

LAND SHARING:

an alternative to slum eviction in Bangkok.

Somsook Boonyabancha.

1. URBAN CONTEXT

Bangkok Metropolis dominates the urban structure of Thailand. Its share of the total urban population of the country has increased from 42% in 1947 to 70% in 1980, now standing at approximately 5 million. Some 1.7 million people in the city belong to households whose income is less than B 3000 per month, which is not sufficient to obtain housing produced by the organized commercial sector. Thus they have to house themselves.

The majority of low income families live in settlements which are locally called "slums". According to the latest survey by the National Housing Authority there are about 440 slum locations in the city, both on private and government land, housing some 1.2 million people.

Slum housing in Bangkok operates on the basis of temporary land tenure. People seeking a building plot obtain permission to rent land for a fixed period. Many have written contracts, others make verbal agreements. Land rents are low and land owners often arrange the supply of water and electricity to the settlements. Including utilities, average expenditures on land rent were about B 100-300 per month, in 1978, 3-5 percent of the family income. The construction of the shelter is arranged by the residents. This is a relatively cheap housing solution, although the environmental conditions in the slums are poor. The marshy land with no drainage or sewer pose serious health hazards and the lack of tenure security discourages people from improving their houses.

2. HOUSING POLICY

In 1977 the Government began a "slum improvement programme" with the purpose of upgrading the settlements and consolidating them into better serviced low income neighbourhoods. The programme provides improved public services, roads, walkways, drainage, electricity and occasionally sanitation components. Part of this investment is recovered from the resident households.

However the policy does not include land tenure consolidation components. Landowners must give permission to the Government to implement the infrastructure installation, and later are free to raise rents or evict the families if the property is redeveloped. The prospect of eviction is a serious threat for the slum communities in Bangkok. The temporary land tenure system makes them vulnerable to the economic pressure of the land market as land owners, both public and private, reassess their strategy of land utilization. There are some 130 slum locations in the city which are currently under the process or threat of eviction, often accompanied by arson, violence and intimidation.

The programme of "land sharing" is a new policy tool to provide tenure security for slum communities.

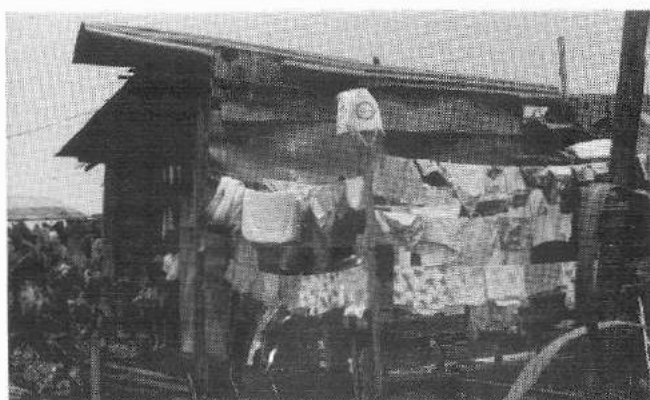
3. THE CONCEPT OF "LAND SHARING"

The concept of land sharing was first proposed by Dr. Shlomo Angel and Thipparat Chirathamkijkul in the paper "Slum Recon-



Elevation of 2 rows of houses after land sharing.





The Wat Lad-Bua-Kao houses before land sharing.

struction, Land-Sharing as an alternative to Eviction in Bangkok" presented in the seminar on "Land for Housing the Poor: Towards the positive Action in Asian Cities" held in Bangkok, January 18-31, 1982.

In the paper, they formulated the following principles for slum reconstruction:

- "(a) Land sharing. The principle of land sharing requires that part of the slum be cleared for the development of commercial properties, and that slum dwellers be rehoused on the remaining part of the site.
- (b) Densification. Rehousing slum dwellers on a smaller plot of land requires an increase in residential densities, either through infilling of vacant plots or through rebuilding of existing structures.
- (c) Rebuilding. In many cases, densification will require the demolition of existing structures and rebuilding at higher densities. High-density row houses will allow for sufficient densities in the majority of cases.
- (d) Community participation. The transformation of existing slums into permanent residential communities will require the active participation of people in decision making, particularly during negotiation, allocation of plots, demolition of structures and reconstruction.
- (e) Cost recovery. For slum reconstruction to be economically feasible, external subsidies must be minimized and cross-subsidies must be maximized. The marketing of commercial properties must generate sufficient surplus to cover the deficit resulting from the people's inability to pay for much of the cost of land and housing."

