Acquisition of Land: Speculators or Developers?

Regional Government Response to Acquisition of Urban Land in the Intermediary City of Oruro, Bolivia.

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In the last decade, Bolivia promote strong decentralization and community participation processes, with important challenges for the local authorities as well at the Regional as the Municipal level plus the current public agenda with social demands as high priority, one of them is the access to urban land.

The paper aim to discuss the role of the Regional Government in the case of the intermediary of Oruro where the socio – economic, the cultural and the physical situation are defined by the vulnerability of its economy and considering that for the first time it is involve in shelter problems.

It assume that is not only the lack of social housing policies, the problem is how to respond to organized demand of a group that believe that land is a small capital for the future.

The proposals are oriented to deal with political issues and the social pressure and to ensure that the policies have to respond to the needs and the demands of the urban poor.

Shelter Situation Analysis

General Aspects

Bolivia is part of Latin America, is a country with large area (1.098.581 km2), few population (8.274.325) and high poverty rates (67%)[1]. In the last five years an average income of $ 860[2] was registered, the lowest income per capita in the continent.

Historically the economic base of the country has been mining which registers the greatest contribution to the GNP although in the last years, the export of the agricultural has increased and resources by the export of gas and petroleum are obtained.

The administrative political distribution in Bolivia defines 9 Regions and 327 Municipalities, 70% of the population are concentrated in the Regions of La Paz, Santa Cruz, and Cochabamba. Parallell to the Central Government (executive authorities, Legislative and Judicial) the Regional (Prefect[3] and Regional Council) and Municipal Governments exist (Mayor and Municipal Council). The decentralization process that took more than a decade has been able to overcome the juxtaposition that appears in the roles at municipal and Regional level[4].

The Region of Oruro

The Region of Oruro has 391.870 inhabitants (4% of the country) distributed in 35 Municipalities. Nevertheless, 70% of the population of the Region are concentrated in only four of the 35 Municipalities Oruro, Huanuni, Caracollo and Challapata while the rest have few, poor inhabitants dispersed within their territories[5].

The data among Censuses show fluctuations in the population´s behavior. The data that correspond to the city of Oruro show a negative growth of 0.3 from period 1992 - 2001, while in the rural areas decrease is reflected in the period from 1976 - 1992 and remarkable increase in 2001 (Table 1).

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[1] INE 2003

[2] PULSO 2006

[3] For the first time in Bolivia´s history, the Prefects as head of Regional Government have been elected through direct vote. The political party that is in the National Government eventhough it won with majority in national elections, it just controls two Regional Government of nine existing in the country. One of them is the Government of Oruro.

[4] Because of this, in the paper is mentioned Local Government as both Departamental and Municipal Government.

[5] There are Municipalities with 200 inhabitants that live far each other sometimes at 7 hours distance by car due the lack of adequate communication roads. They have self subsistence economy without any exchange with the region or the country.

Table 1: Region of Oruro: Distribution of the urban and the rural population

	Census 1976	Census 1992	Census 2001
Urbana	158615	222018	201230
Rural	151794	118096	176210
Total	310409	340114	391870

* With the Law of Popular Participation (1995) they define the territory on the basis of Municipalities administratively, information that gathered the Census of the 2001. The previous Censuses just defined urban and rural areas. Source: Own elaboration based on data of Censuses 1976,1992 and 2001.

The ups and downs of the population can be explained because the Region of Oruro is an area of mining production, having the biggest mining reserve of the country.

Because of this specific activity, Oruro has been the more affected by the adjustment policies implemented in 1985, which lowered the price of some minerals in the international market and eliminated the State mining production thus thousands of mining workers and mines employees lost their jobs. With the opening of the market, several transnational companies as well as the cooperatives formed by the ex-workers operate gold and tin. At the moment there maybe existence of petroleum reserves thought not yet confirmed in the Region. In any case, Oruro has been historically a Region with enclave economy that has not generated multiplying effects nor important economic impact in the place.

Nevertheless, its proximity to the border with Chile and, therefore, the possibility of accessing to a port, plus the existence of a main highway and railway network have allowed this Region to constitute an important access to developmental activities in the country.

The City of Oruro

The Municipality of Oruro has 93% urban area and 7% rural area[6], focusing in the urban area it had existed for 400 years and presently have 201.230 inhabitants, 51.3% of whom are women. According to the Poverty Map of 2001, the situation is worrisome, since 38% live in moderate poverty, 12% in indigence and 0,4 in marginality, reaching altogether to 50.8% of population (INE: 2003).

