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FACILITATING SOCIAL COHESION AND SECURITY THROUGH  
URBAN DEVELOPMENT

Introductory paper for the in-depth discussion prepared by Mr. W. Förster (Austria)  
in cooperation with the secretariat

Background

1. In accordance with the decision of the Committee on Human Settlements, taken at its sixty-first session, to select a specific topic for its annual in-depth discussion, the Bureau of the Committee has decided that at the sixty-second session the focus should be on promoting social cohesion and security through urban development as one of the challenges of the ECE Strategy for a Sustainable Quality of Life in Human Settlements in the 21<sup>st</sup> Century, adopted at the ECE Ministerial Meeting in September 2000. The purpose of the discussion is to outline the main social issues to be addressed by national and regional policies in the field of human settlements development, to explain the main lines of the proposed actions and to give indications on priority directions. This paper was prepared by Mr. W. Förster, member of the Committee's Bureau, in cooperation with the secretariat to assist delegations to prepare for the in-depth discussion. The paper was discussed at the meeting of the Bureau in May 2001.

2. All delegations are invited to prepare written notes on the issues identified in this introductory paper, bring a sufficient number of copies for distribution at the Committee's session and take an active part in the discussion.

## **Introduction**

3. The end of the Cold War and the political upheavals accompanying it have created more opportunities for peace and security in the ECE region. The ECE Strategy for a Sustainable Quality of Life in Human Settlements in the 21<sup>st</sup> Century points out that cities have always represented socially and culturally heterogeneous arenas with a mix of ethnic and cultural heritage. Failure to strike a balance between long- and short-term needs and failure to establish a political, economic and social environment that provides a stable and adequate standard of living, and equal opportunities for all nationalities and ethnic groups in a country would contribute significantly to political instability, ethnic conflict and problems related to refugees and asylum seekers.

4. The Strategy defines social cohesion as both a process and an outcome. It is the ongoing process of developing a community of shared values, shared challenges and equal opportunities within a country or a region. It should be based on a sense of trust, hope and reciprocity among different groups of the population. Social cohesion can also be interpreted as an absence of social exclusion. Social exclusion not only offends against human dignity, it denies people their fundamental human rights. It also leads to marginalization, withdrawal or violence, thereby undermining the democratic foundations of societies.

5. The Strategy stresses the fact that in countries of the central and eastern Europe, transition to a market economy has gone hand in hand with the disintegration of the social services established in the previous period. In many of these countries, social protection has declined considerably, resulting in poor health care, educational and social infrastructure, a degradation of housing and living conditions and increased poverty. Certain groups of the population, such as low-income households, the unemployed, refugees and ethnic minorities, are particularly vulnerable to social exclusion and in some areas live almost in squatter settlements. The rise in poverty is one of the most serious concerns in the region and is a result of growing polarization of development opportunities. Social exclusion means having inadequate housing, receiving unequal treatment and lacking opportunities to participate in social, economic, political and cultural life.

6. Poverty, social exclusion, unequal and divided societies and human settlements can:
- Jeopardize the fundamental values of social justice and human dignity;
  - Generate instability; and, finally,
  - Reverse hopes for prosperity and sustainable development.

Stability, prosperity and sustainable development will be meaningless to people of the ECE region, if they do not lead to a better quality of life in human settlements and if ECE countries cannot integrate social aspects in their comprehensive national strategies for human settlements development. The best way to fight exclusion is not by means of isolated action, but by ensuring that spatial planning, housing and land administration policies take account of the need to promote social inclusion.

## I. SPATIAL PLANNING TO FOSTER SOCIAL INCLUSION, AND ENSURE SECURITY FOR DISPLACED PERSONS AND ETHNIC MINORITIES

7. Over the past two decades three factors have profoundly changed the role of spatial planning in the ECE region: (a) the gradual economic integration of Europe and the enlargement of the European Union; (b) socio-economic reform, the creation of newly independent States in central and eastern Europe and the related increase in migration and the number of displaced persons; and (c) the growing role of local and regional authorities. These three factors will continue to play a role in the future and they have to be seen within the broader context of globalization of the economy and substantial technological changes which accompany this. This impact of globalization is marked by: (a) an increasing internationalization of metropolitan regions as regards both capital and labour; (b) changes in the distribution of responsibilities between the public and the private sector; (c) a stronger role for a few major cities within a country; and (d) social and economic polarization within cities.