There are now four different locations in the city where various alternatives of land sharing are experimented with, including Klong Toy, the largest squatter settlement in Bangkok. They are all centrally located neighbourhoods where land prices are high and the commercial pressure for eviction is strong. The cooperative aspects of these projects are summarised in Table 1.

In putting into practice the concept of land sharing a number of technical, legal and economic constraints have emerged. These are:

- a) How to generate a consensus among the conflicting parties as to the proportion of the land to be shared, the price to be paid, the period of resettlement and reconstruction?
- b) How to accommodate all the families on only a portion of the land, what should be the "proper" density, or what is the limit on density?
- c) How to re-establish a new community by strengthening the old one through a number of conflicting processes as well as the housing reconstruction process?
- d) How to arrive at a formula of "self-finance" when the majority of the families are very poor and there is little subsidy component?

The experience in Bangkok shows that these are not predominantly "technical" or "policy" questions. They are in fact the outcome of a negotiation between the residents, the landowner and the public agency (NHA) which mediates the process.

TABLE 1

Project	Sites			Pop. families	Project density fam/acre	Land owner	Key actors of negotiation	Type of housing
	Original acre	Land shared acre	%					
WAT- LADBUAKHAO	4	0.8	20	67	83.7	private	*peoples' organization *NGO *Army *NHA *Local Authority	total reconstruction 63 plots, 35-52m2 self help housing infrastructure
MANANGKASILA	4	1.6	42	200	117.5	public (Treasury Dep.)	*peoples' organization *credit union *Treasury Dep. *Army	total reconstruction 200 plots, 20-40m2 credit union acts as a cooperative and developer for the construction of row houses infrastructure
SAGMONO	2.4	1.6	68	158	97.5	public (Crown Property Bureau)	*peoples' organization *Building Together (NGO) *NHA	total reconstruction 101 plots, 25m2, 2-3 stories row houses construction by NHA infrastructure
KLONG TOY	129.6	77.6	60	5300	68.25	public (Port Authority)	*peoples' organization *NGO *NHA	site and services reblocking plot sizes 40-60m2 infrastructure self-help housing

Because of the "negotiation" character of the process the key factors influencing the implementation are related to:

- Organizational strength and cohesion of the slum community. As the land sharing is an alternative to eviction local residents must develop a unified position towards the land owner. Resistance to eviction should provide sufficient leverage over the land owner to persuade him to negotiate.
- Land owner. Different land owners, private or public tend to respond differently to land sharing proposals. Some public institutions, like the Treasury Department or the Crown Property Bureau are more open than others, like the State Railway of Thailand or the Bangkok Metropolitan Administration. Private landlords are generally difficult, for there is no legal mechanism for enforcing the land-sharing policy, but on occasions they may be cooperative.
- Existing density: The lower the existing density the less proportion of the land will be used by the slum community, giving a better incentive to the land owner to agree to the land sharing proposal. High densities not only complicate the negotiation but require a more organized construction process for the new houses.
- Effective mediators. The role of different mediators, such as community organizers, the Housing Authority, political parties, influential civic figures, or financial supporters are all significant for the achievement of a desirable solution. While the "motives" of each of these mediators may be different a common orientation towards a solution could be a powerful support in the negotiation, largely independent of the overall political climate.

4. PROJECT EXPERIENCE

The Wat Lad-Bua-Kao (LBK) project was the first slum reconstruction experience developed within the policy framework of land-sharing. The community of about 300-400 families lived in this centrally located slum for over 50 years. Most of the people stayed without paying rent, for it was unclear who was the landowner. In 1978 a fire ravaged the whole area but as the ashes were still smouldering the residents moved back to rebuild their houses.

