

A Strategic Intersection:

Social Housing, Vulnerable Groups, and Public Policy in Latin America and the Caribbean

By Rodrigo Vargas Ruiz, Associate Director of Monitoring, Evaluation, Accountability and Learning (MEAL), Habitat for Humanity Latin America and the Caribbean

This article explores the role of public policy in facilitating access to social housing in Latin America and the Caribbean, with a particular focus on the challenges and needs of vulnerable groups. It examines how public policies can address the systemic barriers these groups face, the characteristics of successful policies, common obstacles to implementation, and the need for a comprehensive, regionally tailored approach. The article also highlights Habitat for Humanity International's contributions to the region, including the direct provision of housing solutions and advocacy for more inclusive public policy frameworks.

Keywords: social housing, public policy, vulnerable groups, Latin America, Caribbean

Introduction

Housing, universally recognized as a fundamental human right (United Nations, 1948), is a cornerstone of both individual and social development. However, millions of people in Latin America and the Caribbean, especially those belonging to vulnerable groups, face serious challenges in accessing adequate, safe, and affordable housing. This reality undermines the dignity and well-being of individuals and families, perpetuates cycles of poverty, limits access to healthcare and educational opportunities, and erodes social cohesion (Abramo, 2012; ECLAC, 2020).

In this context, public policy emerges as a critical tool to reduce inequality and ensure access to social housing for those underserved by the market. Government interventions that are responsive to the specific needs of vulnerable populations have the potential to transform lives and entire communities.

The complexity of the housing deficit in Latin America and the Caribbean is evident in the proliferation of informal settlements, overcrowding, substandard construction, and insecure tenure. These challenges are exacerbated for vulnerable groups, including low-income households, female-headed households, people with disabilities, older adults, indigenous and Afro-descendant communities, migrants, and displaced people due to intersecting factors such as discrimination, limited access to formal credit, informal employment, and a shortage of affordable housing in suitable locations (Rolnik, 2015; UN-Habitat, 2019). Public policy, when informed by a deep understanding of these

dynamics, can play a catalytic role in reversing these trends.

This article explores the role of public policy in facilitating access to social housing in Latin America and the Caribbean, with a particular focus on the challenges and needs of vulnerable groups. It examines how public policies can address the systemic barriers these groups face, the characteristics of successful policies, common obstacles to implementation, and the need for a comprehensive, regionally tailored approach. Finally, the article highlights Habitat for Humanity International's contributions to the region, both through the direct provision of housing solutions and advocacy for more inclusive public policies.

Public policy is a crucial tool for reducing inequality and ensuring access to social housing for those underserved by the market.

The Importance of Public Policy in Social Housing for Vulnerable Groups

Public policy in the realm of social housing encompasses diverse government strategies, actions, and tools that facilitate access to decent, affordable housing for those unable to meet their housing needs through the private market (Gilbert, 2002). These policies may include direct demand subsidies

(such as housing vouchers or rental assistance), supply subsidies (incentives for social housing developers), preferential financing programs, land and rental market regulation, direct provision of social housing, and legal frameworks that guarantee tenure security and promote social inclusion (Turner, 1976).

For vulnerable groups, public policy is not merely an option—it is a pressing necessity.

Given their disadvantaged position in the housing market, it is improbable that these groups can access decent housing without targeted interventions. Public policy can address the specific barriers they face, but it must do so holistically; focusing on only one or a few challenges may undermine the effectiveness of broader efforts, such as delivering social housing without addressing tenure security. Some critical approaches include:

- **Overcoming financial barriers:** Programs offering down payment subsidies, preferential interest rates, microloans for construction or improvement, and state-backed guarantees can make housing financially accessible for low-income households and others with limited resources (Ferguson & Navarrete, 2003).
- **Increasing the supply of affordable housing:** Public investment in social housing construction, promotion of alternative tenure models such as social rental housing or housing cooperatives, and land-use policies that support affordable housing can expand availability in well-located areas with access to essential services (Smolka, 2013).
- **Ensuring legal security:** Legal frameworks that protect against forced evictions, recognize diverse forms of tenure (including regularized informal settlements), and facilitate the regularization of informal settlements are essential for providing stability and security to vulnerable populations (Payne, 2002).
- **Promoting inclusion and non-discrimination:** Policies that encourage social diversity in housing developments, remove physical barriers for people with disabilities, and actively combat discrimination based on gender, ethnicity, sexual orientation, or other conditions are vital for advancing equity (Payne, 2002).
- **Addressing specific needs:** Policies should be responsive to the unique needs of each

vulnerable group, considering factors such as location (proximity to employment and services), housing design (cultural relevance and accessibility), and complementary services (such as childcare centers and community spaces) (Moser, 1998).

