

A Co-operative Approach to Housing Problems in Latin America: the Example of Chile

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The housing situation in Latin America

THE HOUSING PROBLEM is by no means peculiar to the developing countries since it also affects the industrialised countries to a greater or lesser degree. But it is a fact that the problem is extremely serious in the developing areas of the world, and Latin America is among those where it is worst. One of the chief reasons for this is the high rate of population growth, the highest in the world if Central and South America are taken together.²

It is calculated that, if the present rate of population increase continues, the urban population of Latin America will have increased by approximately 100 million by 1975 and the rural population by about 20 million.

When it is also borne in mind that much of the present stock of housing, especially in the rural areas, is antiquated, inadequate and lacking in the most elementary sanitation, the sheer magnitude of the housing problem facing Latin America and the need for energetic measures to overcome it can readily be appreciated. Here are a few actual cases.

The gross housing shortage in Argentina is reckoned to be of the order of 1.5 million units. About 250,000 units are needed every year to house the population increase, to cover replacement and to liquidate existing needs gradually.³

The housing shortage in Brazil is estimated to be 4 million units. It is also calculated that about 5 million existing homes, especially in the

¹ International Labour Office.

² See United Nations: *Statistical yearbook, 1961* (New York, 1962), tables I and IA.

³ United Nations document E/C.6/13, 4 Dec. 1963 (mimeographed), p. 37.

rural areas, are lacking in adequate sanitary facilities, and according to calculations made by the Economic Commission for Latin America (E.C.L.A.) the index of population growth had by 1960 risen to 3.1 per cent.¹ Eric Carlson, former Director of the Inter-American Housing Centre in Colombia, reports that since 1940 São Paulo has more than doubled its population, while other cities such as Belo Horizonte and Fortaleza have more than trebled theirs. This explains the mushroom growth of shanty towns housing great numbers of people in makeshift accommodation, usually lacking the most elementary sanitary facilities. It is reckoned that the population of these shanty towns amounts to about 700,000 in Rio de Janeiro, 200,000 in Recife, 70,000 in São Paulo and 60,000 in Brasilia and Belo Horizonte.²

According to reports by the Costa Rican National Housing and Town Planning Institute (I.N.V.U.) the housing deficit in that country amounts to 85,996 units and is steadily getting worse because of the rapid population growth and the inadequate volume of new building.

The housing shortage in Colombia is acute, especially in the most heavily industrialised cities such as Bogotá, Medellín and Cali. It has been estimated by the Colombian Housing Co-operative Federation³ that the national housing deficit in 1962 amounted to 250,000 units. Moreover, according to estimates by the E.C.L.A., the population of Colombia expanded by 2.8 per cent. per year during the years 1955-60—which gives an idea of the scale of the problem.

The United Nations report already cited⁴ states that the housing situation in Guatemala in 1949 was such that there were 152,175 units for some 681,000 persons. This therefore meant that there were about four or five persons per housing unit and 1.86 persons per room; 69.1 per cent. of housing units consisted of one or two rooms, only 33.8 per cent. had a piped water supply, 38.6 per cent. had electricity and 19.8 per cent. had both.

As regards Mexico, Carlson⁵ gives the following figures taken from a recent survey of housing conditions in the country:

(1) In Mexico City, the population of which has now passed 5 million, 30 per cent. of the inhabitants live in shanty towns, 11 per cent. in huts and 14 per cent. in working-class housing. In addition, 38.84 per cent. of all urban housing consists of only one room.

¹ United Nations: *The economic development of Latin America in the post-war period* (New York, Nov. 1963).

² Eric CARLSON: "El problema de la vivienda en la América latina", in *Desarrollo Económico* (New York), No. 3, Sep.-Oct. 1964.

³ Francisco Luis JIMÉNEZ: *Estudio general de la situación económico-social de las cooperativas de vivienda en Colombia* (Federación de Cooperativas de Habitaciones de Colombia, Medellín, 1962) (mimeographed).

⁴ E/C.6/13, p. 36.

⁵ CARLSON, op. cit.

(2) For the rural areas the survey in question quotes the following percentages: rural homes without electricity—73.34 per cent., without windows—58.97 per cent., without water—40.83 per cent., without sanitation—66.34 per cent., without drainage—95.31 per cent., with only one room—68.65 per cent.

Further light on the magnitude of the housing shortage is shed by the fact that, according to E.C.L.A. estimates, the Mexican index of population growth, which was 2.7 per cent. between 1945 and 1950, rose to 3.1 per cent. between 1955 and 1960.