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[6]   The Census 2001 stablished that the population of the Municipality of Oruro reach 215.660 inhabitants. The rural area have 14430 inhabitants.

The city of Oruro has an Index of Human Development of 0,51 one of the lowest in the country, considering its situation as a capital city compared with the upper index (0.69) that corresponds to the city of Santa Cruz[7].

The productive behavior of the city is still related to mining -San José mine and Fundition Vinto are important centers of production in the city-. For two decades, the services sector had greater contribution to the GNP, but activities by self employment like small trade which is mostly illegal are attracting a greater labour force. According to the Chamber of Industry in the last years the government implemented some incentives for the economic reactivation that have not had result[8].

A survey in relation to the perception of the city (Torrico and Reinaga 2003:9) revealed that the people of Oruro have contradictory attitudes on the future since although they do not think that the situation has improved either they continue to participate and/or are interested in the management of the city. A current study on democracy (USAID et.a. 2006:35) found that in Oruro, the percentage of people who are in agreement with the separatist idea of the country has tripled two years in the last. Although this is a minor position in relation to the whole country, this shows that the population feels frustration to have generated so little income and that this has not affected the cycle of the poverty[9].

In the city of Oruro there are 52,578 households, with an average of 4 people. Of these households, 56% have their own house, 22% rent and the rest have access to a house through different modalities[10] (INE: 2003). It is possible that the last ones have a plot, as a small capital because of the low prices of land, however, the building is not a high-priority issue because the vulnerability of the city at any time can demand them to migrate to cities of greater economic dynamics.

In relation to the housing qualitative deficit, 40% are of bad quality and they are reduced to a single room, and due to the high cost that implies the majority of these have not followed the regularization and legalization proceedings, generating

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[7] The United Nation Programme in Bolivia annually develops the Human Develop Report that use the Human Development Index –IDH- as indicador that measure in which the human beings are able to carry on their lives. This capacity depends specially of three universal factors: life expectation, education and basic need satisfaction.

[8] An Exemption Tax Law did not get the goal of industries creation. The few that were created were close in a short time. The Compensation Fund twas also created trying to fix the historic debt that the country has with the Regions that produce minerals like Oruro and Potosí.

[9] In the last time different autonomy proposals have been generated and discused in Bolivia. Eventhough most of them look for the country unite, there are some tendencies to separate the country, specially in the east part of the country. The Report clarifies that this idea in the whole country has decreased in the period of 2004-2006.

[10] "Anticretico" is a solidary financial system in Bolivia. It means that people can get a house given an amount of money to the owner and get back after living two years in the house.

insecurity in relation to tenancy. Considering the situation of basic services, 16% do not have access to water, 11% do not have electricity and 38% do not have sanitation (INE: 2003).

According to Alberto Rivera (2001) Oruro is an intermediary city, that within the framework of the country implies that it has physical capability of growth but there is a slow growth ot its population because of the vulnerability of its economy, then the stagnation in physical growth, characterized by low pressure on the urban land.

A clear example of this situation took place 20 years ago, at the time of structural adjustments, when the land and housing market -prices could be compared to cities with serious economic depression or situation of war-, the economy of Oruro passed a crisis, and it foretold that the city would become ghost city.
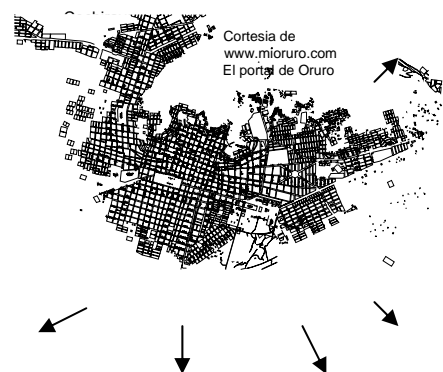
Due to this slow growth, five large estates still exist around the city that although partially was affected by the Agrarian Reform (1952) were not affected by the Urban Reform (1956) due to the carelessnes of the municipal authorities that were responsible for their implementation. These large estates (Chiripujio, Vinto, Sierra Mier, Cochiraya, Chapicollo) had an average of 1000 Has. each one, about 70% of these land has been already sold by landowner. There is also medium property (up to 50 Has.) and great property (up to 500 Has.) [11]. The Map 2 show the location of the large estates.

Map 2: Location of the large estates in the city of Oruro

At the beginning of the present year, in the case of Oruro – similar to others in the rest of the country a group of renters organized the Homeless Movement that is composed by 9000 households[12] at the moment. Knowing the existence of large properties in the city the land occupation initiates massively generating a conflict that has been positioned in the local agenda and has highlight not only the weakness of the Local Government, but the visible challenges that it has to face if it wants to assume seriously the shelter issue in Oruro.