Challenges in Implementing Public Policies for Social Housing for Vulnerable Groups

Despite their importance, the effective implementation of social housing policies in Latin America and the Caribbean faces a range of complex and persistent challenges:

- **Budget constraints:** Limited financial resources are a major obstacle to sustained investment in social housing at the scale required to address the existing deficit (ECLAC, 2018).
- **Political volatility and lack of continuity:** Government transitions often result in the discontinuation or alteration of housing programs, which undermine their long-term impact and create uncertainty for beneficiaries (Ward, 2004).
- **Corruption and lack of transparency:** The misuse of funds and a lack of transparency in the management of social housing resources can undermine public trust and reduce the effectiveness of policies (Transparency International, 2024).
- **Institutional weakness and limited coordination:** Widespread reductions in government social spending, technical capacity gaps within housing agencies, fragmented responsibilities across levels of government, and poor intersectoral coordination hinder the coherent and effective implementation of housing policies (Gilbert & Ward, 1984).
- **Resistance from vested interests:** Real estate developers, property owners, and other market actors may oppose social housing objectives, exerting pressure in favor of market-driven solutions that overlook the needs of vulnerable groups (Harvey, 2003).
- **Difficulty reaching the most vulnerable:** Social housing programs often fail to reach those most in need due to access barriers (e.g., complex requirements, lack of information), social stigma, or inadequate program design (Davis, 2004).

Key Elements of Successful Public Policies

To overcome these challenges and create effective public policies that improve access to social housing for vulnerable groups, the following elements are essential:

- **Human rights-based approach:** Recognizing housing as a fundamental right and designing policies to progressively fulfill that right for all, with particular attention to vulnerable groups (Sachs, 2005).
- **Meaningful participation and consultation:** Engaging vulnerable groups and civil society in the design, implementation, monitoring, and evaluation of policies to ensure their voices and needs are considered (Arnstein, 1969).
- **Comprehensive and cross-sectoral coordination:** Addressing housing challenges through a holistic lens that accounts for connections with employment, health, education, and infrastructure while ensuring coordination among various levels of government and relevant stakeholders (Castells, 1996).
- **Long-term financial sustainability:** Developing innovative and diversified financing mechanisms that do not rely solely on public budgets, including responsible public-private partnerships and other funding sources (Ballesteros, 2011).
- **Transparency and accountability:** Establishing clear mechanisms for monitoring and evaluating policy impact, ensuring transparent resource management, and holding responsible actors accountable (Schedler, 1999).
- **Adaptability and flexibility to local contexts:** Designing policies that can be tailored to the region's diverse geographic, cultural, and socioeconomic realities, enabling differentiated solutions (Varley, 2002).
- **Innovation and adoption of new technologies:** Exploring and implementing new technologies and approaches that reduce construction costs and timelines, adapt to climate change, and support innovative housing finance and management models (Stone, 2006).

As a general approach, policy advocacy is a strategic tool for driving systemic change in social housing policy—particularly in

contexts where the rule of law necessitates change through legitimate, participatory legal frameworks. Public policies do not operate in a vacuum but rather are built on a framework of rules, from international treaties to local regulations, that define their scope and feasibility.



The advocacy campaign "Home Equals" in El Salvador supports access to clean water in Rosario de Mora. Manuel received a subsidy for a water storage tank, which he shares with the community. © Habitat for Humanity El Salvador / Fernanda Mayorga

Habitat for Humanity's Contribution to Latin America and the Caribbean

Over the past decade, Habitat for Humanity has played a key role in promoting access to social housing and influencing public policy in Latin America and the Caribbean.

In fiscal year 2023 alone, Habitat's global campaign "Home Equals" helped 2.8 million people gain better access to adequate housing by mobilizing \$1.2 billion in public funds. Additionally, Habitat organizations have influenced the approval of 50 local and national policies (HFH LAC, 2024).

Habitat's holistic approach combines direct provision of housing solutions with community capacity building and promoting policies that

improve access to adequate housing for all, especially the most vulnerable groups.

Through various programs and projects, Habitat has facilitated the construction, improvement, and repair of homes for thousands of families in the region. Its technical assistance model and housing microfinance programs have enabled low-income families to access decent and affordable housing by leveraging their own resources and capacities. These interventions have improved living conditions for participating families and fostered skills development and job creation at the community level.

