



## **From the National Housing Bank to the My Home My Life Program: reproducing old obstacles in the Housing Policy in Aracaju-SE, Brazil**

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This article comparatively analyzes the policies of the National Housing Bank – BNH, and the Habitation Program entitled My Home My Life, based on the locational logic of subsidized housing complexes in the city of Aracaju-SE, Brazil. In Brazil, two programs deserve special mention: BNH, created in 1964 as the financing body for the construction of social housing, producing thousands of housing units until 2002, opening up expansion fronts for the reproduction of the real estate market. In the second, the PMCMV, initiated in 2009, one of the biggest obstacles is access to urbanized land, with alternative to the occupation of scattered, devalued and deprived areas of environmental sanitation and public transportation. So, it is questioned to what extent the actions of the PMCMV, regarding the dynamics of housing production resemble or are distinguished from those undertaken by BNH? For the development of this, quantitative and qualitative information was collected in public agencies, generating tables and mapping the insertion of the enterprises in Aracaju. Thus, there are coincidences regarding the peripheral and dispersed logic of these sets, highlighting the clear socio-spatial segregation of the lower income strata, in the search for land valuation in function of public and private investments.

**Keywords:** Social Housing; State; Marketplace; National Housing Bank; My Home My Life Program.

### **Introduction**

In Brazil, the housing policy highlights two programs that constitute the funding agencies for the construction of thousands of dwellings: the National Housing Bank [Banco Nacional de Habitação-BNH], which operates from 1964 to 1986, and the My Home My Life Program [Minha Casa Minha Vida Program –PMCMV], created in 2009.

In Aracaju, since the BNH, the housing production has been towards the periphery, and with active participation of real estate agents and effectiveness of their interests in urban expansion. The State abandoned its role of protagonist, to become a mediator and feasible of the real estate sector, especially in the choice of places of implantation of the enterprises. Making the same mistakes, the PMCMV obeys the same logic of capitalist production of social housing by the market, highlighting the clear segregation and socio-spatial exclusion.

At the same time, one of the major obstacles is access to urbanized land, with the alternative of occupying devalued areas and lacking environmental sanitation and public transportation. So, it is questioned to what extent the actions of the PMCMV, in what concerns the production of housing complexes, resemble or are distinguished from those undertaken by the extinct BNH?

Therefore, this article aims to analyze, comparatively, the policies of the BNH, and of the PMCMV, based on the locational logic of the subsidized housing complexes. Aracaju-SE, Brazil. For this, a survey was carried out on projects, visits to the site, as well as the elaboration of tables and cartograms, which reflect the urban sprawl in the process of insertion of these developments.

### **National Housing Bank: the peripherization of housing**

The State has great responsibility in the production of Brazilian cities through the provision of housing units. From 1964, It began a new scenario of policies for low income class starts. Federal Law No. 4,380 / 64, which created the BNH and the Housing Financial System [Sistema Financeiro de Habitação – SFH], with the intention of financing housing and solving the housing deficit. Since then, it has been settled the State Housing Company [Companhia Estadual de Habitação – COHAB] and the National Institute for Guidance to Housing Cooperatives [Instituto Nacional de Orientação às Cooperativas Habitacionais – INOCOOP].

The BNH had as premise to improve the quality of the housing, due to the population increase that the industrialization had provoked. However, the Bank became a state institution that prepared the cities for the



development of the monopoly capital that was being established, because it promoted the use of resources collected by all the workers, through their savings and, also, the Guarantee Fund for Time of Service [Fundo de Garantia por Tempo de Serviço – FGTS].

In Sergipe, the COHAB and the INOCOOP, were established in 1966 and 1967 respectively, and were constituted in the main financing and housing agencies (FRANÇA, 1999). COHAB served families with income between one and three minimum wages [MW], then extending to five, while INOCOOP had attracted those whose income was from 5 to 10 minimum wages. Those who did not have a minimum monthly income, or could not prove it to them, were not considered. In Aracaju, the performance of these institutions occurred between 1968 and 2002 and resulted in the insertion of 67 remote developments, contributing to the breakdown of the urban network (Table 1).

	COHAB		INOCOOP		Total	
	Housing Developments	Housing Units	Housing Developments	Housing Units	Housing Developments	Housing Units
<b>Total</b>	46	20.595	20	6.333	67	26.928

Table 1: Aracaju, Production of Popular Housing COHAB and INOCOOP, 1960 to 2002 \*

Source: Elaboration Sarah França, 2016. Data collected in FRANCE, (1999); CEHOP (2003); CARVALHO (2013); Field Visits; Interviews.

The COHAB has built 20,595 residential units in 47 dispersed housing complexes, contributing significantly to the urban expansion. The first sets were delivered in 1968 and 1969, outside the consolidated network and with precarious access. In the 1970s, the construction of 21 housing complexes (5,732 dwellings) was intensified, inserted in a disjointed and peripheral way.