In the current situation, poverty, migration, few expectations to remain in the city that have given rise to a low demand of urban land, practically a market without speculation and an organized group fighting to obtain urban land.

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[11] This información was brought by landowners representatives.

Identification of Critical Shelter Problem

Since January of 2006, and with the new National Government, the redistribution of land in great scale has taken bigger attention in the public agenda, situation that has strengthened social movements called "Land Movement" and "Homeless Movement. The first one located in the rural areas -mainly in the east part of the country with the objective to recover land for productive aims and the second one with the objective to obtain urban land to build a house.

In the case of Oruro, the Homeless Movement has invaded public and private land. They number 9000 households and they have occupied more than 500 Ha. of the city. The public lands belong to Regional Government and private ones belong largely to landowners, some of them by legal instances, have managed to enforce temporary eviction but with the terrible result of one person dead and several wounded.

Although, Regional Government never address these issues it get involved because of two reasons, the first fulfilling the law that respect the private property and the second trying to deal with its own political agenda, the redistribution of land, setting also a dilemma for the its governance: to evict or support the poor people.

The paper tries to elucidate how can the Regional Government respond to the land occupation considering the context of the intermediary city of Oruro.

Analysis of Critical Shelter Problem

We assumed that contradictions in relation to the large demand of urban land exist - made through invasions of organized groups- in an intermediary city that historically grows slowly and whose socio - economic situation is vulnerable and where clarity in roles of Regional and Municipal Governments in relation to the problematic of urban land and house at local level does not exist.

The conflict of Access to Urban land in Oruro

The conflict is very new to characterize it as an addition of interests to obtain a cheap urban land or a articulated action that look to improve the quality of life of tenants, but it is possible to say that Homeless Movement, as a protagonist of the invasions, is the only background in Oruro of urban poor settlers who have organized

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[12] By interview to the leaders of the Homeless Movement, it is known that there are 7 groups that are part of it and that have taken land in three points of the city. The Movement has organized structure and legal status.

themselves to access to urban land and house. One of the reasons for this attitude can be that these issues are considered within the legal framework and the collective conscience as private goods. Definition of "private good" has promoted the self management and self production of human settlements leaving Central and Local Government for a direct intervention.

This demand is a new phenomenon, and still a greater challenge when the same group recognizes that urban land and housing are only the first step of their claims and not the end, and look for an improvement in the quality of life in an integrated view, this statement has not been studied, nevertheless, is the starting point to deepen the analysis and to respond through plans and projects.

Other emptinesses to fill is related to lack of clarity on the political agreements with Central and Regional Governments, either has been analized their origin, the socio-economic situation of the families which compose it, their organizational structure, its property, its resources, their housing needs and demands.

The emergency of the Homeless Movement by the number of people whom it involves has become part of local public agenda, and have made visible habitational problems that can only be solved with the active participation of the State which operate through the Municipal and Regional actions.

Lets review the actions of some stackeholders in the conflict:

Central Government

Through an agreement between the Central and Regional Government the construction of 500 houses for the Homeless Movement has been approved, calls the attention that this offer has been negotiated directly between the authorities of the Viceministry of House and the landowners without taking into account the Homeless Movement, by this it has been rejected, in addition they try to solve the problem for all the group otherwise would be generated an internal conflict. Beyond this offer, the inmediate interest of the group is the access to legalized urban land.

Regional Government

It has the main role in the solution of the conflict. In the beginning great part of the effort was destined to avoid the legal instances that demanded the fulfillment of the forced evictions.

Later and once agravated the conflict has taken measures from organizational arragements, like: a) to empower of the Unit of Basic Services and H[...] area of Regional Department of Infraestructure, b) to develop the fir[...] Housing Law, that wants to assure that 10% of municipal budget go[...] house in the Municipalities of the Region of Oruro, c) develop the Re[...] Plan, d) develop a Social House Project for the Homeless Movement[...] hand, it is in charge to implement the building process of the houses [...] the framework of the Viceministry of House.

Municipal Government

As a result of the conflict of land invasion, the Municipality of Oruro city assumes or rather it has remembered that its specific roles to plan, to elaborate, to execute plans and programs of housing, nowadays through a Decree tries to inventory properties of 1 Has. and to review registration of property rights in order to take them as municipal lands, this action had to be made 50 years ago at the time of the Urban Reform.

On the other hand, it has committed to facilitate the approval of the new settlements without cost, once the lands are legalized, it is not important to discuss the issue nor to approach the work together with other stackeholders.