One of the Latin American cities where the full seriousness of the urban housing problem, with all its social and economic consequences, is most apparent is Lima, the population of which in recent years has passed the 2 million mark. The index of population growth in Peru was 2.6 per cent. between 1955 and 1960, but the main factor making the housing problem so acute in the capital is the mass influx of peasants from the rural areas. As a result, huge shanty towns have come into existence consisting of huts which are put up overnight on publicly or privately owned land and are of course lacking in sanitary facilities of any kind. Over 400,000 people are "provisionally" housed in these deplorable conditions.

It is estimated¹ that the national housing deficit in Venezuela in 1958 amounted to 780,000 units, of which 25 per cent. were needed in rural areas. In addition, according to E.C.L.A. estimates, the annual rate of population growth in Venezuela between 1955 and 1960 was 3.9 per cent.

The figures quoted in these cases point to the following conclusions:

(1) The housing problem in Latin America is markedly different from the one that faced the industrialised countries while they were modernising themselves. For example the population increase in the Latin American countries is proportionately greater than it was in the developed countries while industrialisation was taking place.

(2) Although these countries are largely agricultural, the housing problem is even more acute in the towns than in the countryside. The reason is that the urban population is increasing even faster than the rural population as peasants leave the land and flock into the towns, some to find work in urban industries, and others—in certain countries the majority—because they prefer the appalling conditions of life in the shanty towns to the social as well as economic degradation they usually have to endure in their native villages.

(3) The housing problem in Latin America is extremely serious and can be solved only by tackling all the factors involved, by mobilising all the resources available, by co-ordinating all the agencies concerned with

¹ U.N. document E/C.6/13, p. 36.

housing in each country, by carrying out properly conceived national housing plans and perhaps also by obtaining outside technical and financial assistance in order to speed up their execution.

Housing co-operatives in Latin America

Housing co-operatives are certainly not the only or even the easiest way of solving the shortage. Nevertheless, this type of co-operative—in one form or another—has great potentialities which, if properly used, can do much to help to overcome the problem in Latin America.

Some of the advantages offered by housing co-operatives in the countries where the movement is most highly developed are as follows:

(1) they stimulate initiative and a spirit of mutual help, and encourage people to tackle their own housing problems by giving them an opportunity of joining in a combined effort instead of depending entirely on outside help;

(2) they reduce or stabilise prices by eliminating all the middlemen who speculate on the housing market at every stage from the sale and development of the land to the actual construction of the building itself;

(3) they make it easier to obtain loans on reasonable terms, since a specialised association with recognised legal status is much better placed to do so than an individual;

(4) they can undertake house building in volume;

(5) they buy their building materials wholesale;

(6) they can set up their own factories;

(7) they produce and use materials of the highest quality because they are not profit-making concerns and are building for their own members instead of for third parties;

(8) they employ their own technical staffs, run planning, design and research departments, conduct experiments, analyse data and circulate information, maintain laboratories to test materials and build models for large-scale building schemes;

(9) they provide additional economic, cultural and recreational facilities as an integral part of their housing schemes, e.g. consumer and manufacturing co-operatives, schools and sports centres;

(10) they help to establish new communities in which people get to know each other better through these co-operative activities and so become better neighbours;

(11) they give many families in the lower-income groups their only opportunity of securing adequate housing.

Though by no means unknown in Latin America, housing co-operatives occupy only fourth place in the Latin American co-operative movement, the first three (in terms of membership) being filled by the consumer, the credit, and the farm co-operatives. It should be added that many of the co-operatives organised for housing purposes have not been genuine housing co-operatives at all, but house-building co-operatives; some of these have been wound up as soon as the building was completed, though others have continued to provide their members with community facilities. The two Latin American countries with the greatest achievements to their credit in the field of co-operative housing are Colombia and Chile. But as table I shows, there are countries in which housing co-operatives are only in their infancy and even some where there are as yet apparently none at all.

