

# CITIES ALLIANCE IN ACTION



## A Policy to Recover Chile's Urban Neighbourhoods

Since the 1990s, Chile's housing policy has promoted robust subsidy programmes to provide shelter and basic services to the poorest segments of its urban population. To overcome housing deficits, the government provided over two million houses for the most vulnerable families in cities across the country. To date, Chile's level of housing subsidies are among the highest in the world.

The government's success in providing decent housing to its low-income population, however, has unexpectedly contributed to other social problems. Also, rising economic inequality in the prosperous Latin American country has made people living in low-income neighbourhoods victims of social segregation. Over the years, housing conditions in these neighbourhoods have deteriorated, crime and violence is on the rise, distrust toward authorities has grown and the absence of community networks has created fissures among residents.

Sensing a need to prevent its cities' social fabric from eroding further, the Chilean government announced the *New Quality Housing and Social Inclusion Policy* in 2006. For the first time, the country spelt out an explicit policy to promote social integration while improving living conditions of the urban poor.

### Neighbourhoods on the Road to Recovery

In 2007, the Ministry of Housing and Urban Development (MINVU) approached the Cities Alliance for assistance with the Neighbourhood Recovery Programme, popularly known as "I Love My Neighbourhood." The Programme focussed on 200 neighbourhoods across the country that demonstrated high levels of physical deterioration and social vulnerability.

The Programme's specific objectives were to recover deteriorating public spaces in cities across Chile, improve environmental conditions, strengthen social relations and create socially integrated neighbourhoods. A multi-sectoral approach was adopted and neighbourhood

**Project:** Support the Implementation of the Programme to Recover 200 Neighbourhoods through Capacity Building and Strengthening Among Local Actors (Municipality and Community) and Public Services

**Partners:** Cities Alliance, GIZ, Ministry of Housing and Urban Development (MINVU)

**Duration:** 2007 – 2011

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improvement projects were designed based on the specific needs of each community. Over a four-year period, the Programme was expected to benefit over 450,000 people.

Working through GIZ, the Cities Alliance worked with municipal teams as well as the national team leading and managing the implementation of the Neighbourhood Recovery Programme. The focus was on three neighbourhoods, and assistance was provided through capacity building in order to enable them to plan, implement and manage the Programme in a participatory manner. Technical handbooks and other planning instruments were also developed and disseminated, seminars and workshops organised and a constant dialogue process held with community leaders. The purpose of these activities was to exchange and disseminate lessons learned from the Programme and develop proposals to improve public policy making.

**"We want a society that is more just, more integrated; we want to defeat exclusions that still persist in our country."**

*Chilean President Michelle Bachelet's announcement regarding the country's new housing and urban development policy; Santiago, 18 July 2006*



As part of the Neighbourhood Recovery Programme, MINVU designed public spaces in neighbourhoods to promote community interaction

### Addressing the Social Aspect of Upgrading

The Neighbourhood Recovery Programme marked a turning point in Chile's approach to urban policy making. The government's earlier focus on physical upgrading of neighbourhoods has evolved into an integrated approach that confronts deeper issues of social segregation, vulnerability, stigmatisation and the breakdown of social relations in vulnerable neighbourhoods. As a policy, the people's right to their city and equality in access to quality public goods, public spaces and other infrastructure is now actively promoted.

In her remarks at the second International Neighbourhood Recovery Forum in 2008, Patricia Poblete Bennett, the then Minister of Housing and Urban Development, said, "The Programme challenged us to innovate a different form of making public policy. For the first time, along with investing in physical works, MINVU dared to work on strengthening the social fabric."

The Neighbourhood Recovery Programme breaks away from Chile's traditional approach of State-led action to joint action by local communities and other city stakeholders. By empowering local residents and community organisations through 'Neighbourhood Development Councils' that help channel the 'recovery' of each neighbourhood, the government is moving towards replacing feelings of dependency fostered by its earlier social policies with active citizenship. Mechanisms to promote debate and feedback between neighbourhoods and municipal governments have also helped reduce the distrust between the people and local authorities. It has also led to an integration of efforts at the municipal level.

Social networks are stronger and neighbourhoods are more socially integrated than before.

### Lessons Learned from Chile's Success Story

The success of the Neighbourhood Recovery Programme demonstrates that it is possible to contain – and, in some cases, reverse – urban deterioration and exclusion through timely intervention. For this to occur, governments should be flexible and open to adopting changes in their approach to policy making. After all, there is no standardised approach to neighbourhood recovery since each neighbourhood is unique and has its own set of challenges and solutions. Further, Programme modalities often change as execution unfolds. The Chilean government's ability to adapt to these changing scenarios has helped it in its mission to contain urban degeneration.

The sustainability of the neighbourhood recovery process is related to the extent to which local communities appropriate its objectives and are involved in defining its scope and implementation strategy. Promoting such active participation is not an easy or smooth process – especially when induced externally by the State, as in the case of the Neighbourhood Recovery Programme. The diversity of communities and organisations also adds to difficulties in consensus building.

For genuine participation to occur, residents must be empowered to define for themselves which parts of their neighbourhood they want to recover and how it should be done. This entails constant communication with residents, motivational activities and sharing the results of their efforts. Values that foster relations of harmony, respect and solidarity become integral to this process.

Over the course of the Programme, local actors themselves became propagating agents for the initiative by exchanging experiences and knowledge with other municipalities and neighbourhood communities. This has significantly contributed to the Programme's success at a national level.