Alongside this direct work, Habitat has engaged in significant policy advocacy at regional, national, and local levels. It has collaborated closely with governments, civil society organizations, academic institutions, and other key stakeholders to promote policies that enhance access to social housing for vulnerable populations. This work has included participating in forums and consultations, preparing studies and research to inform decision-making, and advocating for more inclusive housing laws and regulations.

A key focus of its policy work has been promoting tenure security and regularizing informal settlements. Recognizing that a lack of legal security

is a major barrier to housing access and investment in home improvements, Habitat has supported governments in designing and implementing policies and programs that facilitate regularization and improve living conditions in these communities.

In addition, the organization has advocated for housing policies that prioritize the needs of the most vulnerable groups, including women, people with disabilities, and indigenous communities. Habitat for Humanity has promoted the inclusion of equity and non-discrimination criteria in social housing programs and worked to strengthen the capacity of community organizations to participate actively in policy-making processes.

Habitat for Humanity has played a pivotal role in advancing access to social housing for vulnerable populations in Latin America and the Caribbean. Combining direct action with public policy advocacy has helped improve living conditions for thousands of families and contributed to policy reforms that promote inclusion and equity in housing access. Its experience highlights the importance of collaboration among civil society, governments, and other stakeholders in addressing the complex challenge of social housing in the region.

Insulation should only be for the walls and floor of the home, but in LAC vulnerable people are also isolated from access to adequate housing.

Vulnerable groups face these barriers:

Financial limitations

that require subsidies, preferential interest rates, microcredits and state guarantees

Lack of affordable housing supply

that require public investment, alternative tenure models and land management policies that respond to the specific needs of the population

Lack of guarantees of legal security

that require protection against forced eviction and regularization of informal settlements

Exclusion and discrimination

which requires the promotion of social integration, the elimination of urban barriers, and the fight against discrimination

Also adding these public policy challenges:

Budget constraints

That limit sustained investment

Political volatility and lack of continuity

Changes in government can interrupt or modify programs

Corruption and lack of transparency

Embezzlement undermines trust and effectiveness

Institutional weakness and insufficient coordination

Lack of technical capacity, fragmentation of responsibilities and poor coordination hamper implementation

Resistance from vested interests

Market actors may oppose social housing policies

Difficulty in reaching the most needy

Access barriers, stigmatization, or inadequate program design can exclude the most vulnerable.

Habitat for Humanity works to open doors that reduce population barriers and public management challenges.

Providing housing solutions directly

Construction, home improvement and repair, technical assistance and microfinance

Making public impact

Collaboration with governments and other organizations to promote inclusive policies, security of tenure, and regularization of informal settlements

Addressing the problem comprehensively

Working with people, communities, governments, academia and the market

Key elements to close the gap between population barriers and public management challenges to achieve successful policies

Long-term financial sustainability

Adaptability and flexibility to local contexts

Innovation and adoption of new technologies

Comprehensiveness and intersectoral coordination

Transparency, accountability and participation

Human rights-based approach



Conclusions

Public policy is an essential tool for ensuring access to social housing, especially for the most vulnerable groups in Latin America and the Caribbean. The persistent housing deficit and deep-rooted socioeconomic inequalities demand decisive, strategic government intervention that goes beyond market-based solutions. Well-designed and effectively implemented public policies have the potential to break down the barriers that have historically excluded vulnerable populations from accessing safe and decent housing, thereby contributing to the creation of more just, equitable, and inclusive societies.

However, designing and implementing effective public policies in this area is a complex task requiring sustained political commitment, adequate resource allocation, institutional capacity building, transparency, accountability, and the active participation of all relevant stakeholders. It is critical to adopt a comprehensive, human rights-based approach tailored to the diverse contexts across the region.

The work of organizations like Habitat for Humanity demonstrates the positive impact that can result from combining direct action with public policy advocacy. Its experience in Latin America and the Caribbean over the past decade underscores the importance of collaboration and innovation in addressing the social housing challenge, as well as the need for public policies that prioritize the needs of the most disadvantaged groups.

Ultimately, access to social housing is not merely a matter of infrastructure—it is a key factor in determining human well-being, dignity, and full development. Public policy must ensure that this fundamental right becomes a reality for all, building a future in which housing serves as a pillar for social justice and equity in Latin America and the Caribbean. The future of millions depends on the political will and capacity of governments to prioritize social housing and design public policies that effectively respond to the needs of vulnerable populations.