TABLE I. HOUSING CO-OPERATIVES IN LATIN AMERICA
(July 1963)

	Number of co-operatives	Number of members		Number of co-operatives	Number of members
Latin America .	734	95 496	Haiti	—	—
Argentina . . .	94	25 678	Honduras . . .	4	177
Bolivia	4	176	Mexico	—	—
Brazil	—	—	Nicaragua . . .	5	460
Chile	374	43 600	Panama	1	20
Colombia	28	5 354 ¹	Paraguay	—	—
Costa Rica . . .	4	349	Peru	84	8 849
Dominican			Puerto Rico . .	34	3 300
Republic	—	—	El Salvador . .	—	—
Ecuador	94	6 389	Uruguay	—	—
Guatemala . . .	4	250	Venezuela . . .	4	894

Source: The Co-operative League of the U.S.A.: *Desarrollo de las cooperativas en América latina* (San Juan, Puerto Rico, 1963).

¹ In the case of Colombia, it should be made clear that the figure of 5,354 members given in this table is far from reflecting the actual position because in July 1963 the number of persons associated with co-operative housing schemes in that country totalled 59,494. The discrepancy is due to the fact that in Colombia there are, in addition to strictly housing co-operatives, a large number of other types of co-operatives with large housing sections, and the members of these co-operatives are not included in the table. In actual fact, Colombia possesses 36.3 per cent. of the total membership of housing co-operatives in Latin America.

The co-operative formula as one way of dealing with the housing problem is widely accepted in the Latin American countries, despite a few isolated failures which might have been avoided if there had been adequate technical help and better financial facilities.

There is in fact much that the co-operative system can do to help to overcome the housing shortage. Not only can it make housing available on reasonable terms for families in the lower-income brackets but it also helps to create a social environment which is favourable to other forms of co-operation that benefit the community as a whole.

The Chilean experiment in co-operative housing has a number of interesting achievements to its credit which deserve close consideration in view of the magnitude of the housing problem in Latin America.

The co-operative experiment in Chile

Of all the different types of co-operatives in Chile, those dealing with housing are the most recent in origin. Yet they have spread so quickly that within a few years they have become the most flourishing section of the movement and account for 37 per cent. of the total number of co-operatives in that country.

Nevertheless, the origins of the Chilean co-operative housing movement were distinctly modest. The first societies were set up towards the end of 1949. Initially they were formed spontaneously by groups of clerical and manual workers who were impelled by a common interest—their need for housing—and encouraged by the early successes of the consumer co-operative movement. Usually the members of these early societies were employees of industrial firms. Their societies were formed to finance the building of homes for their members and were, in effect, an experimental attempt to accumulate the necessary capital. In those days there was no technical or financial help from the Government. Furthermore, the co-operatives had no qualified staff and—worse still—the members had no co-operative education. Inevitably they achieved only a limited success, but the lessons of these first experiments were borne in mind when housing co-operatives later began to spread through the country.

TABLE II. THE GROWTH OF HOUSING CO-OPERATIVES IN CHILE,
1959-63

Unit and region	Up to 1959		Up to 1963		Percentage increase 1959-63
	Number	Percentage of total	Number	Percentage of total	
<i>Co-operatives :</i>					
Santiago . . .	138	68	207	56	50
Provinces . . .	66	32	160	44	142
Over-all . . .	204	100	367	100	80
<i>Membership :</i>					
Santiago . . .	22 085	77	28 698	66	30
Provinces . . .	6 423	23	14 636	34	128
Over-all . . .	28 508	100	43 334	100	52

Source: Co-operative Department of the Housing Corporation of Chile.

The figures in table II illustrate the remarkable growth of the movement between 1959 and 1963 inclusive. They also show that the co-operative housing movement, which initially tended to be concentrated in the city of Santiago, has progressively spread through the provinces.

Two main factors explain the development of the Chilean co-operative housing movement: the interest of a public faced with an appalling housing shortage in a formula which is in line with what it can afford, and the aid given by the Government to low-cost housing schemes as a matter of national policy.

As was noted earlier, the housing shortage is acute not only in Chile but throughout Latin America. But over and above the reasons already given for the special severity of the problem in Latin America, such as the rapid growth in the population and the drift from the land, Chile has another handicap in the shape of geology. The country lies in a zone which suffers from time to time from large-scale earthquakes; that of 1960 affected more than ten provinces and is estimated to have destroyed more than 58,700 homes, and many more were destroyed in the most recent series of earthquakes in March 1965.

Housing policy is a recent development in Chile (it can be said to date only from 1959) but it has resulted in a series of measures which have proved their worth in encouraging house building for families in the lower-income groups. The housing co-operatives, which had hitherto operated on a very small scale because they were carrying out their projects at a time when the value of money was falling sharply and without the technical and financial help they needed, joined in the Government's housing plan and so helped to give a decisive fresh impetus to the co-operative housing movement.