Landowners

Each landowner is trying to solve the conflict in a separated way, because invasions have affected to them in a different way. Nevertheless, in all the cases they have shown its agreement to sell lands to right prices and long term basis, first, because some households have built precarious houses and are practically settled and second, because lower price implies even great income for them.

The Stakeholders

Since public instances have been responded to the immediacy of the problem, it is necessary to know their interests and potentialities besides to identify other local stackeholders, so that they can also face in the long term not only the problematic of the Homeless Movement, but the poor urban settlements of an intermediary city.

It is not possible to denied that each one of the stackeholders has particular interests to which political factors are added, therefore the Central and Regional Government -of the same political party- are promoting the land redistribution of landowners looking for a social support knowing than this political decision is against the legal framework that guarantees the private property.

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However, this offer would be truncated if the Central Government does not show efficiency in the implementation of the agreement that was signed within the framework of the National Housing Plan that have a reduced budget to implement Social Housing Programmes[13]. And it will be still weaker if the Regional Government which has lost social support and is being questioned, maintains the dilemma - to evict and support- in a permanent way.

On the other hand, the Municipal Government - who is into hands of a different political party and its interest is that resolution or not resolution of the conflict can give an electoral platform in the future- must be public instance nearer the citizens, has much weaknesses in definition of policies as in facilitate mechanisms and procedures.

At least a positive element of the political arena, the three instances have assumed that they must take care of the problematic. The dispute are the limits of the attributions of each one of them, situation that is not clear, because this is the first opportunity to make actions together in the shelter problems. But it is possible to be predicted that social pressure will mark the rate of its actions.

In relation to landowners, conflict has been making visible that in Oruro few families are owners of land, due to their proximity to power and wealth, broke existing laws for half century, as well as their problems have become public: overlap with farmers properties, sale of their land by squatters, unfulfillment of delivery plots to low income people, disputes with local authorities, etc. The existence of large estates probe that the Territorial Ordering Plan or the Urban Development Plan are not useful tools that must be reviewed permanently.

About NGOs' role the city vulnerability has also influenced in the lack of sustainability of programmes that these organizations execute; therefore, is necessary to reveal advances and challenges of these as protagonists of local development. In the case of the local University it has not developed social programmes or research as high-priority and the training does not even approach the reality of the city.

The claims of Homeless Movement requires new re reading of the reality by different stakeholders, as well as adjustments to current social dynamics in the city and the country.

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[13] The Nacional Housing counts on $us. 56 millions, more than 80% which is oriented to the financial market and just 18% to Social Housing Programmes. In general, the scheme is the same than the one implemented in past governments. In the current plan it is not clear financial issues like subsidies, previus savings and credit.

Social Housing Policies at the Local Level

It is recognized that economic structure is determining in the case of Oruro city and shelter issue can not be approached if integrated policies at local level are assumed, in other words, the future in Oruro can not be so uncertain if local development policies that respond to the needs of the population are assumed. However, in this case it would be necessary to start with the following clarifications:

The Periodical Conflict

The characteristics of the contradictory process presented in Oruro suggest that demand for urban land is a periodical issue, therefore the large demand of land would be constituted in a demand by merchandise that hopes in the time to increase its value of change.

If political commitments within Central and Regional Governments and Homeless Movement exist to redistribute the land, must be taken into account that a long time for registration and legalization process can pass, also, the higher cost of proceedings. Thus situation can exhaust mobilizations and social pressure.

It is possible that legal registration of the Homeless Movement would support that demand of land could be permanent, but also it is known that a new social or political conflict -and specifically those related to mining situation- can define a new scenario of public agenda.

Demands of population and Local Government in a new context

The local development in Oruro and the emergency of Homeless Movement, show at least the following points:

- in relation to moments and areas of the community participation in the municipal management, that are not visible nor in formulation of the Annual Plan nor the Municipal Develop Plan are included poor urban population demands,

- the subject of representation of neighbourhood organizations who legally have been recognized, are not valid interlocutors for tenants,

- Local Government (Regional and Municipal) has not assumed its roles in relation to land and social housing, and economic resources are committed until 2009, it is necessary to make changes in Annual Plans and in budget trying to allocate resources.

In spite of deepened processes of decentralization and popular participation, at the moment, modifications to mechanisms of planning and participation are required. Again, the social housing problems have not been taken into account through local

policies and it requires knowledge and exchange experiences for a better understanding.

The Consequences in the future of the City of Oruro

Apparently, situation of an intermediary city with economic depression for a long time demands a deeper analisis to urban economy because it will be continued depending on external factors that determine cycles of mining activities and which they do not generate multiplying effects in the city.