In the 1980s, the state began to build large-scale settlements, to house a larger population, and to act as a speculator, storing land to intervene in neighboring municipalities (CARVALHO, 2013). Of this period, Gov. Augusto Franco (4,510 dwellings), in the Farolândia neighborhood, the journalist Orlando Dantas (3,656 dwellings), in the São Conrado neighborhood, and Santa Tereza, which originated the neighborhood of the airport, led the expansion to the south, because they are distant from the central nucleus. The opening of Beira Mar and Heráclito Rollemberg Avenues (main access to Augusto Franco and Orlando Dantas), in 1981, ensured the occupation of gaps between these complexes and the nearby districts. The State, compacted with the achievement of real estate profits, valuing the land to be later occupied by developments of the Sergipe construction companies (Figure 1).

From 1990 to 2002, housing production declined due to the extinction of the BNH in 1986 and the state crisis that hit the country. França (1999) recalled that the reduction of federal investments was reflected in Sergipe, with the reduction in projects financed by Caixa financing cut of several projects that were in the Caixa. During this period, federal programs focused more on granting direct credit to the population, encouraging housing self-construction and programs to improve housing conditions, such as Pro-Moradia and Habitar-Brasil.

This period was also marked by expansion outside the municipal boundaries, towards the municipalities of São Cristóvão, Nossa Senhora do Socorro and Barra dos Coqueiros, still with rural characteristics and without adequate infrastructure. The justification was the high value of the land, which made it impossible to construct sets in the urbanized network. Thus, the public power has removed the needy population from areas with infrastructure, public services and job opportunities. Subsequently, the insertion of these houses boosted the occupation in their surroundings, bringing serious obstacles in the environmental, economic and social spheres (CARVALHO, 2013).

Housing production was concentrated in neighborhoods such as Farolândia (south), which received the largest amount (5,518 dwellings), São Conrado (north) with 3,902 units produced, Santa Maria (south), with 2,509 dwellings and finally, Bugio housing 2,263 housing units. This demonstrates urban shredding, which subsequently required the expansion of the infrastructure, further enhancing the empty spaces (FRANÇA, 1999).

On the other hand, INOCOOP built 20 housing complexes with 6,333 new dwellings, attending higher income categories, contributing to the ripping of peripheral tissue, such as the Inácio Barbosa and Beira Rio developments in the Inácio Barbosa neighborhood, and the Juscelino Kubitschek and Sol Nascente developments, in the Jabotiana neighborhood. In this case, 54% of the housing units are apartments, with several blocks of up to 4 floors. Some have been designed with architectural elements such as walls, such as the Mar do Caribe and Mar Mediterrâneo, in the Estrela do Mar, others open as the Estrela do Mar, which persist in this format to the present day (FRANÇA, 2016).

