solutions must be aimed towards the low-income population, in response to the particular needs of both San Cristóbal and Tijuana. Alternatives should be provided in order to face the regional characteristics of each city.

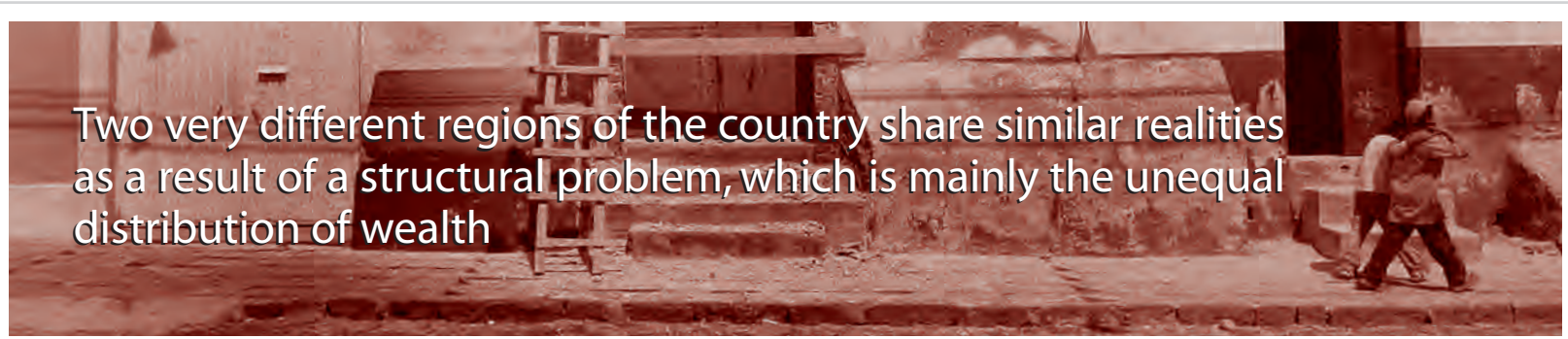
According to the respondents, availability of services was the most important quality of dignified housing. Regrettably, infrastructure has only grown at a fast rate in the urban sector. The lack of connection between the housing sector and the entities responsible for infrastructure affects the overall population,

1.2. . Increased Growth of Population, Scarce and Expensive Land

Cities grow at accelerated paces due to groups of people that need housing, in addition to the already existent demands. Although most of the land suitable for development in the valley is already in use, the growth rate in San Cristóbal (4.5%) demands no less than 33 hectares per year⁹. Authorities have reported a shortage of land resources¹⁰; there is no regular offer of land for social housing. The only possibility is through agricultural terrains, but they are a conflictive issue. For years, slopes exceeding 30 degrees have been occupied, harming the forests, and facing a lack of services, due to the high cost because of the technical difficulties. Recently, inhabit-

average monthly salaries can barely purchase 14 m² using one complete monthly salary.

Land for social housing cannot be purchased and prices are not controlled. Hence, the only answer is to regulate land tenure. The urban area contains sub-divisions of the common lands of San Felipe Ecatepec (common assets) and La Albarrada (certified). San Felipe has the capacity of becoming urban, but disputes between two community groups have impeded the sale of land, and urban transformation. There are two authorities with two common houses. The members of the La Albarrada commons have not allowed land regulations to be imposed. Although the price is \$800/m², without services, CORETT tried to negotiate \$80/m². Never-



Two very different regions of the country share similar realities as a result of a structural problem, which is mainly the unequal distribution of wealth

which ends up trying to solve its own housing needs. Housing location is extremely relevant and cannot be left in hands of real estate interests. Undoubtedly, the government must take control and regulate this issue. It is important to highlight that, despite their efforts, many of these people do not like their neighborhoods, and live there just because they have no choice, no other option. To guarantee access, more options and concrete actions must be made readily available so that regular offering is not seen as something unreachable, and so that surrounding conditions can be improved. Access should not only imply funds to solve housing needs; there should also be access to jobs and services.

ants have began living in flood-prone areas, below the drainage level (<2% slope), facing dangerous risks (Paniagua, 2001). Because of the lack of affordable land for construction, it has become a precious and scarce commodity. In addition, 70% of the city, including the formal sector, is irregular, and does not comply with regulations.

Land in San Cristóbal is the most expensive in the state; five times more than in the capital city (\$35/m² for shrub lands in Tuxtla). Prices vary between \$120/m² and \$180/m², and continue to increase with the construction of the Tuxtla-San Cristóbal highway, which will attract more vacation homes to San Cristóbal. With these prices the EAP that receives up to 2

theless, this did not work due to internal differences among members of the commons.

Since people of low resources have no access to the formal land market, they buy land in areas without services, usually at a forest value, and extremely costly to develop. Irregular settlements without services have remained segregated since the 90s, far from infrastructure, in depleted and polluted environments (Paniagua, 2001). Some settlements still do not have services, 20 years subsequent to being established. Only irregular property is available to the low-income population. More than half the lots that were regulated by INVI (64%) between 2001 and 2004 were of this nature: 23% resulted due to

⁹ To build 3,088 houses, assuming minimum lot sizes of 90m² for social housing projects (Housing Development Law of the State of Chiapas, Art. 12, February 3rd, 1993), additionally estimating 20% for infrastructure and services and 15% for roads.

¹⁰ Currently 280 neighborhoods and 83 rural communities exist. According to the municipal authorities, the latter are considered rural, not urban, neighborhoods. (Betancourt, 1997, pg. 78)

invasions related to inner conflicts in the 90s, and the remaining 13% were probably purchased in good faith¹¹. INVI purchases land at less than half the price of the usual land for social housing developments, which is clearly linked to the irregular occupation in the past¹².

An urbanized lot of 90m² costs about \$71,000¹³ in San Cristóbal. The average lots purchased in the settlements measure 197m²¹⁴, most of which were paid in monthly installments over a 6-year period, without guarantee. The authorities frequently refused to introduce services, possibly due to the high costs related to the slopes. Although transportation routes are at an average of 9 minutes away from the houses, most people walk to school, to work or to the market, because most people cannot spend \$7 per day for transportation.

Tijuana grows between 2.4 and 3.5 ha/day. Although the rate has decreased 4.5% in the last few years, with this tendency, the population will double in the next 11 to 14 years. The total population without a fixed residence is estimated to be 400,000 people. They tend to settle down, but not for more than 10 years. They tend to request for services and regulations; however, usually other people end up taking over that land. Although the city is always growing, abandoned houses are seen all around. The authorities claim that, for budgetary planning, the floating population is not accounted for as part of the local population.

According to the Urban Development Program (PDU), in 2000 Tijuana had the necessary conditions in order to introduce water and sewage services. Although city land has multiple uses, rough estimates indicate that if the reserve were only to be used for social housing (880 ha/year¹⁵), needs would be met for the next 25 years. The areas with services are already full, the population grows faster than constructions, and developments are costly due to the land work required.

Most land is privately owned (82%), a smaller portion is commons or "ejidos" (13%), and the rest is

government property or lots without records (pgs. 42 and 85 PDU). Two thirds of the residential area is on irregular land, and over half of the neighborhoods have not been subject to an official processing. Traditional leaders that once promoted invasions have been replaced by owners of commons or private land that sub-divide and sell lots, sometimes even illegally (Alegría y Ordoñez, 2004, pg. 112). Data from 2000 indicates that in Tijuana the occupants of irregular lots, in average, received 3.9 TMW¹⁶, while others (19%) received more than 5 TMW; indicating that irregular land tenure is not necessarily synonymous of poverty (Alegría y Ordoñez, 2004, pg. 37).

Most houses built on ravines, riverbeds, and steep hillsides are considered high risk areas and are very irregular, evidencing the lack of controls and regulations (Tijuana Urban Development Program, 2002-2005, pg. 21). Invasions continue, and resources are scarce and expensive, especially for hillside constructions; something that can only be counteracted by making land available for everyone. Shrub lands with slopes of over 15 degrees cost between \$8/m² and \$11/m², while earthwork costs \$260/m² (INETT). The saturation policy targets 2,500 hectares of vacant lots where social housing cannot be easily built.

The government is currently planning to build a settlement city for one million inhabitants, in Valle de las Palmas. The land was already purchased at \$1/m²¹⁷, with the hope of reducing speculation and having a better control over prices. This multi-investment, with private developers, consists of a total of 15,000 hectares. This will provide 1,000 hectares (6% of the area) to the public sector for popular high-density developments, which will consist of 100 houses/ha¹⁸, totaling 60,000 houses (less than two years the demand of this type of housing). State regulations enforce that the minimum lot size be 180m²¹⁹. If 69% of the residents in Tijuana earned less than 5 TMW, a greater amount of land would be required in order to give them a house.

In Tijuana, many land titles were originally grant-

ed by the federal government to individuals, so they could own large pieces of land and thus avoid invasions; which is the case with commons. Of 12,258 hectares of irregular lots under the responsibility of different entities, CORETT only has 1,334 ha (10.8%) (Alegría and Ordoñez, 2004, pgs. 11 and 26). CORETT is currently looking into the idea of regulating 35 settlements, of which 25 are under the control of IMPLAN with the possibility of being legalized; except for 20% - 25% of the lots that are located in high risk areas.

Efforts in Tijuana have focused more on regulating land tenure than on housing programs. Between 2001 and 2004 a total of 4,140 lots, corresponding to 155 hectares, were regulated. A lot of 160m², on a slope and without a legal title, costs \$10,000; urbanization costs about \$27/m² (including water, sewage, street lighting, electricity, and sidewalks).

INETT needs to provide land for the low-income population, using its own resources. Twenty-five percent of its projects have to total 164,000 pesos for people earning 3.5 TMW. This institution previously provided terrains and packages of building materials. Currently, in partnership with national entities, it promotes lots with houses of 40 ha/year and develops around to 100 ha/year. It is also beginning to introduce progressive social development by associating with developers.

In Lomas de San Martín, which is the only project being developed by Inmobiliaria (300 hectares), families with low resources will have access to subsidized land, thanks to partnerships established with various developers (who contribute to the land and labor) and federal resources (to purchase the land and subsidize housing). This is all for the purpose of appealing to large landowners, for with the subsidies from FONHAPO, open sales, and commercial areas they can recover their investment in a very short time. In this location, land costs \$11, while an urbanized lot is estimated to cost \$800/m², and the sale price would be approximately \$1000. INETT contributes \$42,000 worth of land, while FONHAPO contributes \$32,000;

if the land costs a total of \$120,000, the owner has to pay \$1,300/month for 8 years.

Land is scarce and expensive in both cities. The only way that low-income population can solve their housing needs is by occupying irregular land. A sequence of general patterns can be observed among most families. At the beginning, people either rent, move in with relatives, or occupy borrowed land. Later on, facing extreme difficulties, they buy land from irregular sub-dividers, either public or private. Consequently, various levels of developments are evident in the urban layout. Moreover, plots are subdivided with the arrival of new residents and as families grow.

Without a suitable solution to face their needs,

ized sense of contentment. According to them it is better to have a lot of their own than having nothing, even if they have to wait for services.