References

Abramo, L. (2012). *The informal city: Urban segregation and poverty in Latin America*. Center for Metropolitan Studies.



Nova Vida is an informal settlement in Manaus, Brazil, home to over 2,000 families from 14 distinct indigenous ethnic groups. Sol and his wife work with other community leaders to gain government recognition. © Habitat for Humanity International/Carolina Guerrero.

- Arnstein, S. R. (1969). *A ladder of citizen participation*. *Journal of the American Institute of Planners*, 35(4), 216-224.
- Ballesteros, M. E. (2011). *Financing social housing in Latin America and the Caribbean: Challenges and opportunities*. Inter-American Development Bank.
- CAF (2020). *Financial instruments for social housing in Latin America*.
- Castells, M. (1996). *The rise of the network society*. Blackwell Publishers.
- Davis, M. (2004). *Planet of slums*. *New Left Review*, 26, 5-34.
- ECLAC (2018). *Social Panorama of Latin America*. United Nations.
- ECLAC (2020). *The impact of COVID-19 on Indigenous Peoples of Latin America and the Caribbean: A multidimensional perspective*. United Nations.
- Ferguson, B., & Navarrete, J. (2003). *Microfinance and housing in Latin America: A review of experience*. *Housing Policy Debate*, 14(3), 391-420.
- Gilbert, A. (2002). *Housing and poverty in Latin America*. United Nations University Press.
- Gilbert, A., & Ward, P. M. (1984). *Community participation in upgrading irregular settlements: The work of the Patronato Popular in Ciudad Netzahualcoyotl*. *Progress in Planning*, 22(3), 167-203.
- Harvey, D. (2003). *The right to the city*. *International Journal of Urban and Regional Research*, 27(4), 939-941.
- HFH LAC (2024). *Annual report*.

- Inter-American Development Bank [IDB]. (2021). *Innovative financing for sustainable housing*.
- Moser, C. O. N. (1998). *The asset vulnerability framework: Reassessing urban poverty reduction strategies*. World Development, 26(1), 1-19.
- Payne, G. (2002). *Land, rights and innovation: Improving tenure security for the urban poor*. ITDG Publishing.
- Rolnik, R. (2015). *The war of places: The colonization of land and housing in the age of finance*. Boitempo Editorial.
- Sachs, J. D. (2005). *The end of poverty: Economic possibilities for our time*. Penguin Press.
- Schedler, A. (1999). *Conceptualizing accountability*. In A. Schedler, L. Diamond, & M. F. Plattner (Eds.), *The self-restraining state: Power and accountability in new democracies* (pp. 13–28). Lynne Rienner Publishers.
- Smolka, M. (2013). *Implementing value capture in Latin America: Policies and tools*. Lincoln Institute of Land Policy.
- Stone, M. E. (2006). *What is housing affordability? The need for a more residual income approach*. Housing Policy Debate, 17(1), 151-184.
- The Dialogue. (2023, March 27). *Toward a Paradigm Shift on Mental Health in Latin America*. <https://www.thedialogue.org/analysis/toward-a-paradigm-shift-on-mental-health-in-latin-america/>
- Transparency International (2024). *Corruption Perceptions Index*.
- Turner, J. F. C. (1976). *Housing by people: Towards autonomy in building environments*. Pantheon Books.
- Torres-Duque, C., Maldonado, D., Pérez-Padilla, R., Ezzati, M., & Viegi, G. (2008). *Biomass fuels and respiratory diseases: a review of the evidence*. Proceedings of the American Thoracic Society, 5(5): 577-590.
- Torres Parra, C. A., Saldeño Madero, Y. N., González Méndez, M., Fasolino, I., Villegas Flores, N., Grimaldi, M., Carrillo Acosta, N., & Cicalese, F. (2024). *Evaluation of the Impact of Informal Settlements on the Physical and Mental Health of Residents—Case Study Santa Marta—Bogotá, Colombia*. Sustainability, 16(5), 1964. <https://doi.org/10.3390/su16051964>
- UN-Habitat (2019). *Urban perspectives of Latin America and the Caribbean*. United Nations Human Settlements Programme.
- UN-Habitat (2022). *Housing cooperatives in Latin America*.
- United Nations (1948). *Universal Declaration of Human Rights*.
- Varley, A. (2002). *Urban governance, citizenship and the right to the city: A view from Latin America*. International Journal of Urban and Regional Research, 26(3), 555-579.
- Ward, P. M. (2004). *Neoliberalism and the politics of housing policy in Latin America*. International Journal.