The Government's housing plan includes the following measures:

- (a) definition of low-cost housing;
- (b) introduction of "index savings" and "housing savings accounts";
- (c) merger of the bodies engaged in planning and house building to form a single Housing Corporation to streamline investments and methods and to cut overheads;
- (d) granting the Housing Corporation the resources and powers needed to carry out its task;
- (e) establishment of a Planning and Economic Research Department to lay down procedures and standards for carrying out the plan;
- (f) introduction of new legislation on housing for farm workers, whereby a special levy is imposed on agricultural profits;
- (g) regulation of indexed loans granted by the Housing Corporation and provident associations to occupants of new housing and levying of a sales tax to provide funds for workers' housing.

The Housing Corporation, through its Co-operative Department, has provided large-scale credit facilities for co-operative societies, mainly by granting mortgage loans and negotiating savings and loans agreements covering both site preparation and house building.

FEDERATION OF HOUSING CO-OPERATIVES

At first the housing co-operatives in Chile were completely independent of each other and each society had to tackle, on its own, an undertaking involving complex problems of planning, organisation, finance, land purchase, site preparation, materials supply, construction and management without having an opportunity to benefit by the lessons of earlier experiments. The need to band together to cope with the multifarious problems facing them became increasingly apparent and led the societies in existence in 1958 to form the Housing Co-operatives Federation.

Nevertheless, this was not a federation for business purposes. Its principal aims were to promote co-operative education, to explore ways and means whereby societies could supply each other with technical help, and to act as spokesman for them.

In other words the main responsibilities of the Federation have been as follows:

- (a) in co-operative education: organising courses, study groups, seminars and the exchange of officers and experience;
- (b) in technical matters: helping to establish and organise TECNICOOP, which was established to provide societies with technical help;
- (c) acting as official representative of the Chilean co-operative housing movement and, in that capacity, playing a leading part in framing the Government's housing policy.

AUXILIARY BODIES

Auxiliary bodies have been set up by law to provide the housing co-operatives with technical help; their task is to perform technical, financial or social services required by co-operative societies, federations, unions and confederations.

One of these auxiliary societies which has made its mark is TECNICOOP, a limited company formed by the Chilean Housing Co-operatives Federation, the Peoples' Housing Institute, the Chilean Building Association, the SODIMAC Co-operative and the Metallurgical Industries Association.

The aim of the founders of TECNICOOP was to lower house-building costs to the greatest extent possible. To this end, it provides

technical aid to member societies at all stages of their schemes, i.e. planning, land purchase, site preparation, financing and construction.

TECNICOOP serves co-operatives by—

- (a) explaining to groups of individuals who are thinking of forming a co-operative what they can expect from this method of dealing with their housing problems and what their contribution would have to be to achieve their object;
- (b) helping in the selection of the architect;
- (c) giving advice on ways of obtaining the necessary finance;
- (d) helping to select the best competitive tender for the prescribed standard of quality, work and materials;
- (e) assisting in carrying out all the legal formalities;
- (f) supervising negotiation of the contract and the building operations themselves until completion;
- (g) giving guidance on the settling in of the families and the provision and management of suitable communal services.

For this assistance it charges 2 per cent. of the mortgage.

Since 1959 there has been another technical body of this type operating on a non-profit-making basis, viz. INVICA, or the Caritas Peoples' Housing Institute (a Catholic institution), which makes its experience and technical advice available in the following ways: (1) indirectly (a) by giving comprehensive specialist assistance at cost to individuals or groups of individuals, especially if they are interested in forming themselves into a co-operative; (b) by making plans, having regard to what the individuals concerned can afford and their ability to obtain finance; and (c) by helping with the social, legal and technical questions which arise after the housing is handed over for occupancy; and (2) directly (a) by encouraging small savers to take part in housing co-operatives; (b) by promoting the mass building of housing so as to cut the cost to co-operative members; and (c) by handling most of the technical and financial problems on behalf of the co-operatives.

FINANCE

Under Chilean housing policy the factor which has done most to promote co-operative housing in the last few years has been the availability of credit. The Housing Corporation (commonly known as CORVI), as the body responsible for carrying out this policy, also operates the greater part of this credit scheme, which is financed out of public funds, small savings, contributions from private business and repayments on its own loans.