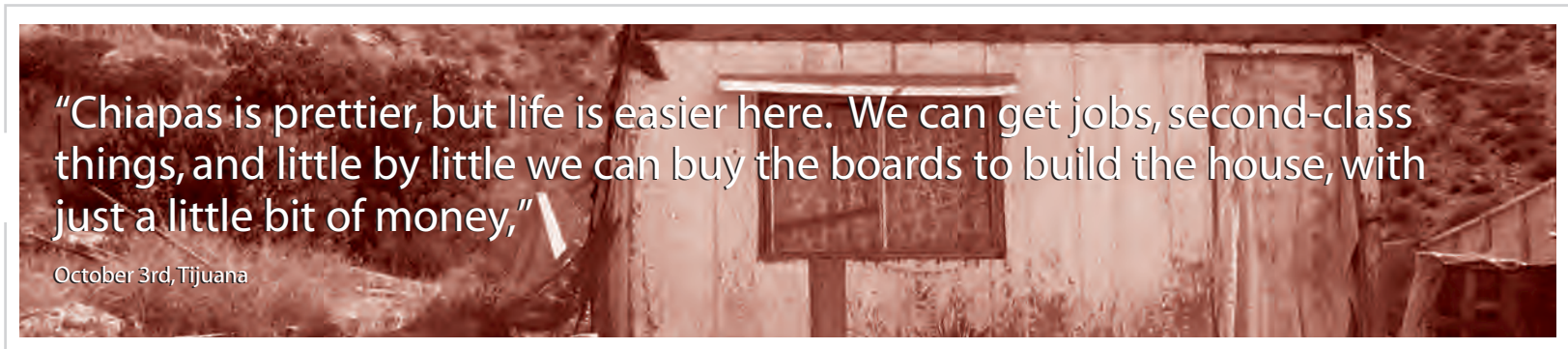
Poor people tend to settle in unsuitable land, on the outskirts, far from infrastructure, job sources and activity centers. They have little hope of enjoying urban services due to costs, technical difficulties and geographical risks. According to the respondents, renting is a temporary solution, for their scarce and unstable income is lost forever. Furthermore, they have no access to the formal land market.

Almost half of the developments within the survey were on the process of being legalized. Most lots were purchased without services. Almost half continued in the same situation for less than 5 years.

age repayment in San Cristóbal took two years, and one year in Tijuana.

Under the market conditions and income levels that prevail in the cities studied, most people do not have the means to buy land. Data collected indicates that, in San Cristóbal, average-sized lots (185m²), without services, cost \$82.20/m², for a total of \$15,238. Supposing that 8% of their income is used to pay for land (not services), 33% of the economically active population of San Cristóbal cannot access this property. In Tijuana, lots (without services) that measure 238m², cost \$293/m², for a total of \$69,667; approximately 45% of the economically active population cannot access this property²⁰.

This shows evidence that an excessive profit is



“Chiapas is prettier, but life is easier here. We can get jobs, second-class things, and little by little we can buy the boards to build the house, with just a little bit of money,”

October 3rd, Tijuana

people tend to act on their own. The situation in San Cristóbal and Tijuana is critical due to the scarce land available to build on, the negative impact on preservation areas, and the elevated cost of both basic services and the development of land. This causes a vicious cycle, which constantly increases, without showing any sign of mitigation or changing. Obtaining services takes an overwhelming amount of time, and once the settlers obtain these, there is a general-

However, it took 6% of the respondents in San Cristóbal, and 3 % in Tijuana, between 16 and 20 years to get running water in their lots. Septic tanks and latrines were used to overcome the absence of sewage systems. With great difficulty, residents themselves paid for water and sewer facilities, some even contributing with hand labor. In order to buy property, close to half the respondents got a loan, usually without interests, from relatives or friends. The aver-

obtained in the selling of irregular land, thus being inaccessible to those with less economic resources. The procedure is successful because a deferred payment system is accepted, there is only a minimum of requirements demanded, and residents do not have to travel to make their payments. Owners of private lands and commons know that it is more profitable to sell illegally, thus keeping them from having to invest in order to introduce services. Land owners

11 As reported by the Land Tenure Administration Directorate of INVI Chiapas, expropriations were used in absence of ownership records or testaments.

12 In the areas under study, the land prices reported by INVI for 2001 range from \$40/m² for legalization (covered by the municipality, the Institute and the homeowners), to \$99.10 and \$111.35/m² in VIVAH housing developments, and up to \$130/m² for the relocation of forest reserve invasions.

13 Broken down as follows: 16% for land (estimated at \$120/m²) and 84% for urbanization, which, according to the Directorate of Public Works, is further divided as: pavement \$160/m²; electricity \$800/lot; water \$250/m²; and sewage \$250/ m².

14 A minimum of 40 m² and a maximum of 800 m².

15 According to the most common single family occupation, and with a minimum lot size of 180 m² as reference, at least 20% more for infrastructure and services, and 15% for road systems, some 880 ha/year (2.4 ha/day) are needed to build 36.238 houses to meet the average annual housing needs. (CONAFOVI)

16 The minimum wage in Tijuana, corresponding to region A, is \$45.24 (\$1376.35)

17 Land prices in Tijuana range between 15 and 16 dollars/ m².

18 113 houses/ha in the city.

19 Density could increase under the condominium regime.

20 Estimates of Morales and Jiménez based on field data and prices adjusted to 2004.

claim that they would rather sell than face invasions. Nevertheless, they expect a profit²¹, because they know that the settlers' situation will eventually be regulated.

And the problem continues to grow.

1.3 Social Organization and the Support of Civil Society

Using different social management and participation techniques, settlers put in their own services instead of just waiting to get them. They value the results thanks to their effort and organization. Not all cases are successful though; few people claim to have problems with their representatives. But most take pride in their achievements and feel that they have solved their problems by themselves, since there is "no other option..."

Interviewed people from irregular settlements in both cities consider it very difficult to introduce services. Half of them claim that authorities are indifferent and insensitive, and that paperwork and requirements are excessive and endless, leading to long years of waiting. A smaller percentage of the population blames the irregular land or the difficult topography. Sometimes social pressure seems to be the only way to get things done.

Institutions recognize that communities are strong on the topic of building their surroundings. San Cristóbal has several neighborhood cooperation councils, cooperative work committees, and community schedules²². Although normally scheduled for weekends, these community programs sometimes take longer than what is expected, which puts inhabitants at risk of losing their regular jobs and having to work without pay for that period. The Urban Development Law of the State of Baja California favors cooperative urbanization efforts for roadways and public areas that directly benefits owners of adjacent properties. These actions may be supported and implemented by Municipal Urbanization Councils.

Civil society also contributes with its share. Al-

though governments do not develop methods to support self-constructed housing, non-governmental organizations (NGOs) actively work on this in both communities.

In the 1980's, the Mexican government played an extremely small role in social welfare policies. However, the Church managed to fill this void. Samuel Ruiz, head of the San Cristóbal diocese, actively participated in social organization processes in order to address different social claims.

Religious sects have purchased land near San Cristóbal, either to help their members, or to spread their influence. Church support to buy land has been decisive for the creation of "spiritual centers" as a driving force of the new settlements. The Canadian Presbyterian Church contributed with funds, and Evangelical groups developed new neighborhoods (Betancourt, 1997, pages 77 and 21). The number of NGOs in San Cristóbal increased significantly with the armed conflict, from less than twenty²³ before the war up to one hundred in 2004. These entities mostly support health, rural and sustainable development projects. Only Habitat for Humanity is involved in housing.

The civil participation in Tijuana, in housing efforts, has been particularly important. While volunteers and NGOs built 10,700 houses on family lots in two years²⁴, public entities were involved in 690 improvement projects over a 4-year period, that is, only 6% of what civil society managed to do.

There are many volunteer groups; they are usually foreign, diverse, and some are of religious affiliation. Groups usually consist of 25 members, and take an average of 4 days to build wooden rooms of 30 meters. The beneficiary family only has to prepare the land. Nevertheless, the program only provides assistance, not monetary aid. On the other hand, NGOs, Hope Foundation and Habitat for Humanity develop social organization processes, and grant credits to groups of 10 to 15 families within physical proximity. Capacity building is strongly emphasized.

Training provided by Habitat for Humanity is

more aimed at mutually assisted construction, while the Hope Foundation additionally fosters the fund management capacity building²⁵ of groups with savings plans. The Foundation offers advice up until the gray work phase, and supports neighborhood improvements. Up to the year 2004, the Foundation had supported the construction of 60 community projects, classrooms, community centers, libraries and lunchrooms, among others.

As opposed to housing programs that do not provide a chance for NGO participation, in the program "Habitat" developed by SEDESOL an opportunity for this has opened. According to regulations, they can receive resources and act as implementing entities. However, this becomes a difficult task due to the confusing information acquired in the assemblies and the constant changes in the acting polygons (an instrument for urban planning, whose objective is the articulation of actions in order to develop specific urban projects for urban growth or improvement). SEDESOL decides which locally developed proposal is a priority, and supports that one. Thematic lines of action are not always well chosen, needless to mention that the poverty evaluation criteria in Tijuana are different and merit special treatment.

In summary, with scarce resources and massive needs, access to services is only possible by exerting political pressure. This vicious cycle does not please everyone and hinders good governance. Applicants feel ignored by the authorities and, in turn, the authorities cannot respond to such a high demand of needs.

Civil society, through NGOs, works in contribution processes in order to strengthen the social union. Nonetheless, this experience is regrettably wasted due to the absence of mechanisms that endorse the participation of these entities in institutional housing programs.

1.4 Conditions and Requirements by Type of Agent

The federal government subsidizes those heads of families that do not earn a stable salary, with incomes of less than 3 TMW (as stated at the Federal District). Furthermore, it also provides aid to beneficiaries of social security that have an income no greater than 2 individual or 3 family wages (1 individual minimum salary is one that a person receives through his/her job, while a family wage is the sum of the incomes of the people in one same family, both parents and children), in order to purchase or build a basic 22-29 meter house.

Families in the low-cost housing complex in San Cristóbal (VIVAH) reported to have significant difficulties to pay their duties. Under the rules applicable at the time the contract was signed, payments were \$7,500, equivalent to 65 days of salary, or 2 full-month salaries for applicants earning 3 TMW. However, monthly payments were deemed affordable (\$403), in fact, suitable, as compared to rental rates in the city. Most people (80%) had difficulties submitting the required documents, claiming they did not know how to acquire them and that the requirements were excessive and too costly. Paperwork expenses represented a total of \$600 for a 6-member family.

For clarity purposes, the demand is evaluated based on an automated socio-economic data sheet (CIS). Subsidies are assigned later through a lottery system. Despite the complex, carefully planned system and the on-site authentication, the selection problems are obvious. In a few houses the quality of improvements is such that low-income people can hardly afford them. After two years of having been allocated, only 40% of the homes are occupied. Between 1999 and 2000, 193 of these houses were funded in San Cristóbal; the first ones in Tijuana will be assigned in October 2005.

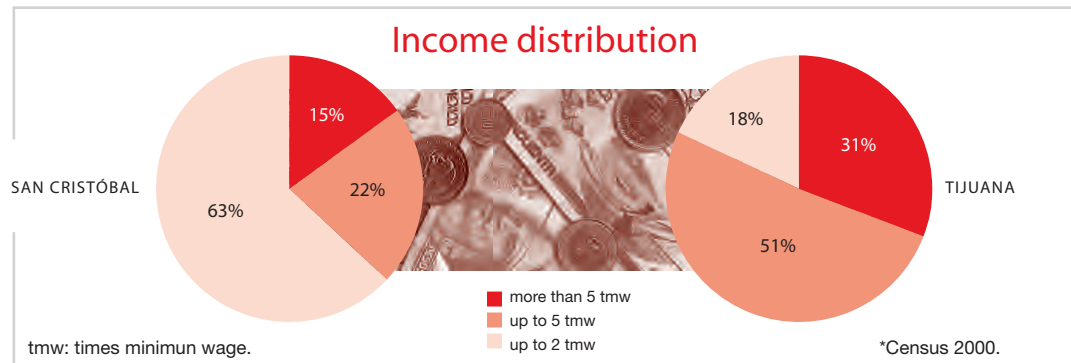
In contrast to San Cristóbal, Tijuana enjoys a reg-

ular private and public offer of lots ranging from 160 to 200 meters, with some services gradually added. The down payment (using square meter values from 2004) was \$27 for public projects, and \$30 - \$40 for private ones. Inmobiliaria Estatal works with the population that earns 3.5 to 5 TMW. It applies several criteria to monitor their profile, among them: applicants must have resided in the area for at least one year, because of the substantial mobility patterns. Privately promoted projects are open to everyone.