Seizing the pretext of the fire the original owners of the land sold the property to a private development company for 10,000,000 Bahts*. Thereupon, the developer took immediate steps to serve eviction notices to all residents.

Compensation varying from US\$ 26 to US\$ 250 was offered and paid to 219 families totalling US\$ 30,000. For those who refused to leave court action was taken. Thirteen families were taken to court and all of them lost their pleas to stay the eviction.

Since the end of 1979 LBK residents who could not bear the uncertainty, and had alternative choices moved-out, mostly into other slum areas nearby. By the time that the NHA came across their plight through the survey work for a slum eviction study of its Centre for Housing & Human Settlement Studies (CHHSS) in 1981, only about 68 families remained on the land. As a result of exchange of information between representatives of LBK and those of 3 other slum communities with past experience in combating eviction, LBK representatives sent a petition to the NHA to seek its official assistance in February 1982.

* 1 US\$ = 23 Bahts (1984)



The Wat Lad-Bua-Kao community before land sharing.

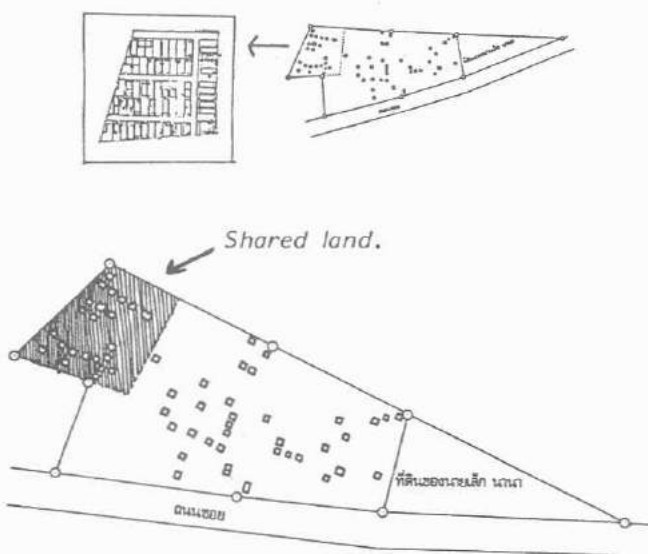


February 1982

Comparison of Wat Lad-Bua-Kao Community before and after land sharing.



September 1983



บริเวณบ้านเดิมก่อนการรื้อเรียนและรื้อย้าย

The location of houses before land sharing.

NHA officials took immediate steps to apply the land-sharing concept and explore the physical and financial feasibility for the residents living there to achieve permanent tenure rights. It was concluded that the following concessions must be agreed to by the landlord:

- the residents be permitted to stay on the site on at least 2 rai (0.32 ha.) area; preferably selling it on freehold to the residents.
- the land must be sold at 500 to 750 Baht per m² in order to meet the resident's abilities to pay-off a mortgaged loan with the plots as collateral.

On the part of the residents; they must concur to the following:

- remove their shelters from existing locations to rebuild on the new part of the site,
- return any compensation received from the landlord,
- and agree to have plots ranging from 40 to 48m² according to their ability to pay.

The NHA would act as the intermediary in negotiations, provide the technical inputs for the project design and implementation, subsidize costs for infrastructure such as walk-ways, drains and arrange for mortgage financing for the land

purchase by the residents. It would also bring in services of the water works, electricity and the like.

After negotiation, 67 families got a piece of land about 2 Rais (3200 m²) for the reconstruction of their new houses and the company could use the rest of the land for their commercial purpose immediately.