If preventive measures are not being considered, like implementation of the Territorial Ordering Plan, new invasions and precarious settlements would be encouraging, and as it is known, the city of Oruro consolidates slowly and by this, the public investments must wait for an optimal density for the construction of basic and public services, a consequence of this situation would be an important dispersion and slowness of public investment as well as it could cause a chaotic growth of the city.

As a conclution we can say, if we do not have a broad comprehension of reality of the city and within the shelter issue we are not be able to consider alternatives of solution, thus, the cycle of poverty will deepen as well as deterioration of the quality of life of the population of Oruro.

Proposal for change and improvement

The proposals take into consideration the following SWOT analysis about the Regional Government:

STRENGTH	WEAKNESSES
- Political will - Social committment - Strong relationship with the Central Government	- Few experience in public management - Young people with few experience and skills - Less capability to implement projects as a result less public investment - Few undersanding about social housing problems
OPPORTUNITIES	THREATS
- National policies oriented to the poorest - Opposition of the Municipal Government	- Social pressure - National Housing Programmes oriented to the market

It is necesary to remember that Regional Government has a leading role in resolution of conflict, so following proposals aim to change and improve its actions, not only considering Homeless Movement but defining policies for land and housing for the poorest, promoting participation of local stakeholders and involve all Municipalities of the Region of Oruro.

As an adviser my main role is to support the team of the Unit of Housing & Basic Services within the Deparment of Infraestructure trying to ensure that understanding of housing situation in Oruro and use of some tools are first steps to respond with responsibility and efficiency. Of course both also needs organizational arrangements.

So focus should be in:

- Institutional management
- Capacity building
- Development of housing policies and programmes

Institutional Management

All the decisions of the institutional management require political willing, I need to develop a Plan to advocate the Governor and the Regional Council, trying to make the necessary changes at the political level, that include:

- The organizational arrangement of the Unit of Housing & Basic Services that can be implemented in different stages and levels: through increase assigned resources and trained employees and improving the administrative management with elaboration of short and long term Plans.

- For National Housing Plan implementation and its efficient management requires knowledge of administrative mechanisms from the Unit of Housing & Basic Services, involving Central Government in transference of knowledge and monitoring process.

- Considering that election of the Governor allows to guarantee the stability labour of the civil employees is due to elaborate a Programme of Human Resources.

The following actions are part of my responsibilities and also involve institutional management.

- Develop reliable tools that can show socio-economic situation and the habitational demands of the low income groups of Oruro.

- Elaborate habitational indicators system that allows the monitoring to the implementation of the housing policies at local levels besides to allow the advances in the decreasing of the quantitative and qualitative deficits.

Capacity Building

Most of my job is to train technicians of the Unit, I identified the weaknesses and the strengths, as a result some activities I carried on: a) workshops about housing rights and housing policies, b) contribute to organize a Seminar about housing policies with

the support of HDM of Lund University and c) review the indicators to develop a Diagnosis of the Housing Movement.

I emphasized discussion and understanding of National Housing Plan and within the role of Regional Government, not only to support Municipal Governments, but to develop integrated Regional Housing Plan.

There are some issues that need more attention trying to face in a short term the situation of Homeless Movement.

Development of housing policies and programmes

My proposal aim to train the staff in the planning process. At the moment guidelines of Regional Housing Plan are being elaborated; however, it is important to involve communities through Municipal Governments, to identify their weaknesses and strengths and to discuss the methodology to address housing issues.

My main role is to ensure that an integrated Regional Housing Plan become the formal link between the Regional Government and the communities through the involvement of Municipal Governments.

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Action Plan

Matrix 1: Short term Action Plan - 2006

Tasks	August	Sept.	Oct.	Nov.	Dec.
- Develop of tools for improvement Homeless Movement data	x				
- Complet Homeless Movement Diagnosis.	xx	xx	xx	xx	xx
- Workshop Housing human rights in Regional Housing Plan	x	x			
- Workshop Guidelines for Regional Housing Plan		x	x		
- Seminar in Housing Policies				xx	
- Guide elaboration of Regional Housing Plan	xx	xx	xx	xx	xx

Matrix 2: Long term Action Plan. 2007 - 2011

Activities	2007	2008	2009	2010	2011
Diagnosis of housing situation in 35 Municipalities of Oruro Region	xx				
Support implementation of pilot project for Homeless Movement	xx				
Elaborate projects of organized groups that demand urban land and house	xx	xx	xx	xx	xx
Develop and implement habitational indicators	xx	xx	xx	xx	Xx