Inmobiliaria uses an intervention model that is most appropriate: it is quite similar to the popular settlement pattern; it promotes immediate occupation; and it provides a gradual addition of services. Furthermore, relatives are allowed to purchase land

gradually settled lots and invasions. The first are purely economic. Payback conditions are diverse and flexible: they adjust to the client's ability to pay; agreements are usually verbal; and the terms and conditions vary. Most payments are made in the neighborhood itself or at a nearby location.

On the other hand, with invasions, the requirement is purely social. Rules established by representatives must be met, such as participating in meetings and mobilizations. Financial contributions to gain access to land are only used to cover administrative and mobilization costs²⁶. In San Cristóbal, the invasion was a result of the armed conflict in 1994; the settlement studied in Tijuana started developing in the 1990s. Regulations created by San Cristóbal



in the same sub-division. To attract federal funding, Inmobiliaria recently adopted the same requirements that public housing entities use; but unfortunately also replicating their difficult access. Private projects only require an identification card and proof of the applicant's income, turning this into a commercial relationship. During the interviews, respondents highlighted how hard it is for them to comply with the payment conditions. Whether private or public, payments take place in their offices or at their local bank.

The conditions vary for irregular sub-divisions,

representatives clearly reflect conflicts related to social intolerance. Only Catholics were accepted, so families of other religions had to conceal their beliefs. Around 2000, a group of settlers confronted the leaders, and different rules were adopted. Greater tolerance and religious freedom now prevails in a sector of the neighborhood.

In irregular settlements and in privately promoted sub-divisions, the difficulty to meet requirements was related to the living conditions of the population: their economic standards and the uncertainty in their lives. A significant requirement in three of

²¹ Information from Carlos Morales Schechinger

²² Chapter 3 of the Urban Development Law of the State of Chiapas

²³ ECOSUR

²⁴ The Urban Administration Directorate of the Municipality of Tijuana recorded 10,700 houses from 2003 to September 2004; CONAFOVI housing statistics recorded 690 actions in the period 1999-2002.

²⁵ Market studies are undertaken, prices are negotiated, and the materials are purchased; expenses are accounted for in a general assembly, and expenses are paid back.

²⁶ After the San Cristóbal invasion, people who received lots paid possession fees that ran from \$1,500 and \$3,500, depending on the year.

the four settlements in San Cristóbal was that beneficiaries had to help introduce services. The settlers themselves, not the sub-divider, imposed this condition. The job was considered very difficult because the low-income settlements were built on steep slopes. In Tijuana, however, this was not relevant, possibly because topography is not as adverse.

Civil society supports building on personal property. NGOs focus their attention on people with incomes that range from 1.5 to 4 TMW, granting credit to build 29-49 meter houses. The fundamental requisite for the applicant is to show an active involvement; aside from complying with the agreed payment. In the period under study, national entities did not grant credit under this modality.

tained, no major difference is seen in the income of people covered by the public sector or by civil society, although civil society helps lower-wage segments. Access requirements, however, are quite complex. Although monthly installments are affordable, poor people find it very hard to gather the sum set by the federal government for a basic housing unit. It seems that this figure is based on a mix of desirable financial resources, and not on payback capacity. The commitment in the irregular market is only based on a client's payment ability. Civil society offers alternatives to meet needs. The requisite of social participation becomes a self-screening process. Using the United Nations affordability notion, civil society and irregular offer determine conditions

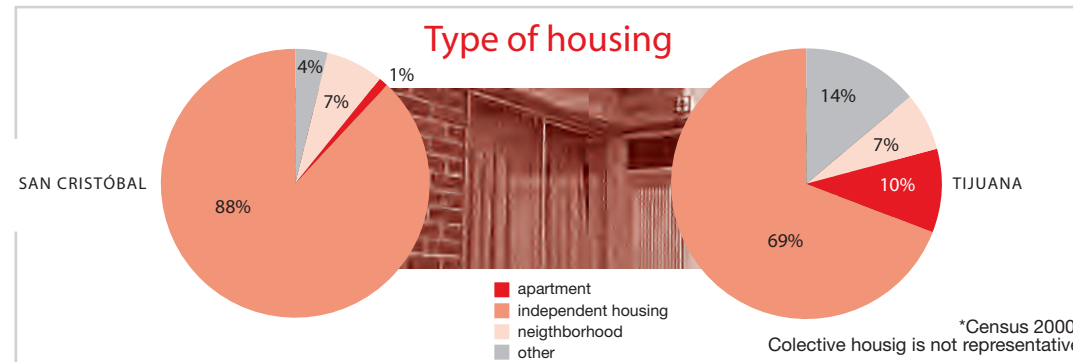
needs, cultural patterns, payment capacity, and social characteristics of the demand, but generates severe negative external issues. This vast investment in a poorly organized city, excessively costly for settlers and society, does not satisfy anyone, and results in incapacity to govern.

Conditions in San Cristóbal are difficult, suitable land is scarce and expensive, and occupation patterns are many. For purposes of land use and traditions, large areas are needed; the public sector does not regulate land prices, and there is no regular offering. Demand for housing continues to grow. The northern part of the city, where most of the indigenous population lives, is expected to expand; traditionally, they tend to live close to each other. But they will continue to dwell on the hillsides because there is "no other option..."

In Tijuana land is also very expensive. Inmobiliaria had offered to help the segments earning 3.5 to 5 TMW. But the real estate market has targeted the population earning more than 5 TMW (30% of the EAP). In the meantime, the local government has to continuously relocate people living in high risk locations. In this city there is also "no other option." Things would be different if state and municipal policies were aimed more at the low-income population.

Only few houses are built for low-income groups. Specific actions were only detected in San Cristóbal, which is facing difficulties with the land prices. Houses need significant improvements, and the low-income population continues to live in deficient and overcrowded conditions; however, there is a greater focus on building new houses than improving the already existent ones. Funding is scarce and NGOs do what little they can.

It seems that there is "no other option..."



In this case, social criteria prevail. Hope Foundation gives priority to people who have a savings account, taking into consideration the over crowdedness of their current home and their socio-economic conditions. The objective is to determine the minimum savings capacity of a family, including any unforeseen events. NGO response is quite limited since, in average, they support between 20 and 50 houses per year. Loan conditions lead to significant subsidies, no interests are charged, and, moreover, the neighborhood savings group uses the contribution given by the Hope Foundation to carry out neighborhood improvements.

In conclusion, despite the type of house ob-

more in line with a beneficiaries' payment capacity.

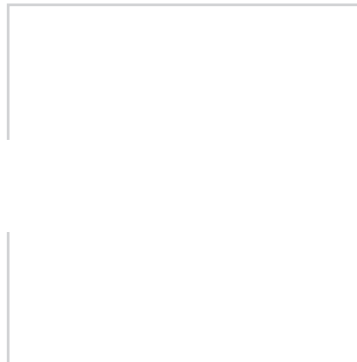
Under current market conditions, can housing be promoted among the low-income population?

Based on the elements described in this first Chapter, under the current real estate market conditions, and with the existing income profiles, it is estimated that 33% of the EAP in San Cristóbal, and 45% in Tijuana, would not be able to purchase lots, even without services. However, this is not the case, thanks to the effort of the nuclear family or loans, and because there is a large and flexible market of irregular land that does not compete with a planned supply (which are non-existent in San Cristóbal and insufficient in Tijuana). This market best meets the

Type of establishment	SAN CRISTÓBAL				TIJUANA			
	Number of families per lot				Number of families per lot			
	1	2	3	4	1	2	3	4
Irregular establishment gradual occupation	79%	18%	3%		70%	20%	10%	
Irregular establishment massive occupation	46%	27%	18%	9%	56%	33%	11%	
Privately promoted division					86%	9%	5%	

Source: fieldwork result

2 Institutional Response



The Chiapas housing policy is aimed at helping low-income families purchase new homes or improve their current ones, particularly for people that are not covered by any housing programs. However, the policy in Baja California is aimed more at a general promotion: land, investments and house financing. Gradual invasions continue, although both governments strive to control massive invasions and irregularities, and offer investment facilities to attract federal funds. In Chiapas, the policy is to support and help the most vulnerable groups, fostering social participation. The policy in Baja California is to increase the supply of urban land, foster macro-developments with the private and social sectors, update state housing legislation, and review and adjust the regulatory framework to have a streamlined system (Programa Sectorial Estatal de Vivienda 2002-2007, p.52).

2.1 The Weak or Inexistent Capacity of the Soil to Respond

The social housing institutional response is linked to the competence of urban land authorities, including the fiscal perspective. In San Cristóbal, the role of INVI is only to regulate. The City Hall does not have the means to acquire reserves; most of its budget relies on federal programs, and compliance with rules and regulations is very limited. Instruments and procedures are not necessarily mandatory: the urban development plan is not always followed, or is continuously changed. Only 0.7% of the sub-divisions built have construction permits, reflecting a lack of regulations. Entities responsible for fiscal policies, urban development and public works do not always agree; the maps used by the Municipality and by the state Cadastre are different. Additionally, very few people pay their fees: only 65% of the registered taxpayers make regular land payments, and 10% make late payments.

In Baja California, the state is responsible for housing and urban development. The municipality, through the creation of IMPLAN, is responsible for

planning urban control, and approving sub-divisions and land reserves. Furthermore, FIDUZET, another entity, was created (Programa Sectorial Estatal de Vivienda 2002-2007, p.9-11). INETT deals with the real estate market, urbanizes, purchases reserves, and addresses the population earning 3 - 5 TMW. For financial stability purposes, sales are unrestricted. The Municipality contributed by waiving property transfer taxes, and charging only 50% of the construction and sub-division fees. A pilot project, that is still being tested, is to waive all costs for 157 TMW (the restriction applies to incomes that are less than 4 TMW, which equals a total of \$5,428.80 pesos in Tijuana). The Civil Code was amended in 2004 to penalize irregular sub-dividers with prison. The State

ries are homes with incomes under \$49.07/person per day; which is insufficient to satisfy needs for food, health, education, clothing, footwear and housing.

Due to limited monetary resources, the biggest problems that the Habitat Program faces within San Cristóbal are high land prices and the cost of services. A terrain with built-in services currently costs \$170,000, which is more than what the low-income population can afford²⁷. Thus, the federal contribution of \$5,000/lot is not enough to mitigate imbalances and foster the construction of social housing. The purchase of 36 hectares in Tijuana this year did not prosper, because the regulation requirements were not met. None of the cities acquired reserves through this program in 2004. The problem is not

The 2004 budget for public works in San Cristóbal (\$13 million, mostly from Ramo 33) is, in average, \$300,000 per neighborhood²⁹. Thus, it is able to satisfy only one of the 4 or 5 priority needs (water, electricity, sewers, pavement, and education) of the 120 neighborhoods. Most public funding responds to a specific need, not to a citywide strategy³⁰. Funding from BANOBRAS is not an alternative for most municipalities; these are loans that come from the municipal budget itself, and the amounts match the municipal capacity. San Cristóbal can only borrow \$14 million, barely enough to develop 82 lots without purchasing the land. FISEM (formerly Ramo 26, now 33), combined with Habitat resources, represents the monetary funds that the municipality has



Executive Power has the authority, through a figure called "mandate," to take the land from its owners and return it once urbanized. The regulations in force do not allow sub-divisions without services, except for gradual developments (only by INETT and CORETTE), where the addition of services is feasible, in association with the state government.

The federation, through the SEDESOL Habitat program, contributes with \$5,000/lot for poor families. The local government contributes with at least two thirds of the cost of the land, no less than half of which must be for poor families (Operating Rules of the Habitat Program, SEDESOL 2004). The beneficia-

due to subsidies, but to market control.

Developing the land is a relevant topic because: a) most of the population occupies non-urbanized land and later demands services²⁸, while authorities respond within their possibilities; and b) funding from national housing organizations can only be used in areas with services. Nevertheless, most urbanization processes come after the land has been occupied. The Habitat Program (Ramo 33), through the neighborhood improvement modality, grants resources to urbanize already occupied areas, selected by SEDESOL, and only 20% can be openly assigned (outside the lines of action) to construction works.

available for infrastructure. A contribution fund (conditioned grant) exists in the State for water, sewage and paving. However, disbursements are only made monthly, not as work advances, thus complicating improvements.