The Corporation's credit policy towards co-operatives is handled by a special department at headquarters and by regional offices. The Co-operative Department of the Corporation confines itself strictly to the credit aspects and leaves the co-operatives themselves to deal with site preparation or house building.

The Corporation gives financial assistance to co-operatives in two ways—either by granting direct loans or by concluding savings and loans agreements.

1. DIRECT LOANS

During the first four years of the housing plan's operation the Corporation made direct loans to 32 co-operative societies against mortgages on their land totalling 3,128,178 escudos, which were used to build 1,678 low-cost houses and to prepare 472 building sites.

2. SAVINGS AND LOANS AGREEMENTS

Under this programme, any person (or association) can conclude an agreement whereby after payment of contributions for between one and 15 years—depending on the terms of the agreement—he (or it) becomes entitled to a further loan in addition to the accumulated savings to enable housing to be built. Co-operative societies are covered by a special scheme with minimum requirements as to savings, depending on the cost of site preparation or building and the number of years during which savings are to be accumulated.

During the first four years of the plan's operation the Corporation negotiated agreements with co-operative societies as follows: 23 for the preparation of 3,015 sites, 17 for the construction of 1,263 dwellings and four for the preparation of 265 sites and the building of dwellings on them.

Table III gives details of the agreements concluded between 1960 and 1963 inclusive.

In addition, many co-operatives have financed their schemes through the INVICA savings and loans programme, which up to 15 September 1963 had assisted 212 societies with a membership of 17,963 families.

History of a housing co-operative

A study published recently by the Pan American Union¹ contains interesting information about the foundation, operation and scope of a Chilean housing co-operative. Some of the information in this booklet helps to illustrate the stages of growth of a housing co-operative society from the time the idea was first mooted until the time when the building

¹ Pan American Union: *Las cooperativas como método de desarrollo de regiones y comunidades*, Estudios y monografías, XIV (Washington, D.C., 1964).

TABLE III. SAVINGS AND LOANS AGREEMENTS 1960-63

Year and purpose	No. of co-operatives	Member-ship	Location		Savings required	Loan
			Santiago	Provinces		
1960 :					(Escudos)	
Site preparation	3	264	1	2	40 945	55 119
Building	5	199	4	1	202 011	461 999
Site preparation and building	3	188	2	1	132 438	567 487
1961 :						
Site preparation	12	1 526	6	6	247 500	353 805
Building	8	487	6	2	292 217	1 447 853
Site preparation and building	1	77	1	—	37 036	227 535
1962 :						
Site preparation	3	90	1	2	17 804	25 611
1963 :						
Site preparation	6	1 205	5	1	186 070	529 574
Building	4	507	1	3	247 995	1 626 405
Site preparation and building	4	388	1	3	306 428	1 410 905
Total	49	4 931	28	21	1 710 444	6 706 293

Source: Housing Corporation, Co-operative Department.

was completed and the families moved into a new estate equipped with all the necessary facilities.

The society in question was formed in Maipú, an industrial suburb of Santiago, by a group of young working-class couples. It was the result of an idea first put forward at the end of a working-class study group which had been discussing a number of problems facing its members. It was agreed that for young couples the housing question was vitally important and the suggestion was put forward that one practical way of dealing with it would be to form a co-operative. The various stages in the life of the co-operative were as follows:

1. First of all an investigation was made to find out the needs and desires of the group as regards housing.

2. Next, a co-operative educational campaign was started to familiarise future members with co-operative principles, practices and methods, with special reference to housing co-operatives.

3. An application was made, as required by law, to have the group recognised as a co-operative and to get it legally incorporated. The

co-operative was thus legally founded with a capital of 73,000 pesos contributed by the 73 members who constituted the founders.

4. Negotiations began for the purchase of suitable building sites. Not only the management committee but also the ordinary members organised week-end excursions to look for the best site for the future estate.

5. A savings plan was devised and members (who by this stage numbered 90) undertook to save a fixed monthly sum, which was pegged to any increase in wages caused by the inflation then rampant in the country.

6. The entire membership took part in the selection of a site at Maipú to the south-east of Santiago. The reasons for the choice were as follows: the low cost of the land, ease of site preparation, transport facilities and the fact that there was sufficient land for the construction of such amenities as a school, swimming pool, gardens, sports field, church, theatre, consumer co-operative, etc.

7. Because of the large area of land acquired, a drive was launched for new members, and as a result the total membership increased to 162.