8. Although the role of the public sector in spatial planning has changed, and its importance may have decreased due to European integration, the transition process and globalization, it remains to be discussed how planning can still be used to protect low-income groups and ethnic minorities. In other words, what are the responsibilities of different levels of public administration: State, regions, cities? And what consequences do they have with regard to market forces? Is "new planning"(both strategically and physically) intended to offer legal and administrative frameworks rather than concrete programmes (allowing certain developments rather than implementing them), and to present broad options rather than narrow solutions? And, if so, how can we be sure that the needs of minorities are met?

9. The principal set of spatial planning objectives could be presented as: (a) efficiency: restructuring and strengthening backward areas; (b) balance: equalizing living and working conditions among the different regions and urban areas; (c) protection: protection of national, cultural and historical identity in cities and regions. So, spatial planning should try to promote a balanced, polycentric, urban system to avoid the phenomena of excessive concentration and marginalization. It should aim to create in this system an effective infrastructure network which is environmentally friendly and which facilitates cohesion. Finally, spatial planning is needed to protect cultural and traditional values and resources.

10. Social and economic polarization within cities has affected human settlements all over the ECE region, though to various degrees. This phenomenon is not connected to spatial planning alone but has serious effects on the whole urban fabric. Social polarization needs comprehensive strategies – targeting, among other things, the local labour market – and housing can only be one aspect (In fact, policies intended to solve social polarization with slum-clearing programmes or special housing programmes alone have often failed dramatically, shifting problematic groups to other parts of the cities.)

11. In most countries in transition, following the collapse of the centrally planned system of economic and territorial development, the preparation and implementation of spatial planning were initially neglected in favour of the pressing needs to cope with economic and social problems. However, regardless of the name used (planning, plan, strategy), the need and

usefulness of indicative, strategic planning is clear. More than that, countries in transition have to develop a new organizational capacity to manage spatial planning based on the principle of social cohesion, and taking into account the concerns of ethnic and other minorities.

12. There is increasing support for empowerment as a means of integrating disadvantaged groups into social, economic and political life. Spatial planning represents a framework for such empowerment, particularly at the local level. The economic arguments are to reduce dependence on public programmes, to better use human resources by preventing withdrawal, to avoid the risk of disorder and to reduce the cost of containment. Social benefits include motivating people to influence personally the outcome of their lives while working collectively to modernize their communities. The aim is to ensure that dependence should become interdependence and that withdrawal should be replaced by engagement.

13. Issues for discussion:

- (a) How can spatial planning help prevent the emergence of social/ethnic ghettos (practical examples)?
- (b) Should new programmes aim at projects designed exclusively for special groups of the population or at "balanced communities" with a high degree of social integration?
- (c) What policies and actions are necessary to guarantee the acceptance of programmes for special target groups (like refugees) by the majority of the population?
- (d) What are the root causes of the exclusion and what are the problems between residents from different social strata? How can the process of poverty and social exclusion be better understood?
- (e) What type of central government support is needed to ensure the success of community development projects with mixed population groups?
- (f) How can housing policies be integrated into comprehensive practical action against social and economic polarization?

## II. HOUSING ASPECTS OF SOCIAL COHESION

14. In recent years, new challenges have arisen in regard to:

- (a) The availability of social housing (which in different contexts may have completely different meanings);
- (b) The housing situation of weaker population groups, especially migrants and ethnic minorities;
- (c) The potential lack of tenant protection (as a consequence of legislative and economic changes).

15. Whereas the social housing sector has been more or less stable in western European countries over the past decades, the situation of the low-cost rental sector has changed dramatically in most countries in transition. In fact, due to large-scale privatization programmes rental housing has almost disappeared. The consequences of this radical change are now gradually becoming apparent. With virtually no new construction of low-cost rental housing, new households with low incomes have almost no access to adequate housing. This often leads to a concentration of poor households in certain estates or areas and, consequently, to the emergence of social and/or ethnic ghettos, or even to an increase in homelessness. On the other

hand, homeownership has become the dominant legal form of housing tenure in many countries in transition. This has led to the well-known phenomenon of "poor owners", who have received their house at very low cost but cannot afford regular maintenance. In many countries in transition, condominiums must now be seen as a form of social housing, but in many respects (affordability, organization) they do not fulfil these requirements. Therefore, housing condominiums and related policies must be seen in a different light than in western Europe.

16. It is obvious that after more than a decade of practically no new social housing construction, condominium programmes have quickly been developed, but the allocation of responsibilities, financing and organization seem unclear in most countries. So is the role of the different public bodies, as well as their cooperation with the private sector. Housing associations could be seen as the "third pillar" of the housing sector- a combination of public and private housing. This type of housing organization has been successful in many western European countries but still does not exist in most countries in transition.