In Tijuana, Habitat provides necessary equipment for community centers and performs studies of infrastructure and urban developments; but it is not involved in developing land for social housing. In PIPCA, Ramo 20 is used only for paving³¹. With great difficulties, INETT gets developers to contribute urbanized land, representing barely 3% of the developer's profit from the rest of the sub-division.

²⁷ If land represents no more than 6% of the final price, a house would cost more than \$280,000.

²⁸ Considering that 60% of the city of San Cristóbal has water and sewers.

²⁹ The budget of the works directorate consists of: 2% is reserve, 4% is for emergencies and pipeline obstructions, and 98% is Ramo 33, 20% of which is Habitat (shared 50%-50%), equivalent to \$6 million.

³⁰ 20% of Ramo 33 in 2004 is allocated for deep wells and pipelines, to take advantage of a 3-million liter tank that has not been used in the last 10 years.

³¹ One million square meters of new areas have been paved in the last 3 years with Ramo 33.

In summary, it is almost impossible to habilitate land for low-cost housing programs. Housing loans cannot be offered if the land is not worked upon. In addition, land cannot be purchased or developed because of low federal government funds and high prices, particularly in Chiapas.

So, with great difficulties, land is regulated. Management efforts have focused on solving irregularity-related needs. The access of land through the informal market has consolidated through regulating land. This strengthens the actions of irregular sub-dividers, who determine the direction of urban growth.

In San Cristóbal, only INVI regularizes, while in Tijuana four local entities³² are involved, aside from CORETT. INVI applies the Urban Development Law, instead of the Law on Sub-Divisions, bypassing the technical evaluations. Some city council members oppose this practice, claiming that projects do not meet the minimum requirements, such as road infrastructure, waste disposal means and a further capacity for development³³. In Chiapas land regularization does not imply inclusion of services. In Tijuana, on the other hand, land titling must be under way before any infrastructure can be started, contributing to orderly urban development, and highlighting the problems of irregular movements. However, people are most affected by this since they have no say in solving the many technical and legal issues that hinder regularization.

Regularization entities use different rules in order to establish payment fees. CORETT follows the regulations of the National Institute for National Asset Management and Assessment (INDAABIN, "Instituto Nacional de Administración y Avalúo de Bienes Nacionales") and applies low values. CORETTE, which follows the National Income Law, addresses the actual land value. The difference between both is estimated to be 5 to 10 fold. CORETTE attributes its past due portfolio (over \$10 million) and regularization problems to this. Lowering values would improve affordability, but would aggravate irregularity. In re-

gards to settlement occupation rates, INVI Chiapas intervenes with 60% to 70% occupation, CORETTE contributes when there is a 30% occupation rate and CORETT requires an 80% of occupation. The greater the consolidation, the harder it is to organize a settlement and plan space for necessary services and roads. Since CORETT and SEDESOL are related, responses could be integrated to benefit adequate housing.

Land tenure uncertainty is different in both cities. People in San Cristóbal do not seem to worry much about the legal status. Instead, they fear being invaded by other groups and, therefore, build as soon as possible³⁴. In other words, they take possession of the lot, worsening the informality issue. In Tijuana, people have a greater fear of fraud. With the increase of irregularity, the municipal government has disseminated information describing the situation in settlements.

In Chiapas, INVI had a total of 4,140 plots in 2004, of these: 64% were purchased in good faith, 23% came from invasions, and 13% were expropriations. Seventy-one percent of the total number of lots has been titled. In Tijuana, during the most critical period in 1973, estimates indicate 47,000 irregular lots, equivalent to 75% of the houses in the whole city. INETT tackled the issue by promoting 20,000 lots, and a popular settlement control strategy was later implemented. Leaders of illegal sub-divisions were prosecuted. A single list of land and housing applicants was drafted, and individual allocation was enforced. Over time, these organizations have worked with more than 141,000 lots: 65% related to irregular settlements, and 35% to designating regular lots (Alegría, pg. 70). This signifies that out of 10 lots in Tijuana, 6.5 have irregularly become part of urban development, and only 3.5 are part of a regular offer; a city that for years has consistently offered land with services included.

Very little land that was originally commons is now available in Tijuana. Close to 1,000 land titles are regulated per year, but many loans are still overdue,

because the people refuse to pay. Better coordination is required among the Cadastre, the Public Property Registry and CORETT, and the Agrarian Law and the Human Settlement Law overlap. On the other hand, CORETTE is dealing with 160,000 lots, and 1,500 titles are regulated per year, for a total of 16,000 titles. Regularization faces serious legal obstacles related to boundaries, liens, overlapping polygons, unclear ownership, and difficulties among owners.

Eight settlements were visited, five of which were being regularized. Of these, one was a private offering and four were irregular (only one invasion). Two of the irregular settlements are in San Cristóbal and three in Tijuana. For most people (64%), regularization is expensive and difficult. The regular income is not too high and jobs are not permanent. Twenty-one percent of the people found the process easier because they had better payment conditions and spouse support. For them, the requirements were not obstacles: they had the necessary documents, they lived on the lots, and they could prove occupation through the witness of their neighbors. Money is their number one problem.

Half of the respondents (48%) said that having a land title is important for their patrimony. For others (a substantial 42%), a title is assurance against being stripped of their land as a result of problems with neighbors or because someone else claims to have rights. Eighty-four percent worry about not having a title, but this is not an issue for the other 16%. The concern is greater in Tijuana; although only 3% of the respondents said that this prevents them from getting a mortgage, contrary to what De Soto states.

In summary, land prices (which regulations do not control) are the main obstacle for housing. As land prices increase, so do the benefits of the landowner. Occupation is not controlled, and the prospect of formal jobs is limited.

The government cannot respond at the same pace as demand arises, and can only offer hypothetical solutions to the problems. Government actions can be described as follows:³⁵

a) Mistaken deregulation. The decrease of regulatory requirements, and limiting lot sizes and services, has only resulted in lower costs and greater profits for the original landowners. The only option is for buyers and sellers to deal with the same high prices.

b) Mistaken tax reduction. Reducing taxes and other land- and housing-related duties has resulted in additional profits for landowners, not in lowering end prices. Prices set by land owners erode any savings that tax reductions attempt to achieve.

c) Mistaken regularization. The continuous, firm and widespread tenure regularization policy has led the people involved (landholders in the urban periphery, members of commons, and millions of self-producers) to believe that the area will eventually be regularized. Knowing that regularization brings a premium, original owners charge more for the land, regardless of who they sell it to: self-builders or promoters.

d) Subsidy without having first controlled the land. The ever-growing upfront subsidy policy increases the family purchasing power, but does not necessarily mean purchasing a better dwelling. Housing involves land, a hopelessly scarce component; consequently, landowners charge more. In other words, subsidies tend to foster inflated land prices instead of improved housing quality.

Federal regulations that control the purchase of land are basically the same for the entire country, making no difference between the floating population, cultural patterns, or availability of land suitable for urban development. Regretfully, the operation rules are the same for a very diverse country. An important local provision is required, with specified conditions to accredit the demand.

Authorities in both countries agree that SEDESOL does not choose the most convenient polygons. Correspondence needs to be better balanced, for the federal government only contributes with 15 cents for each peso. In addition, expenses need to be better planned, because the investments are not

programmed with anticipation. The problem aggravates when constructions are planned for irregular areas, resources are pulverized, internal coordination is non-existent, and sometimes the public office decides the worksites. Furthermore, rules change constantly; there is no continuity, and there are many delays in publication and allocation of resources.

Land regularization faces two paradigms: a) allowing the original landowners to take maximum advantage of their privilege of owning urban or suburban lands, thus receiving an additional profit that they have not contributed to; and b) creating mechanisms so that these extra profits are invested in land for the poor population, infrastructure, equipment, services, and wildlife protected areas, that is, for collective uses, taking advantage of the location.

Liberating the market of commons has resulted in unorganized city expansions, with uneven patterns and patches of empty lots. Despite the growing costs of extending services, municipalities use their limited resources for land speculation; which is a very unproductive activity. People live in worse conditions, in less favorable sites, far from opportunities, and in fragile or risky areas.

The whole process, including the land acquisition system, makes housing less affordable to the disenfranchised; land is hard to buy in both cities, and will eventually be even harder, particularly in San Cristóbal. Because of decentralization, the responsibility lies on local governments, yet they cannot respond adequately to city growth or to the floating population. Municipalities continue to depend, to a great measure, on federal policies that do not account for uniqueness in organization, surroundings, technical and financial capacity, and cultural patterns.

State housing entities have had to use funds from different sources, like Fonhapo, Habitat, and state subsidies, to meet only a small part of the demand in each city. Not until recently have the local authorities controlled mass invasions. One case was solved through negotiation, and the other one by

being firm. However, continuity is not assured, because administrations change. Gradual occupations continue, and the problem gets exponentially worse each year.

2.2 Housing

To facilitate access to housing, the federal government provides funding through a tri-partite formula. To buy or build low-cost homes (\$80,000), the federation contributed \$32,000 in 2004; local entities gave the same amount, and beneficiaries paid \$8,000. The federal subsidy for home improvement or expansion is \$16,000; matching funds come from the local government; and the beneficiary pays 10% of the total cost of an expansion or improvement.

Subsidies are given preferably for purchasing or building homes, not improving the house. Seventy percent of FONHAPO³⁶ resources are assigned for new housing. This policy is not in line with the overcrowded and deficient living conditions revealed in the census data and the cases studied.

National entities make more funds available to purchase housing. Local governments usually lack funds to operate using their own resources, and they frequently depend on federal funding for housing solutions. The rules set by national entities are strategic in order to encourage or discourage low-cost solutions and to facilitate or limit access to them. In the cities studied, three noteworthy conditions limit participation of the low-income population in programs:

a) To approve any financial support, FONHAPO demands that all services be available on the lot prior to building. In order to participate, INFONAVIT demands pavement. Evidently, this is contradictory: they want to support people, but set up costly hurdles.

b) Under the poverty conditions in Chiapas, many applicants cannot come up with their contribution. To facilitate access, the Housing Institute offers partial or total subsidies to beneficiaries.

³² INETT, PRODUTSA, CORETTE and FIDUZET

³³ For example, sidewalks instead of streets, and discharges into rivers.

³⁴ ECOSUR

³⁵ Concepts developed from the assistance of Carlos Morales.

³⁶ Operating rules for the "Tu Casa" Program for FY 2004.

c) Requirements are not in line with the socio-economic reality of the population. In Chiapas, people marry at a very early age, yet within the minimum legal age. However, heads of households under 18 are not eligible for these programs. In Tijuana, the requirement for demonstrating longstanding residence limits newer migrants. Ignorance about real life near the border increases and consolidates the informal housing market, aggravated by the regulatory and operational requirements implemented by the entities for urban planning and control (Guillén, 1992).

INVI Chiapas recognizes the differences in demand and consequently targets its actions towards a specific market. More facilities are offered for the construction of mid-to-high income housing, but quality is not monitored. These people are expected to purchase a house that matches their expectations. But the institution takes part in low-cost actions and programs to help meet requirements, and oversees the project to ensure that cultural patterns are respected and that the materials used respond adequately to climate, regular uses and customs. Another factor that limited access in Tijuana in 1992³⁷ was the shortage of promoters to go along with the applicants.

In Tijuana, INETT has played an important role in offering land to the low-income population. However, its response capacity may be affected by the tremendous demand for land in order to meet the increasing needs for housing. After several unproductive attempts, Inmobiliaria finally purchased a lot at a very high development cost. To work with persons earning up to 3 TMW, Inmobiliaria has estimated a \$42,000 subsidy per lot, something that had never happened before. Nevertheless, in the first phase of a project with 1,200 lots, only 71 stocks were designated for low-income housing. These figures will not likely increase because of the terms that were agreed with the owner. It is believed that owners see no benefit in dealing under the conditions set by that entity, contrary to dealing with

private promoters. Land is not attractive to private promoters because of high development costs, so they agreed to work with INETT. It seems then that institutional efforts to increase the housing offer are undermining the options available to the poor.