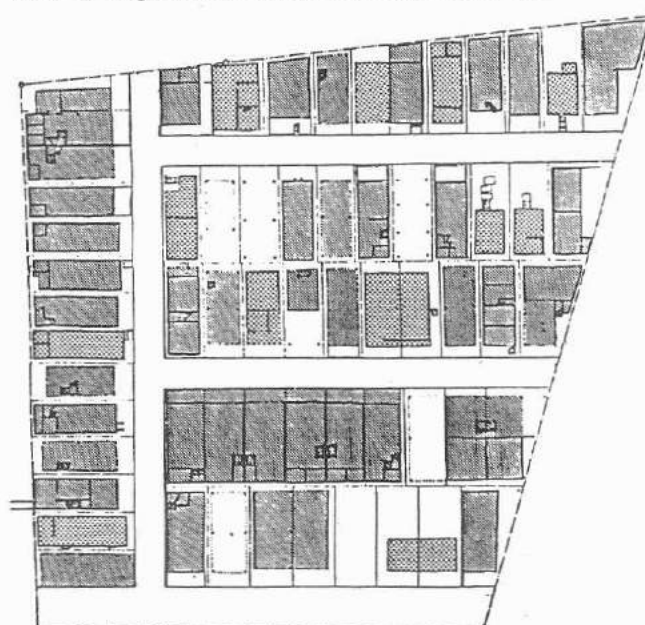
By October 1982, 66 families were allocated plots through balloting conducted by the residents committee which had by then been elected through normal NHA slum upgrading procedures.



Houses under construction.



Plan of regrouped houses on shared land.



ลักษณะอาคารในชุมชน

-  บ้าน ๒ ชั้น 2 storey houses
-  บ้านชั้นเดียว 1 storey houses

The private company, at the same time, was able to develop the other part of the area. By August 1984, 96 units of middle and high income group shop houses and town houses with the cost varying from 700,000 B - 1,000,000 B per unit were under construction and a number of units have already been sold.

5. PROJECT FINANCE

The Government Housing Bank (GHB) granted a loan of 1.6 million Bahts or the equivalent to 87.5 percent of the selling price to NHA; while the rest of 200,000 Bahts is borne by NHA who is responsible for collecting the monthly payments from the residents and repaying it to the GHB. The GHB loan term was 5 years at 14 percent per annum while NHA extends the loan at 15 percent to the residents - charging the one percentage point for overheads. The residents were required to pay a down payment of 8,600 Bahts each over a 6 month period and monthly payments of 530 Bahts per month for the average per family loan of 22,000 Bahts. GHB was reluctant to lend directly to the residents.

TABLE 2 SUMMARY OF COSTS AND BEARERS IN BAHT

Items	Cost('000)	Bearers of Costs ('000)		
		NHA	MWHA	Residents
Land	1,600	—	—	1,600
Transaction Fees	54.1	—	—	54.1
Land-fill	180	—	—	180
Site Development	576.6	576.6	—	—
Electricity Mains	94.6	—	—	94.6
Water Mains	230	—	230	—
	2,745.2		806.6	1,928.6

6. PHYSICAL IMPROVEMENT

The families moved to the project site in February 1983. By September the majority of the units were reconstructed on the basis of individual self-help. The progress of building construction, housing types, utilization of materials, labour and finance is summarized in the following tables.

Table 3 BUILDING CONSTRUCTION

1.1 Complete construction	15 units
1.2 Finished with future expansion	18 units
1.3 Partly finished	15 units
1.4 Under construction	13 units
1.5 Not started	2 units
Total	63 units

Table 5. Use of new and second hand material for construction

Housing components	quality of material		
	totally new	mixed old new	old
1. Structure (footing, column, beams etc.)	28	14	11
2. Floor	13	14	22
3. Wall, partition	12	11	22
4. Roof	32	8	11
5. Toilet	16	5	9
Total	101	52	75

Table 4. Housing Types, Floor area and stories

house area/m ²	no. of house	Single house			Detached house		row house		
		2 stories	2 stories with one floor	one stories	2 stories	2 stories with one floor	one stories	2 stories	2 stories with one floor
0 - 15	5			4					1
16 - 30	10	3	1		1	4	1		
31 - 45	18	6	4	3	1	1	2	1	
46 - 60	8	5	1		2				
more than 60	13	8			2			3	
no construction	3								
total	57	22	6	7	6	5	3	4	1
total number of housing type	54		35			14			5

Table 6. Source of second hand building material

	no. of houses	total
1. Demolished from former houses	37	37
2. Bought		18
1. from neighbours	5	
2. elsewhere	13	
3. By donation		16
1. from people within the comm.	12	
2. from people outside	4	
4. Others	4	4