17. The severe housing shortage and the de facto elimination of rent control (in the now dominant sector of condominiums) have hit certain social groups particularly hard. Displaced persons, and immigrants, who usually lack any financial resources and have no or only limited access to social housing face growing problems. This often results in crowded housing areas that consequently get a bad reputation, and in the further emergence of social and ethnic ghettos.

18. Again, this may be more severe in the case of countries in transition, but it has to be stressed that social and ethnic segregation have occurred in many western European cities as well. Ironically, this may be for two opposing reasons: either a lack of social housing programmes for such groups (leaving them exclusively to face the market realities and often making them victims of speculation), or strongly target-oriented public housing programmes that have led to ghettos as well. Mixed or "balanced" communities are the declared aim of many ambitious programmes, but often these programmes are doomed if they fail to take into account exterior factors (for example, the rapid changes within the global market or unexpected waves of migration). It is urgent, therefore, to discuss the new roles of the public and the private sectors in housing provision for the disadvantaged in a flexible and heterogeneous society.

19. Issues for discussion:

(a) What does "social housing" mean today? Should it be a clearly targeted programme (for the lowest-income households) or should it be seen as a broad approach to avoid spatial segregation? Is it limited to the rental sector, or should it also involve owner-occupied housing?

(b) How can low-rent housing projects be started in countries where new construction of rental housing has (almost) come to a standstill? Which economic and financial instruments have proved to be effective?

(c) What legal forms could/should such projects have (public housing, condominiums, non-profit housing associations, private construction with public subsidies)?

(d) How should local authorities deal with the housing needs of temporarily displaced persons?

(e) What are the responsibilities of the different levels of public administration to ensure tenant participation?

(f) How can the rights of disadvantaged groups (low-income, immigrants, other displaced persons) be guaranteed?

(g) How can housing policies be integrated into broader strategies to reduce social and economic polarization within cities?

### III. BENEFITS OF GOOD LAND REGISTRATION FOR SOCIAL COHESION

20. Good land registration promotes an active land market and efficient land use. It makes possible the security of tenure and the development of a mortgage market. Disputes over land and its boundaries could give rise to expensive litigation and lead to a breakdown of law and order. The land register safeguards the interests of owners but also of those who may have legitimate claims to the land. It ensures the effective functioning of a society where a major source of personal, corporate or government wealth is land and property. Land registration is vital for land management (urban development, agriculture and environment).

21. Sometimes excessive fees and tax systems reduce the willingness of parties to carry out formal transactions. Instead, the informal market grows and the government never sees the revenue it had counted on when deciding on very high fees or taxes.

22. The establishment of legal regulations on real estate in countries in transition is essential for the stability of real property rights, and for ensuring that its transfer is legitimate and transparent. Informal settlements arise from a combination of poverty, deficient national policy framework, corrupt urban governance and lack of an effective and transparent land administration system. In many countries in transition the situation is aggravated by mass migration from rural to urban areas, and the arrival of refugees and other displaced persons. These developments are accompanied by the occupation of agricultural land in the suburban zones of major cities and the subsequent use of that land for the construction of illegal housing.

23. Security of tenure is fundamental for the progressive integration of the urban poor in the city and is one of the basic components of housing rights. Everyone should enjoy a degree of security of tenure and be protected from forced evictions. Granting security in tenure is one of the most important catalysts in stabilizing communities. It helps improve housing conditions through individual investment, reduce social exclusion, improve access to urban services, protect the environment and ensure safety in urban areas.

24. To solve many similar problems, physical planning instruments such as urban development or re-development, re-allocation of land or land consolidation for rural areas, definitely need to be applied. All land re-allocation plans, be it for urban or rural areas, must to the greatest possible extent be based on existing land records (real estate cadastre and land register). Although the land register (ownership, freehold, leasehold, rights in rem, encumbrances, etc.) is needed to determine the exact ownership, real estate maps and records are helpful to determine the shares to be re-allocated to the owners or to be given to occupants, as well as to draft re-allocation plans. In addition, cadastral plans and maps showing the initial land situation serve as a basis for the planning process itself and for any land-related decisions in general. Thus, good land records are vital to foster justice and social cohesion.

25. Issues for discussion:

- (a) How can access to land and the legal protection of property ownership be achieved for all social groups?
- (b) What are the best practices to deal with illegal housing construction?
- (c) What are the best solutions for the public or the private sector to facilitate access of the poor to the land market?
- (d) How to fix levels of fees and taxes that facilitate the effectiveness of formal transaction systems?