Due to the financial focus of the housing policy, the stress is on credit, not on improving the living conditions. The Federal Mortgage Society (SHF) recently announced a pilot project encompassing new types of loans to support housing self-construction, improvements and expansions through micro funding, under the same rules and conditions of these entities³⁸.

It is relevant that the SHF channels public funds through entities that are willing to adjust to the different conditions of income, savings habits, and guarantees of the low-income population. However, parallel implementation of technical assistance mechanisms is out of the picture. SHF considers that professional support and technical supervision do not determine the financial viability of a given intervention model. This is so when the approach is purely economic, but not when there is an interest to improve living conditions.

The housing intervention model applied has not resulted in solutions for the poor. Until not long ago, SHF believed that the current housing solution scheme did respond to the real needs of most of the population, and that the housing policy favored mortgage credit for ready-built houses, affordable to less than 20% of the population³⁹.

The reasons for such results are: a) intervention in housing was aimed at increasing the number of houses built and strengthening the economy, triggering many productive chains, but not at addressing housing needs; and b) the financial rationale that the mechanism is based upon is aimed at the more affluent sector, resulting in a virtuous circle, beginning with a good recovery, continuing with portfolio securitization, and resulting in a permanently revolving credit to fund construction.

Therefore, the eligibility requirements esta-

blished by national entities target a portion of the population under better living conditions than the majority. Contrary to what happened while the state was more involved in housing issues, assistance is given to those that can pay, not to those most in need.

According to the logic of the intervention model, coverage can only be extended to low-income families if the number of resources is increased, but institutional supply cannot meet the full demand. There is a need to innovate, recognize regional differences, redesign access mechanisms, favor social capacity building, and attract technical assistance. The biggest problem of inadequate housing is that the State abandoned its responsibility to funnel production factors towards the low-income population.

2.3 Service Programs in Communities

To face the demand for services in popular neighborhoods, the federation channels resources to the states and municipalities through the so-called Ramo 33 and the Habitat program, and states and municipalities then assign these resources to the relevant investment programs.

The only source of funds in San Cristóbal is Ramo 33. Tijuana counts on funds from other programs, mainly PICA and Realities, the State Secretariat of Social Development, and the municipal government (through social development programs). The biggest problem for the institutions is the huge demand versus the limited respective budget. Between 2000 and 2003, the average annual investment of the contribution fund in municipal social infrastructure was 41 million pesos in San Cristóbal, and 61 million pesos in Tijuana.

Communities themselves must participate in these efforts through economic or some other sort of contributions (such as construction materials or with labor work). Ramo 33 has specific regulations that channel information to the community, and supports community participation to manage these resources. However, additional support is needed.

The coverage of services⁴⁰ has improved significantly in both cities in the last decade. Progress in San Cristóbal is attributed to the government's reaction to the armed movement. As of 1995 SEDESOL has implemented a strong program. In Tijuana, according to the respondents, the quality of services⁴¹ is deficient, and services have not always meant better living. In order to attract investments, priority has been given to infrastructure, not to improve living conditions.

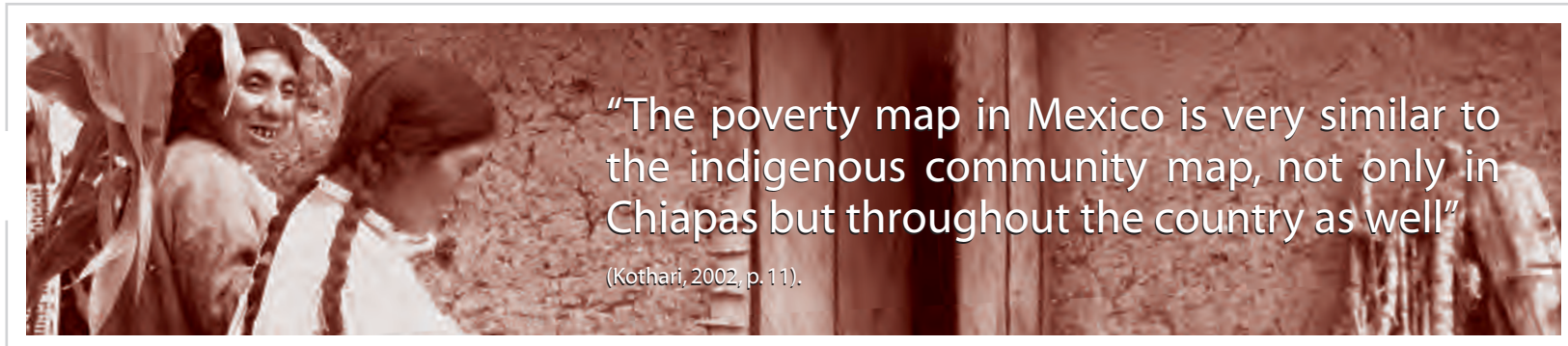
Despite the overwhelming demand, investments are focused mostly on physical infrastructure, at the expense of other services that have social impact on the communities. There is no comprehensive answer to the need for dwelling, in the broadest sense of the

government. Thus, interventions are sector-focused, fragmented, and intermittent, void of an urban planning approach.

Experiences exist in other parts of the world where fringed cities have been divided in sectors. Offices of all three branches of the government participate under the coordination of an area representative, who elaborates and manages projects in his/her zone, and strengthens community processes. These representatives are supported by technical teams in a central structure that plans, schedules and tracks interventions, drives urban development proposals, and oversees the congruency, harmony, and economic and operational feasibility of spaces and services. The objective is to improve the standard of

depend on the economic resources of a family or an individual. The right to housing has been recognized in various aspects of the international human rights law⁴².

The Mexican government is an international leader in signing human rights agreements and treaties relative to housing. Upon signing the International Covenant on Economic, Social and Cultural Rights, it pledged to "respect, protect and implement" the right to housing for all its citizens (Kothari, 2002, p. 16), and by signing Convention 169 it agreed to provide "medical and social assistance, occupational health and safety, all employment-related benefits, as well as housing" (Article 20-2 of Convention 169 Concerning Indigenous and Tribal Peoples in Independent



word, as defined by the United Nations. The major problem for interventions is that each office uses its own plans, policies and strategies to work with their areas of responsibility. No one monitors whether the same response applies to a neighborhood and to the entire region, and much less if the response is carried out in a framework of urban planning to ensure the best overall solutions. Municipalities do not have the political clout to propitiate congruency since regulations and investments, to a great measure, depend on the federation and on the State

living, not just solve a constant demand. In Mexico, sectoral segmentation and reluctance to abandon positions of power hinder interventions, such as the example above. But this is the only way to improve living conditions.

2.4 Human Rights Related to Housing - Obligations of the Mexican Government

States have the responsibility of guaranteeing to all inhabitants the possibility of satisfying their basic needs. Housing is a fundamental right that cannot

Countries, 1989). This also implies that it agreed not to discriminate against indigenous people in its housing policy.

In 2002, the United Nations Special Rapporteur on Adequate Housing recommended emphasizing the social approach in housing policies, incorporating the human rights perspective in the legal framework and in housing programs, and dismissing sectoral views regarding housing, environmental and other problems in favor of a more integrated approach. He proposed that housing solutions not

³⁷ Colegio de la Frontera Norte, 1992

³⁸ Aimed at solidary groups and individual low-income beneficiaries without access to formal sources of funding. Credit oscillates from \$500 to \$35,000, with weekly or bi-weekly installments for a period of over 18 months, at fixed monthly rates and no mortgage bond. SHF will provide \$150 millions, equivalent to 0.13% of its net worth.

³⁹ Presentation made by SHF at the Social Housing Assistance Board of CONAFOVI on August 18, 2004.

⁴⁰ In 1990, the percentage of residents without residential water supply in San Cristóbal dropped from 28% to 12%; without electricity, from 17% to just 3%; and without exclusive sewage, from 22% to 7%. In Tijuana, houses with no running water went from 13% to 8%; and only 2% of the population lacked exclusive sanitary services and electricity, 6% and 14%, respectively, in 1990.

⁴¹ For example, 65% of the streets in Tijuana still did not have pavement in 2001.

⁴² Of particular importance: 1) the Universal Declaration of Human Rights, 2) the International Covenant on Economic, Social and Cultural Rights, 3) the International Convention on the Elimination of All Forms of Racial Discrimination, 4) the Convention Relating to the Status of Refugees, 5) the Convention on the Elimination of All Forms of Discrimination Against Women, and 6) Convention 169 Concerning Indigenous and Tribal People

only depend on financing, but also on the application of broader criteria to fulfill the human rights obligations agreed upon by Mexico when ratifying the international instruments.

The highest-ranking legal framework in the country fully recognizes the human right to housing. According to Article 4 of the Constitution, "every family has the right to enjoy proper and dignified housing" and for this it provides that "the law shall establish the support and means necessary to achieve this objective." The Constitution itself requires the government to improve housing conditions for indigenous people (Art. 2). In addition, it establishes the obligation of employers to provide housing for their employees through a national housing fund (Art. 123); and considers that treaties signed by the President and approved by the Senate, together with the Constitution and the federal laws, shall constitute the highest law in the country (Art. 133).

Some deficiencies, however, make this recognition difficult to implement:

a) Article 4 of the Constitution states that the whole family has the right to enjoy proper and dignified housing; however, international agreements state that each person has the right to adequate housing. This is a significant difference in housing policy, within the context of the limited resources assigned for housing for single persons or people renting rooms. The right to "enjoy" is not as conclusive as the right to "acquire" or "live in", and does not require the government to fulfill its commitment to respect and protect the right to adequate housing.

b) The federal laws relative to housing or human settlements do not include references to Human Rights⁴³, nor is there a clear reference to Human Rights principles in the respective states and municipalities supported by an implementation mandate; it is an issue of good will.

c) Self-built housing in informal settlements, the most commonly used mechanism to solve housing needs, is neither recognized nor protected by the federal laws. However, the Law on Urban Development

of the State of Chiapas includes guidelines to allocate resources for self-build and improvement programs as well as the regularization of existing informal settlements (Chapter I, Title Fifth). The Law on Urban Development of the State of Baja California orders the intervention of the state in "offering and promoting land and construction for social interest actions, especially for popular housing" (Art. 10, XXV).

d) Federal laws do not guarantee the security of housing tenure nor the human rights of displaced people, a situation confirmed by the Fray Bartolomé Center for Human Rights in San Cristóbal, which given the deficient legal framework, has not been able to undertake legal actions for 12,000 displaced families of Chiapas since 1994.

The regulatory framework, the National Development Plan and the Housing Sector Program all establish that coordination between the federal, state and municipal governments is necessary to promote "public housing policies and programs on behalf of all people wishing to acquire, build, lease or improve their homes." Although the Housing Sector Program claims to consider the economic and social perspective of housing, in reality, federal policy is based on an economic perspective, with free-market logic and secure financing. The result is insufficient coverage for lower income population and the denial of the statement to "respect and protect" the right to adequate housing for all people.

Most housing investment is aimed at providing mortgage loans for workers in the formal sector⁴⁴; while coverage for families not employed in the formal sector is minimal.

The Chiapas and Baja California state plans propose targeting housing resources for people with greater needs. The Chiapas plan addresses the importance of reducing taxes and deregulating popular and social interest in housing construction, and of providing incentives to the social sector through self-construction and improvement programs in the rural areas. The Baja California housing program proposes strategic ways in which to promote house

rental, joint investment in popular developments, improvement and expansion of houses, improvement to existing popular developments and social participation in providing housing for low-income families (p. 55-63). However, the problem with the regulatory framework for housing is that it does not allocate sufficient resources for the population earning up to 2 TMW, who do not have access to basic services, secure tenure, or physical safety in their houses and continue to live in inadequate conditions. The living status reflects the current capacity of the government to respect, protect and exercise the human right to adequate housing.