8. In view of the need for co-operative education in order to imbue each member family with the spirit of the society, a standing education committee was set up. It was given responsibility not only for organising short courses on co-operation, but also for running such activities as a library, a choir, a women's association, holiday schemes, the savings and loans department and a welfare section. One interesting step taken by the committee was to hold family galas on the sports field so as to promote good neighbourliness and help members to get to know each other better.

9. The savings and loans method was used to finance the housing, and a loan of 805,742 escudos was obtained at an (indexed) interest rate of 4.5 per cent. The building site which had been acquired earlier, and was by then almost completely prepared, was treated for the purposes of the loan as a saving by the members.

10. It was decided that the net cost of the housing must not exceed 77.10 escudos per square metre and for repayment of the loan a progressive scale was laid down in accordance with families' incomes.

11. Technical help was sought from TECNICOOP over the actual construction of the houses.

12. With help from TECNICOOP, building materials were selected, having regard to quality as well as economy, so as to ensure that the houses were well built and in accordance with local requirements.

13. Tenders were invited for the building of 162 houses, and five firms applied. The contract was awarded to the firm which offered the best terms and building duly began.

14. The members moved into their new homes. Each house consists of a large sitting-dining room, three bedrooms, a kitchen, bathroom and usual offices.

15. Three additional co-operatives were formed to handle other aspects of the housing scheme, viz. a consumer co-operative, a savings and loans co-operative, and a handicrafts co-operative.

16. A school, church and clubhouse were built and community, health and welfare services set up.

Conclusions

Chilean experience in co-operative housing has shown that, despite their inevitable limitations, the social and economic operations of this type of society are now on a sufficient scale to deserve serious consideration in framing any national policy for overcoming the housing shortage in Latin America.

Compared with the sheer scale of the problem, the Chilean experiment may admittedly seem like a drop in the ocean. But the co-operative approach should rather be thought of as a seed which, if sown in fertile soil and suitably nurtured, "grows and spreads, and sows itself anew"; for the co-operative approach provides the best solution to the housing shortage which, after all, mainly affects the great mass of families in the lower-income groups. This has been shown, for example, in Sweden, where one-third of the total house building in cities has been carried out by the two leading national co-operative organisations; or in Norway, where the co-operatives have worked closely with the Government in avoiding the building of separate estates for manual workers, the elderly, the disabled or large families with low incomes, and have opened their doors without discrimination to all in need of housing (by means of special arrangements with local authorities) so as to create a new type of community living suited to the needs of modern industrial democracy; or in the Federal Republic of Germany, where the co-operative housing movement has played a leading part in reconstruction, especially in rehousing refugees on estates near industrial centres where employment could be found for them.¹

Co-operation, in short, has great potentialities and can do much to overcome the housing shortage, but only on condition that each country's housing policy is designed to create an environment in which the movement can flourish.

Some of the methods required to promote this development in Latin America would entail direct action by governments, while others would require indirect action because, although in principle they are

¹ See I.L.O.: *Housing co-operatives*, Studies and Reports, New Series, No. 66 (Geneva, 1964).

measures that the co-operatives themselves should take, the fact remains that if they are to be effective in underdeveloped countries, adequate government backing is necessary.

DIRECT ACTION

Some examples of the direct action required are—

- (a) recognition of the important part that co-operatives can play in the provision of housing—especially for families in the lower-income groups—and in consequence the assignment of major responsibilities to the movement within a national housing policy;
- (b) appropriate legislation and establishment of machinery to promote the development of co-operatives and give them technical assistance;
- (c) a co-operative education programme, both theoretical and practical, with special courses on the co-operative housing movement;
- (d) provision of adequate finance to make it possible to pursue a long-term policy of cheap credit.

INDIRECT ACTION

The indirect action required consists in providing effective help to the co-operative housing movement by taking the legal, technical or financial measures needed to enable societies to—

- (a) co-ordinate the activities of existing co-operatives by setting up a central body or national federation to pool available resources and experience and watch over the social, technical and economic interests of member societies;
 - (b) organise special short courses to train managers and administrators in the modern techniques employed by the co-operative movement in the more advanced countries;
 - (c) employ national or international credits to finance programmes;
 - (d) eliminate speculation on the housing market by endeavouring to cut building costs through bulk purchase of materials or direct manufacture;
 - (e) rely on self-help and mutual aid whenever possible in order to limit the need for outside finance and thereby speed up the solution of the problems caused by the shortage of housing in Latin America.
-