Table 7. Labour utilization and cost of hired labour

Labour utilization	no. of houses	less than 1,000	1001-3000	3001-6000	6001-9000	9001-12000	more than 12,000
1. family members	9						
2. family members and relatives or friends	16						
3. partially hired	19	5	8	6			
4. totally hired	12	1	1	1	3	1	5
total	56	6	9	7	3	1	5

Table 8. Investment in construction

Investment (B)	No. of families	construction level				
		finished	finished with possible future extension	partially finished	under construction	no construction
less than 1,000	5	1	2	-	2	-
1001 - 5,000	10	2	3	1	4	-
5,001 - 10,000	11	3	3	4	1	-
10,001 - 15,000	2	1	-	1	-	-
15,001 - 20,000	4	-	-	3	1	-
20,001 - 30,000	4	-	2	1	1	-
30,001 - 40,000	4	-	-	2	2	-
40,001 - 50,000	5	1	2	1	1	-
50,001 - 100,000	8	2	5	1	-	-
More than 100,000	3	3	-	-	-	-
Total	57	13	17	14	1	

As the tables indicate, the housing stock is gradually consolidating much above the standards that people had under the insecure land tenure condition. Although more than half of the families spent less than B. 20,000 in cash during the period of Feb-Sept 1983, 32 houses are already two stories high, (the maximum allowed by the NHA standards) and 22 have prepared the flooring for the second level. Most of the houses incorporated second hand building materials and were constructed by family labour.

7. EVALUATION

The progress of the land sharing project in Wat Lad-Bua-Khat was largely due to the strong coordination between the organization of the residents, voluntary technical assistance group, The National Housing Authority, the Local Authority and the Army. While each of these actors may be motivated by different purposes the consensus to achieve a just and lasting solution against eviction proved to be an important objective to work in a positive "problem solving" environment. The fact that this process is tedious and complicated is summarised in table 9.

Table 9. Role of different actors involved in the Wat Lad Bua Khao Project

Tasks	Actors Involved				
	People's Committee	NGO	NHA	Local Auth.	Army
1. People's organization	X	X	X		
		before after			
2. Acquiring land by asking the landlord to sell land at cheap price			X		X
					bargain
3. Land subdivision			X	X	
4. Made decision of the names of people who are eligible for admission	X		X	X	X
5. Land development			X		
6. Site planning and other project planning			X		
7. Infrastructure			X	X	
8. Legal arrangement			X		
9. Granting house registration				X	
10. Moving houses to the area	X		X		X
11. Housing construction	X		X		X
12. Material loan		X			X
13. Community management	X		X		

The strength of the community organization was probably the main element in the successful implementation of the project. This cohesion emerged as a result of the following historical reasons:

- it is an old community established gradually over 50 years.
- people stayed in the area without paying rents and it was understood that the land belonged to an unknown and absentee landlord who never asserted his right to claim the land.
- most of the people work or have businesses in and around the neighbourhood.
- the manner through which eviction was enforced was brutal and insensitive, arousing anger and the feeling of injustice in the community.
- the people had previous experience of organization. They have demonstrated and petitioned the government for their right to stay in the locality.
- meetings with other slum leaders who faced and fought against similar problems of eviction.
- support of non-governmental organizations.
- the initial insensitivity of governmental organizations to address the demands and proposals of the people.

In the process of negotiation, planning and implementation the original, informal community organization was transformed into a more formal decision making structure. They administered the selection of families for the project, the allocation of plots and the control of re-sell of the newly acquired sites. Future maintenance of the project area, assistance in the house construction process and collective pressure to meet the financial obligations are also new spheres of responsibilities of the local organization.

On the whole the land sharing project proved to be a positive experience in Bangkok. Yet, given the large number of slum neighbourhoods in the city the initial four projects represent an insignificant quantitative contribution. Nevertheless the projects are important examples for other slum communities that face eviction threats to press for an alternative solution to forced relocation.

The experience is also an important opening in the way a government agency (NHA) brings the community organizations and non-governmental technical assistance groups into the process of assisting low income households to build permanent communities.

SOMSOOK BOONYABANCHA
National Housing Authority
Bangkok, Thailand.

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