There is also the issue of enforcement and endorsement of Human Rights related to housing in San Cristóbal and Tijuana. Indications suggest that a significant percentage of the population does not have access to adequate housing and does not live in "proper and dignified" conditions. In 2000, the housing deficit in Mexico was 756,000 units, with a similar new annual demand projected for the next year. It is believed that almost half of this new demand will be needed by the population with the least economic resources in the country (about 24%, earning less than 3 TMW)⁴⁵. The already existent housing for the poor population is in bad condition. In 2000, about 14% of houses in the country needed significant improvements or total replacement, and 23% required moderate improvement. People earning up to 3 TMW represent 40% of the population, but the housing supply for this group only consists of a mere 0.08% of the total⁴⁷. Investigations in San Cristóbal and Tijuana reaffirm the need to provide adequate housing for a large percentage of the population.

Low-income population in San Cristóbal and Tijuana do not have access to the legal system to protect their housing rights. People interviewed in San Cristóbal and Tijuana were not aware of their legal right of housing; to them, the concept of "human right to housing" was remote and abstract. They lacked the necessary resources to find legal assistance and

be represented in court. People who reported having some experience with lawyers did not have a favorable opinion of them. There is no institution --public or private-- in San Cristóbal or Tijuana to assist poor people in legal matters relative to housing⁴⁸. There is not a good legal system accessible to most of the population for these issues; any "right" to housing is a mere statement.

Tenants and indigenous people may be especially vulnerable to the lack of legal protection. The housing policy in the states of Chiapas and Baja California, as in the rest of the country, does not target resources for leased housing⁴⁹; in both cities, conditions of leased housing are usually inadequate and never regulated. Five or six people live in a single

to the legal system in order to reinforce and protect their housing rights. According to a civil judge in San Cristóbal, tenants do not file complaints in court, perhaps because they are unaware of their rights⁵⁰. In addition to the high cost of filing a complaint, tenants could be discouraged by the length of time required to solve disputes in court, often more than a year and sometimes taking from two to four years.

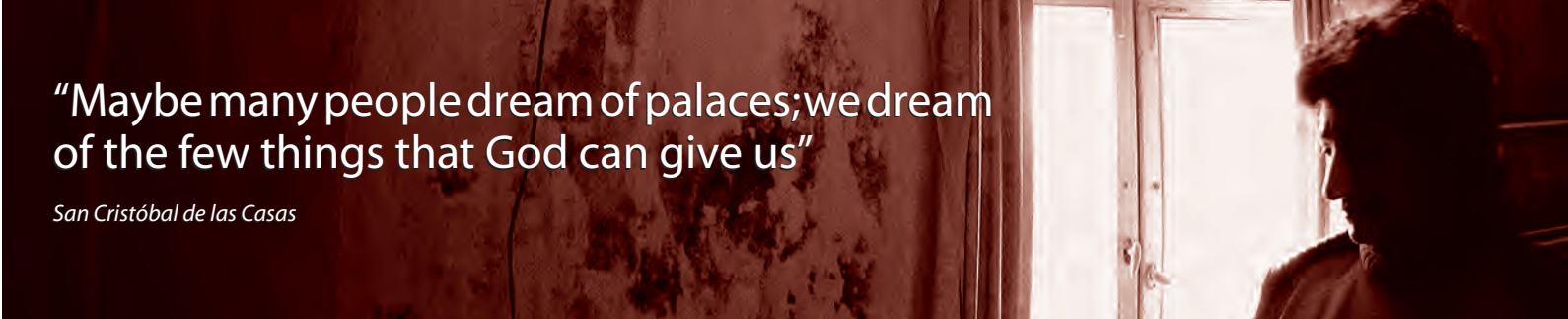
Indigenous people are the most vulnerable to violations of their Human Rights to housing. According to the Special Rapporteur, there is a strong link between poverty and indigenous populations in the country, resulting in the worst living conditions: "the poverty map in Mexico is very similar to the indigenous community map, not only in Chiapas but

Therefore, do institutional actions contribute to the housing supply for the low-income population?

Institutional actions do not contribute much to housing. The objective of a housing policy was lost upon deregulation of the housing production and distribution process. Under current conditions:

a) The offer is available in cities where a higher percentage of people have the capacity to pay, and is aimed at housing of a higher value. The promoter determines the type of house to be constructed as well as the location in specific regions. Public actions that favor low cost options are few, given the limited resources allocated for subsidies.

b) New houses are built, but no existing ones are improved despite the overcrowded and precarious



"Maybe many people dream of palaces; we dream of the few things that God can give us"

San Cristóbal de las Casas

room built with provisional materials without any basic services, paying 200-300 pesos/month in San Cristóbal and 200-500 dollars/month in Tijuana. It is difficult to consider these conditions as "proper and dignified," even though the Constitution and all Human Rights related to housing apply to tenants as well as owners. Tenants in both cities are often the poorest, and they usually have the least access

throughout the country as well" (Kothari, 2002, p. 11). Problems also exist in relation to the political and social segregation of indigenous communities, their high levels of illiteracy and lack of knowledge of Spanish. These issues make access to the legal system even more difficult, and leave them more vulnerable to the violation of their legal and Human Rights to housing.

living conditions of most of the population. This situation occurs because private agents are not interested in this type of project. Private developers specialize in new housing and are now the only ones involved in this issue; because for financial intermediaries, loaning the small amounts (\$10,000 to \$30,000) that are granted under these programs is not profitable. (The recent SHF initiative opens a

⁴³ Among others, the Federal Housing Law, the General Law on Human Settlements, the Planning Law and the Agrarian Law.

⁴⁴ Now INFONAVIT also offers the possibility of mortgages to buy existing houses. Joint Center for Housing Studies of Harvard University, June 2004, p. xiv.

⁴⁵ Khotari Miloon, 2002, p. 9.

⁴⁶ In the southern states, including Chiapas, over 30% of the units required significant improvement or total replacement. Harvard, 2004, p. 14.

⁴⁷ Academic Consult Commission, January 2003, p. 20.

⁴⁸ There are exceptions. The Fray Bartolomé Center for Human Rights in San Cristóbal has tried to support the Human Rights of displaced people in Chiapas since 1994. In general, the Center does not accept individual housing cases. In Tijuana, the CEDH accepted two cases relative to housing in previous years. The first was from a group of people who lost their homes in a landslide and wanted to force the government to deliver the resources promised after the disaster, and the second from a group of people whose houses fell due to faulty construction, according to the dwellers. The Commission is not involved in many housing disputes because most are between private individuals and very few cases are brought to the authorities. Interview with the Ombudsman for Human Rights and Citizen Protection of Baja California.

⁴⁹ "Although the Federal Housing Law provides that federal public administration dependencies and entities shall stimulate the construction of social interest housing targeted for leasing, aside from some fiscal incentives, state actions currently target purchased housing". Academic Consultative Commission, 2003 p. 25.

⁵⁰ First Civil Court, San Cristóbal de las Casas, Chiapas, June 28, 2004.

field of opportunities in this sense.)

c) The national housing organizations centered their actions on the credit product and thereby diluted the social focus of the housing policy. The instruments to support demand requirements were cancelled; it is now a relationship where all clients are presumed to be equal when in reality that is not the case, as shown by the experience of the government of Chiapas.

d) Housing is too expensive because of the urbanization requirements. The beneficiaries have to make an unrealistic contribution and meet specific requirements, which do not match the socio-demographic profile of the population.

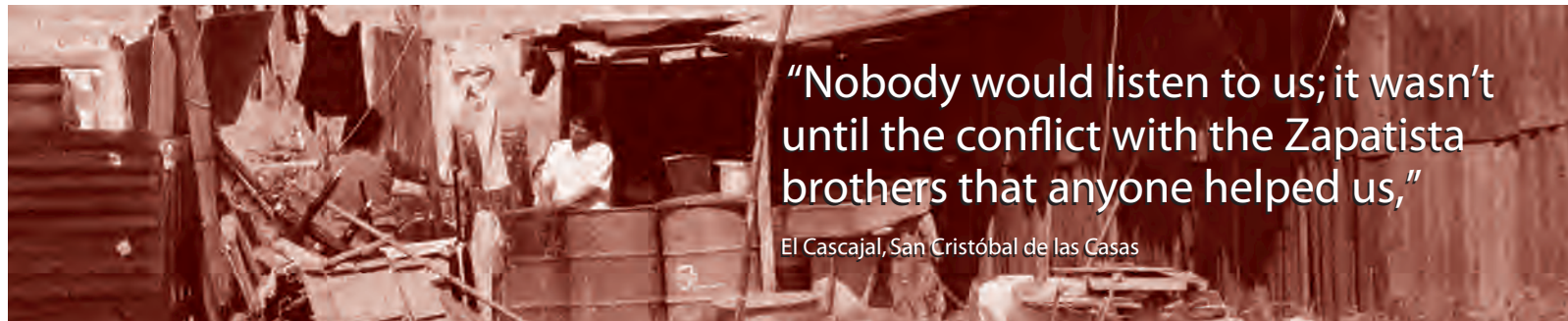
No instruments have been created to support the production of social housing, understood as housing constructed under the control of self-builders and other non-profit social agents⁵¹. The intervention model was not structured to support the poor; its logic is different. The emphasis is on production; housing is an industrial product inserted in the market as a benefit to be acquired only by those who have the capacity to pay. The offer responds to the expectations and needs of a segment of the demand, but it is not satisfactory, much less accessible, to the rest.

Institutional actions related to land not only do not support the housing offer for low-income population, but actually complicate it. The federal government has a land reserve program with standards not applicable to the cities under study due to land values; it promotes regularization as an alternative to irregular purchases and offers subsidies for low cost housing under the requirement that they be used in developed land. The state governments attempt to incorporate the subsidies and invest their energy in adapting federal formulas to territories with values that deny their application and have focused on regularization of land tenure. In other words, they correct rather than promote.

Municipal governments that face growing demands for housing respond differently. San Cristó-

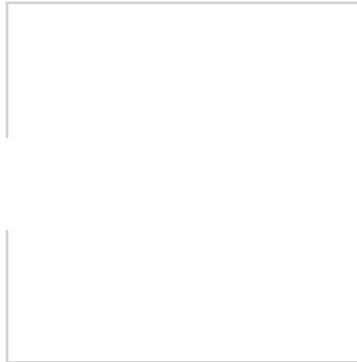
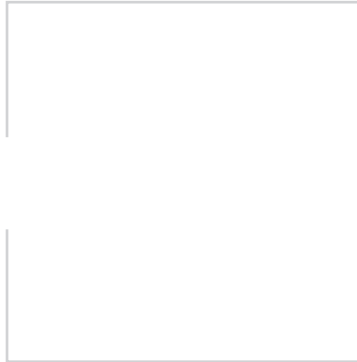
bal depends largely on federal and state resources for land and housing, and unless it can acquire land, it will lack an institutional offer for social interest housing. Developing the land is in itself a difficult topic given the limitations to urbanization budgets and the huge accumulated demand for services. The municipality of Tijuana has developed its own capacity, has several offices to share responsibilities and, although Inmobiliaria has generated alternatives, this year it did not acquire land with federal support. Its offer is based on co-participation with developers. The city has some reserves for urban development, but the price of land has prevented supporting a housing supply for the low-income population; it also has land reserves in the satellite city that will allow satisfying approximately two years worth of demand.

Aside from the reserve that Inmobiliaria has in Valle de las Palmas, Tijuana, no other institutional efforts to control land prices were identified. They adapt to the real estate market situation. If no land is accessible, there is no institutional housing for low income population, so Chiapas will continue accumulating a predominantly irregular occupation of close to 30 hectares per year, while Tijuana will do the same with the 2 to 3 hectares occupied each day.



51 These may originate from families acting individually, informally organized groups, social enterprises such as housing cooperatives and associations, NGOs, and professional organizations.

