



## **The housing problem of those with a roof. 25 years of lessons of Neo liberal social housing policies in Chile**

The public financing mechanism of housing subsidy funded by state budget, has facilitated the construction of over half a million social-housing units. These turnkey units have been built on urbanised plots, housing in ownership.

As a result of this financing policy, 20% of the 15 million inhabitants have received a home, thus reducing the housing shortage. The households benefited were predominantly from the first two quintiles of the Chilean population.

Countries throughout Latin America have shown interest in this financing model and several governments are indiscriminately implementing it. This is of some concern, because although a successful model in terms of number of units built it has not been analysed in depth from a quality perspective and, even less so, regarding the social and urban impact that this large-scale production has caused. Recent studies indicate that in the case of social-housing production, quantity has taken precedence over quality, tradition over technological innovation, urban fragmentation over integration; the government/company relationship over user involvement.

Therefore, we have a financing model for social housing which has been successful with respect to number of units built, but at the same time, has very serious limitations regarding the product supplied: the actual housing units, and the urban impact caused. For example, 65% of the families who dwell in social housing developments in Santiago have stated their intention to leave these developments and neighbourhoods where they currently live. They say they want to leave but can't afford anything else. We are facing a serious problem affecting hundreds of thousands of families who are currently homeowners. If twenty years ago housing shortage affected the homeless, today in Santiago it affects families who are homeowners.