3 Facing the Challenge



3.1 Reasons for Inadequate Housing in Mexico

The intervention model adopted for housing is not enabling all Mexicans to aspire to adequate housing. The instruments developed only apply to one method of housing production. The development of other instruments to support social housing production is still pending, even though this is how most Mexicans fulfill their needs.

Due to this situation, irregularity has penetrated the urban environment as an everyday practice. Irregularity permeates all aspects of life in low-income settlements: the property regime, provision of insufficient and deficient services, employment and income. Regularization has become the normal process to access housing by the poor and seems to be a reality that cannot be modified. The greatest challenge is to propagate the fact that the situation can and should be changed, and finding the political will⁵² to make the changes necessary to create the appropriate conditions to improve the living status of the population through various options.

Land prices make it impossible for institutional actions to quantitatively and qualitatively respond to the housing demand of the low-income population. The situation is immersed in a vicious cycle where the federal authority offers housing but demands that the local government provide urbanized land. Nevertheless, the land is not part of the housing offer and its price prevents low cost housing. Thus, the people are forced to buy expensive irregular land or to invade land with the expectation of regularizing it; and the government regularizes it without necessarily providing any services. These problems are associated with structural situations, apply throughout the country and require a national policy to focus on the substance of the problem, the price of land and the integrated vision of land and housing.

3.2 Land

It is clear that the key to solving the problem lies in controlling the real estate market. The low income population requires housing in areas where infras-

structure can be provided, areas that are safe, close to services, sources of employment, supply, recreation and medical care; thus the need to find a way for these people to purchase land at a price consistent with their payment capacity.

The prevailing real estate market benefits land owners who do not take responsibility for introducing services or for property titling. The rest of society suffers the consequences of disorderly, scattered and extensive growth in cities, with costly and belated provision of services in the end paid for by the whole population from institutional budget resources. This has additional implications reflected in an ever more limited capacity to tend to the basic needs of the population and to promote development.

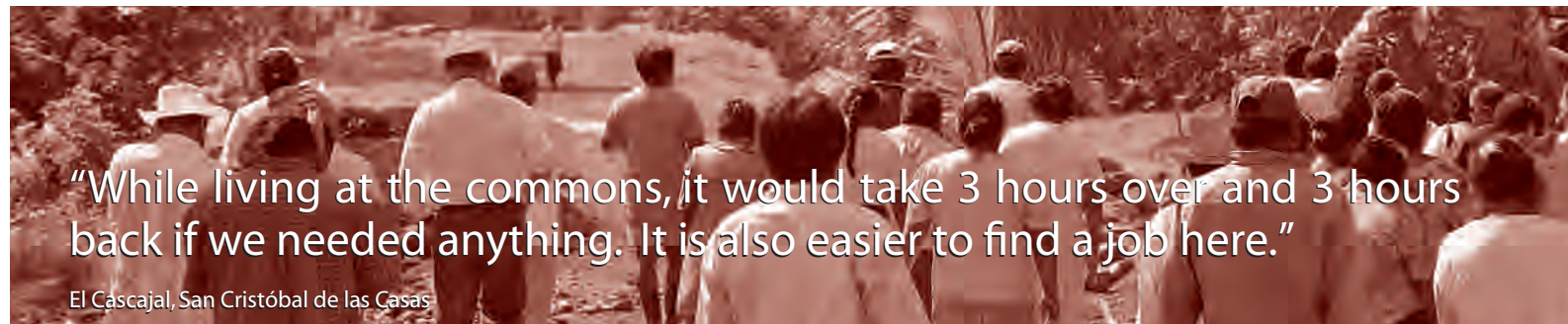
The challenge for these policies is not to be simply translated into real estate speculation. There is a need for a land policy for the poor, within a land management policy for the city as a whole, including differentiated treatment for new and consolidated settlements, aiming for land developed for social housing near sources of opportunity. To prevent land solutions from depending on institutional programs of a limited extent within a long-term urbanization process, it is vital to find fiscal instruments that operate within the urbanization process itself, as the city continues to grow, that ensure continuity in spite of any administrative changes.

To generate the conditions for low income population to access well positioned land without un-

terest, if they do not force these obligations⁵³.

The strengthening and enforcement of fiscal instruments would contribute to: preventing the constitution of special administrative structures together with the associated operational and administrative expenses; favor the urbanization process while it takes place; prevent subsidies from turning into land price increases; and would allow channeling resources from programs, such as Habitat, for economic development. The prior mentioned strengthening must occur simultaneously while discouraging the certainty of regularization.

There must be a single housing policy for low-income population that includes land conditions, which must be coherent with the socioeconomic



Deregulation in the form of reducing the size of the lot, offering services only in the common areas and elimination of restrictions, does not reduce the price of the lot, and translates into higher profits for the developer, who can sell more lots with less effort and less responsibility for providing services to those lots. Therefore, the offering price for irregular lots is very similar to that of legally developed lots, particularly because of the expectation, reinforced by institutions, of regularization and provision of services paid for by society rather than from the profits of the owner and developer of the land. Construction activities produce use values where ordinary profits can be obtained, while real estate speculation can take advantage of those resources.

leasing real estate speculation, legal obligations on property are required (rather than indiscriminately increasing liberties). These should include: a) mandatory readjustment of land for new lines of action when no agreement is possible; b) the obligation of incorporating social, public and environmental uses in the developments; c) the use of apt land within a peremptory time under penalty of public auction or effective expropriation, and value of current use, to prevent retention; d) full payment for the privilege of obtaining authorization for uses more profitable than the current ones; e) increasing the effective land tax rates; and f) full payment for the cost of public works. All of these should be accompanied by sanctions to public officials for patrimonial harm to the public in-

characteristics of the population, the cultural patterns, the expected time of residency, and the traditional savings mechanisms (popular fund or “tanda”). Land programs for urban and housing developments for low-income population should start from the same single basis, integrate unified criteria and operate simultaneously. Institutional housing programs should incorporate developed land in an integrated manner, or, should it be the case, give priority to developing land rather than providing housing. Finally, to ensure continuity of actions, it is advisable to promote the participation of universities and professional colleges, train multipliers and provide technical advice for irregular developments.

⁵² Between 1993 and 1998, the government of Aguascalientes maintained a continuous and firm public supply policy and an availability of inexpensive land featuring minimum services; at the same time, it decided not to regularize any irregular settlements, and virtually eliminated irregular settlements to less than 1%. Jiménez, 2000.

⁵³ These obligations operate in many other countries even within liberal economic models, where other goods exist in a competitive market; except those that by their own nature cannot be competitive, such as land, where regulation is strong and translates into obligations for property that reduce speculation of this scarce good.

3.3 Housing

Multiple housing needs require searching for different alternatives. It is evident that general rules cannot continue to apply for the whole country. The cultural wealth and diversity of the country do not deserve reductionism. Mexico is a mosaic of cultures and lifestyles clearly expressed in housing.

In San Cristóbal, the presence of indigenous population requires recognition of their cultural pattern and taking advantage of its potential for cohesion. There are strong links to the “Cacique” (tribal head leader) and it is necessary to work with him to better understand how to improve the housing situation while taking advantage of his organization capacities.

In Tijuana, however, the challenge is to meet the needs of a highly mobile population. Trans-migration to the US results in a lifestyle and routine mobility that escapes any conventional housing program and provides a new dimension to the concept of housing. Even if the problem of the high cost of land is solved, conventional housing programs are inadequate to meet such changing demand that offers an attractive field of opportunities; these are people with strong expectations to improve their situation and are open to change. It would therefore be possible to experiment with new temporary lodging alternatives using innovative technologies and thus creating conditions appropriate for this type of mobility.

Although the specific conditions of this demand require the development of alternatives in accordance with their reality, these responses would be worthless if institutional offers are not more in tune with the characteristics of the indigent population. Most resources come from national organizations, and it is therefore necessary for them to be willing to redesign the programs, conditions and requirements, in order to match local reality, measuring their effectiveness through objective indicators to monitor the effect of public intervention. It is necessary to create discussion and decision areas within the states, with equal and proportional participation of public, academic, business and social sector actors, reproducing the

experience that CONAFOVI has developed in Mexico City.

The issues discussed in these forums should seek to find the appropriate conditions in order for the low-income population to be able to access the planned offer. For poor populations, accessibility has a broad connotation: it implies payment terms, progressive solutions, maintaining their cultural patterns and social networks, freedom to build, and particularly the possibility of employment, whether due to the proximity of the housing development to job opportunities, or the possibility of working at home. No institutional housing program considers homes to be productive sites, an inoperative approach when considering the difficult living conditions of the poor.

The overcrowded and precarious housing conditions found in both municipalities demand the implementation of programs to improve and expand houses at an infinitely higher scale than the current one and it is necessary to design innovative mechanisms for leased housing.

The possibility of the poor populations' access to new housing or improvements also depends on having technical and social assistance, not only limited to providing support for meeting the requirements of organizations, but mainly for generating the participatory processes that will enable housing for the poor to become a vehicle for social development. To achieve this purpose, it is necessary to generate mechanisms to institutionalize the participation of social actors experienced in the field, among them NGOs specializing in housing issues.

The form of intervention in popular settlements requires substantive changes to truly improve the quality of life among the population. This is a fundamental change, for it implies adopting a new concept of housing, not only as a private living space, but also complemented with the services, equipment and recreational areas that will lead to improving the living conditions for the majority of the population. This would entail that the various departments involved in the environment would converge and work in har-

mony in the territories. It is necessary to promote the integration of responses within a management framework to achieve better joint solutions.

In summary, it is necessary for the state to assume responsibility for regulating production factors to favor low income populations: land, low cost housing, infrastructure, technical assistance, credit, and adequate payment terms for low income demand.

3.4 Human Rights

From the Human Rights perspective, the value of any housing law, policy or program is contingent upon its effectiveness to reduce the level of inadequate housing. In Mexico, a first step would be to revise the legal framework for it to more strongly incorporate the Human Rights to housing, with clear references to public obligations explicitly included in the international agreements signed by the government of Mexico. However, the main challenge is to better enforce the obligations already contained in the Constitution and in international agreements, to ensure that housing for low-income populations can become a reality. It is thus advisable to screen each public housing program from the Human Rights perspective, ensuring the inclusion of specifics on how the intervention will influence respect to each persons' right to proper and dignified housing.

Another significant challenge is to improve access to the legal system and to legal protection of housing for low-income inhabitants, particularly through the creation of instruments that will enable the legal framework to enforce the statements and make them a reality in housing conditions.

In synthesis, the investigation proved that there are no favorable conditions to improve the housing situation of low-income population. Institutional actions regarding land as well as housing, do not address the problem in Chiapas, so it continues to grow. In Tijuana, they have very limited access, despite great efforts from several institutions, resulting in an even more serious predicament. Under current market conditions, it will not be possible to reverse

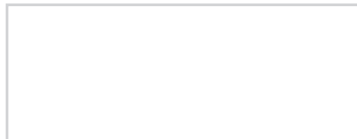
the trend requiring a high price from society reflected in the series of aspects described throughout this work. The conditions must change, favoring mechanisms to support the efforts made by the poor to solve their housing requirements, intervening in the real estate market and in the creation of instruments and mechanisms to implement an integrated land and housing policy.

A sepia-toned photograph of a construction site. Several workers are visible, some standing and some working with rebar. The ground is uneven and appears to be in the early stages of foundation or structure work. The overall tone is historical and documentary.

“The problem is not building houses,
but building a society; building conditions
that allow people to have a better quality of life”

Elena Solís, researcher

4 Conclusions



This study found that the conditions under which the conventional land and housing market operates in San Cristóbal de las Casas and in Tijuana are not suitable to help the low-income population obtain worthy housing. The imbalance between the type of supply, and the needs and characteristics of the demand, is significant.

This imbalance is perceived as obvious basically in three cases: 1) the supply is aimed at a population that earns more than 5 TMW, yet most people in both cities earn much less; 2) the supply fosters standards of living that disagree with the needs of the majority, their clustering patterns, the productive use that the indigenous people give to their land, and the uncertain permanence of new migrants in Tijuana; and 3) the supply does not meet the diverse housing needs, and is aimed at new, more profitable houses, instead of low-cost solutions.

Low cost housing was a minimum in San Cristóbal and non-existent in Tijuana. In addition, regular and suitable land is not available in San Cristóbal and is insufficient in Tijuana. Home improvement possibilities are almost none despite the difficult overcrowded and precarious houses that most poor people occupy in both cities.

Two facts explain this situation. First, government efforts have been aimed at consolidating housing construction as an industry, turning houses into a commodity only for those who can pay. National entities make mortgage funds available for the purchase of homes, and grant subsidies, insignificant as compared to the demand, and aimed at increasing the purchase capacity. In fact, the housing policy, which is merely financial, is aimed at increasing production instead of solving housing needs. Secondly, by adopting a facilitating approach and delegating housing production to private agents, control was lost over coverage, over the location of areas capable of being urbanized, and over targeting mostly low-income people.

NGOs play an active role in both communities; yet they offer little support for people to build a

home on their own land. As opposed to national entities, they deal with the need for housing. Their intervention tools go beyond unproductive assistance, and seek to develop new social capabilities. They work alone since funding does not contemplate their participation.

Most of the people access housing through the informal market. In San Cristóbal and Tijuana, seven and six out of ten houses, respectively, were of irregular origin. The informal market offers land anywhere in the city; it is flexible, and adjusts to the client's financial possibilities, that is, to how often the payments can be made. Moreover, it imposes no other access requirements, and favors maintaining social networks. Buyers benefit in many senses: first, thanks to the consistent land tenure regularization, they are recognized as owners; secondly, they can hope to enlarge and accustom their houses to their needs over time; and lastly, they can use their lot for other family members, for self-employment, or can rent out a portion to generate additional income.

Despite the longing to own an asset, land purchased in the informal market does not contribute to improving the quality of living: services are deficient, the topography is difficult, and city attractions are distant. Some inhabitants, in fact, are not pleased with what they have, but have no other choice.

People value their living environment very highly, particularly having access to services and jobs. This coincides with the United Nations' definition of adequate housing: an affordable housing, linked to other elements, which result in quality living.

The demand for soil is greater than the demand for housing. In the end, people can build the latter on their own, even if precarious. Land is the key to understanding the housing issue. Since it is so costly in both cities (more in San Cristóbal than in Tijuana), it explains why the supply of low-cost housing is basically non-existent, forcing the population to look for other alternatives, mainly in the informal market, to their disadvantage. Land suitable for urbanization is already in use in both cities; land reserves either

do not exist or are not used to primarily meet the needs of the low-income population; and most of the population can barely subsist, especially in San Cristóbal.

The high cost of land and its preparation is the main obstacle to a regular supply of land and housing. Speculation is common in the real estate market, and no efforts are made in either city to control this. Should regular land for poor people be readily available, the immediate consequence would be to expect a greater profit, as currently occurs in Tijuana where the production of housing has increased. When land is purchased for the poor, the real estate market should be controlled, fostering construction, and giving the local authorities more advantage to meet social demand.

The authorities must have a say in generating affordable land for the low-income population, in designing and implementing fiscal instruments that control land prices, and in reinvesting any additional income resulting from land revaluation in more land, infrastructure, equipment and services for the poor sector. That is, using the excess profits produced by society for collective purposes.

Aside from the disconnection of responsibilities related to land, housing, and urban development, institutional efforts do not contribute much to generate supply for the poor population, mainly because the formulas applied by national organizations are not aligned with the characteristics of most of the demand or with the conditions in the region. The Federation contributes with most of the resources, and state and municipal governments depend greatly on the support and subsidies of national entities. The rules set by the latter are strategic to encourage or discourage low-cost actions, and to facilitate or hinder access to demand.

Federal government initiatives related to the purchase and preparation of land are difficult to implement, and are not woven into the housing programs. Habitat, the program implemented by SEDESOL, is currently the only source of funds for poor people

to purchase property, but it is facing difficulties due to high land prices, and because local government must contribute with a significant share.

The shared-responsibility formula is useless because of land prices. The Federation contributes with 5,000 pesos per lot and the local authorities with another 10,000; yet in San Cristóbal the price of a lot without services is around 36,000 pesos, more than twice as what the rule portrays. Preparing the land means another 170,000 pesos, for a total contribution by the local government of 200,000 pesos per lot, in order to utilize the federal subsidy. Additionally, development banks are not a viable source of funds because of the limited municipal collection capacity.

This partly explains why, for the last several years, land has not been purchased in San Cristóbal de las Casas, although it was considered a possible beneficiary of the federal program to purchase urban land reserves. The municipal government collects a limited amount of money, and therefore cannot match the funds contributed by the federal government to purchase land. However, under the pressure of social demand, it allocates resources for infrastructure instead of land. The same shared-responsibility formula is applied regardless of the municipality's financial capability, the availability of suitable land, and the characteristics of the physical environment. Nevertheless, matching funds could do very little if the real estate market is not simultaneously controlled and monitored.

As opposed to the impediments to develop planned alternatives, some methods do exist in order to prepare land once it is occupied, which is obviously more expensive than urbanizing when the land is not occupied. This, together with the hope to regularize, consolidates the informal market. Politically and ethically, the social demand for services must be met, and the ability to respond must be strengthened, while at the same time increasing the planned offer. Preferably, alternative ways to organize urban occupation processes should be found. Furthermo-

re, controlling land prices would help.

The design of the Habitat program is being questioned because it reinforces the notion of a spread-out city, contrary to state policies that encourage city re-densification. The program fosters purchasing peripheral land instead of better utilizing the existing urban frontier, increases expansion-related costs (both social and political), and puts a greater burden on the economy of both cities. A densification policy would mean land subsidies, so that poor people can settle closer to existing infrastructure, equipment, and transportation. Although the immediate cost is greater, in the long run society would pay less for expansion urbanization.

Just as with land, the same housing procedures apply nationwide. Standard requirements do not account for socio-demographic differences. The contribution to purchase or build a low-income house is the same, regardless of family size and income. The possibilities for a multi-member family with an income of up to 2 TMW are different than for a smaller family with the same income. In Chiapas, the minimum age requirement for heads of households clashes with the large number of early-age marriages in the region. In Tijuana, long-standing employment becomes the main obstacle.

The service quality demanded by national organizations does not favor low-cost actions. The federal and local governments do not have the same priorities; the latter allocate more funds for improvements, while 70% of the FONHAPO (federal) resources are for new houses.

The biggest problem is the scarce coverage that institutions give to the low-income segments. They should become part of the business supply, and subsidies should be granted to face the demand. The purchasing power would certainly improve, yet would not necessarily result in better dwelling. Land is the base on which to build a house, so subsidies could very likely result in higher land prices. The market must be influenced, and subsidies must be diversified in order to facilitate the purchase and to

better target resources at social housing, thus providing comprehensive land, urbanization, and home improvement solutions.

Several valuable local government experiences were identified. In Tijuana, INETT favored solutions that reflect popular settlement principles. Through this plan, services and equipment are introduced gradually, funded with payments made by settlers themselves. Under this system, the largest possible number of families is offered suitable and legalized land, as well as a basic roof; thus eliminating rental payments and gradually consolidating home ownership. However, the future of this practice is uncertain because of the difficulty to negotiate land using the methods used by Inmobiliaria.

On the other hand, in Chiapas, INVI recognizes the strengths and weaknesses of the demand. Some segments only need funding, while others need support to gain equal access. INVI provides technical and social support for the low-income population to streamline their inclusion in institutional programs and to oversee the project.

A combination of both experiences, plus affordable credit, seems to be an answer. This means a broad supply of land and advice, in some cases to facilitate access to institutional programs; in other cases, to carry out self-managed projects, using funding schemes such as subsidies, affordable contributions, and recovery according to payment capacity. Unfortunately, the cost of land affects everything else, and the scheme foresees no controls to benefit the greater part of the population, precisely those with the scarcest resources.

Tijuana has better conditions to deal with the low-income population and to target urban development. There are reserves of suitable land, and they simultaneously apply diverse formulas. The land supply is both public and private, which, although insufficient, has been consistent over the years. A partnership mechanism was developed with the owners to add land to urbanizations in a planned manner, and several institutions are participating in

land management. In Tijuana, transparent and public information is disseminated to update people on the status of sub-divisions, and to keep fraud at bay. A municipal planning department deals with urgent cases and medium-term situations. All these measures represent significant progress, but then, what prevents finding better answers?

There is no doubt that urban dynamics and the magnitude of needs exceed any possibility of control. The ever-growing floating population needs unique housing alternatives. However, other factors make it difficult to come up with adequate answers. Relevant, among others, are:

- 1) Limited budgets. Although the regulatory framework (National Development Plan, Sectoral Housing Program, and state plans) invariably focuses efforts on the low-income population, budgets are insufficient to respond fully. Plans end up being a declaration of good intent that cannot be completed.

- 2) Absence of comprehensive solutions. Quality of life is influenced by the link between housing, job opportunities, and infrastructure, to drive development. Housing and land policies are not aligned; regularization entities grant land titles without coordinating actions with other entities to better plan the settlement. With subsidies scattered so thin, FONHAPO does not support home improvements. Urban development processes are not sponsored with fiscal instruments. Entities implement programs, but these are not suitable responses.

- 3) Subordinated coordination. Although the federal regulatory framework (National Development Plan and Sectoral Housing Program) recognizes the need to coordinate the three government levels, states and municipalities are subordinated to federal rules that do not consider local characteristics.

- 4) Insufficient legal framework. Although the Constitution acknowledges the right to housing, many aspects need to be strengthened, such as self-construction. Federal laws do not clearly refer to Human Rights, particularly in relation to housing

or human settlements, and there is no mandate for their implementation.

5) Limited access to the legal system. The low-income population is ignorant of their rights and lack access to legal assistance. Poor tenants and indigenous groups need even more support since they are most vulnerable to the violation of their Human Rights.

Consequently, and aiming to amplify the conditions to provide the low-income population with adequate housing, two main recommendations arise: 1) Control land prices so that housing costs are within reach of the poorer population; and 2) Integrate land- and housing-related policies, operations and instruments. Other recommendations from each perspective are as follows:

In Land:

- Create fiscal instruments to control land prices and influence the urbanization process while it takes place;
- Develop instruments to favor working independently from administration changes, ensuring continuity, and considering the different ownership obligations;
- Foster the integration of land and housing policies in an urban planning framework to produce better overall solutions; and
- Develop a land policy as part of a citywide land management policy, to make land available for social housing, in safe areas and close to opportunities.

In Housing:

- Design products aware of mobility and of the indigenous cultural patterns in Tijuana;
- Favor gradual answers, open and flexible systems that foster solutions;
- Recognize the diversity of housing needs; and
- Encourage possibilities for analysis and discussion in the states, empowered to: 1) improve access for the low-income sector; 2) redesign federal programs to better respond to the local reality, and ins-

titutionalize the technical and social components to thus offer comprehensive assistance and social capacity building; and 3) tap the experience of NGOs.

In Human Rights:

- Revise the legal framework and strengthen the Human Rights component in housing;
- See each housing program through the Human Rights' lens; and
- Improve access to the legal system and defend the right to housing.

In summary, for institutional actions to promote housing for poor people, the housing policy undoubtedly must include a specific land policy. It must match the socioeconomic uniqueness of the population, its cultural patterns, and the time of residence expected. Since most Mexicans currently obtain home and land through social production, mechanisms are needed to support this modality.

Mexico is a country of great cultural, climatic, and economic diversity, resulting in different ways of living, producing and participating in their community. Such diversity does not call for uniform responses. Sites must be visited, solutions must be aligned with reality, actions must include local agents, and solutions must match reality, not underestimate it.

The option should no longer be "no other option."