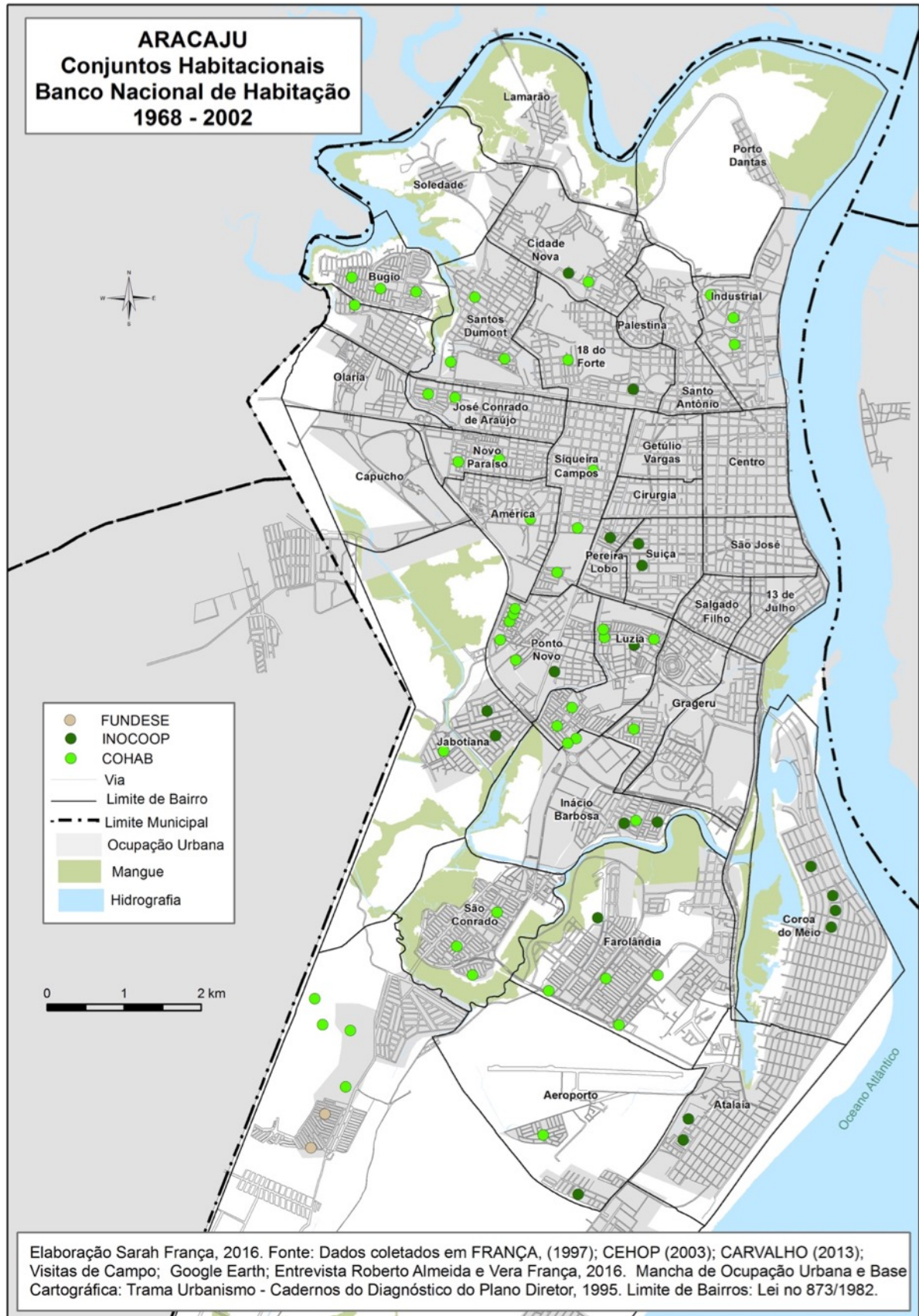


Figure 1: Aracaju, Housing Set, National Housing Bank - BNH, 1968-2002.  
Source: Elaboration Sarah França, 2016.



Another form of occupation took place in the belt of housing communities, in small nuclei directed to the middle income group, in addition to vertical condominiums erected by construction companies (FRANÇA, 1997). In addition, public resources invested in infrastructure valued the land of allotments built for the middle and upper middle classes, located in the southern area.

The hope of "winning a house" brought to Aracaju a large population contingent, in the hope of allying housing and employment, which did not always occur (FRANÇA, 1999). However, those who were not contemplated, with no place to live, occupied empty land, irregular lots, and places without infrastructure. In addition, they occupied environmentally fragile areas, such as riverbanks, mangroves, floodable areas, with serious consequences.

This irregular housing, which corresponds to the spaces that are "left over", which do not interest the formal real estate market, can still be seen around housing estates, as a way of putting pressure on the government to obtain the home. These houses were built in stages, in the self-construction system, without engineering and architecture technical accompaniment, without financing and disregarding land, urban and building legislation, increasing the housing deficit (FRANÇA, 2016).

**My Home My Life Program: a new housing program?**

In the face of the international economic collapse that began in the United States and the Federal Government's willingness to accelerate the growth of cities, in 2009, the Residential Lease Program - PAR [Programa de Arrendamento Residencial – PAR] was replaced by the Minha Casa Minha Vida - PMCMV (Law no. 11,977 / 2009) as a strategy to guarantee access to the housing market with the objective of taking care of the families with income up to 10 minimum wages. In fact, the goal was to leverage civil construction in the midst of the economic crisis that plagued the country.

The financing of the housing takes place through the partnership between constructors and the public sector, through the Union, Caixa and City Hall. The initial goal (PMCMV 1) was to build one million houses in 2 years, the distribution of this number was due to the income levels established by the Program. In 2011, the PMCMV 2 was launched, with a doubling target for 2 million homes for the same period, in addition to presenting revised standards for service by the affiliated municipalities.

In Aracaju, the Municipality joined the PMCMV on April 30th, 2009, with the pronouncement of the then Mayor from that time, stating that "the project will contribute to reducing the housing deficit and increase investment in construction and job creation." The detail was that the construction of the houses would be through the constructors, allowing speed to the works, without limitations and bureaucracies of the public sector (FRANÇA, 2016).

The Program is divided into two service axes: income range between 0 to 3 minimum salaries and 3 to 10 minimum salaries per family. In Aracaju, for the first axis there was a limited production of only 4 projects, located in districts that present infrastructure and public services insufficient and far from the offers of work and public transportation. These 1,262 households correspond to only 12.6% of the total produced, with a small portion of the more than 20 thousand families making up the housing deficit of 2010 (Table 2).

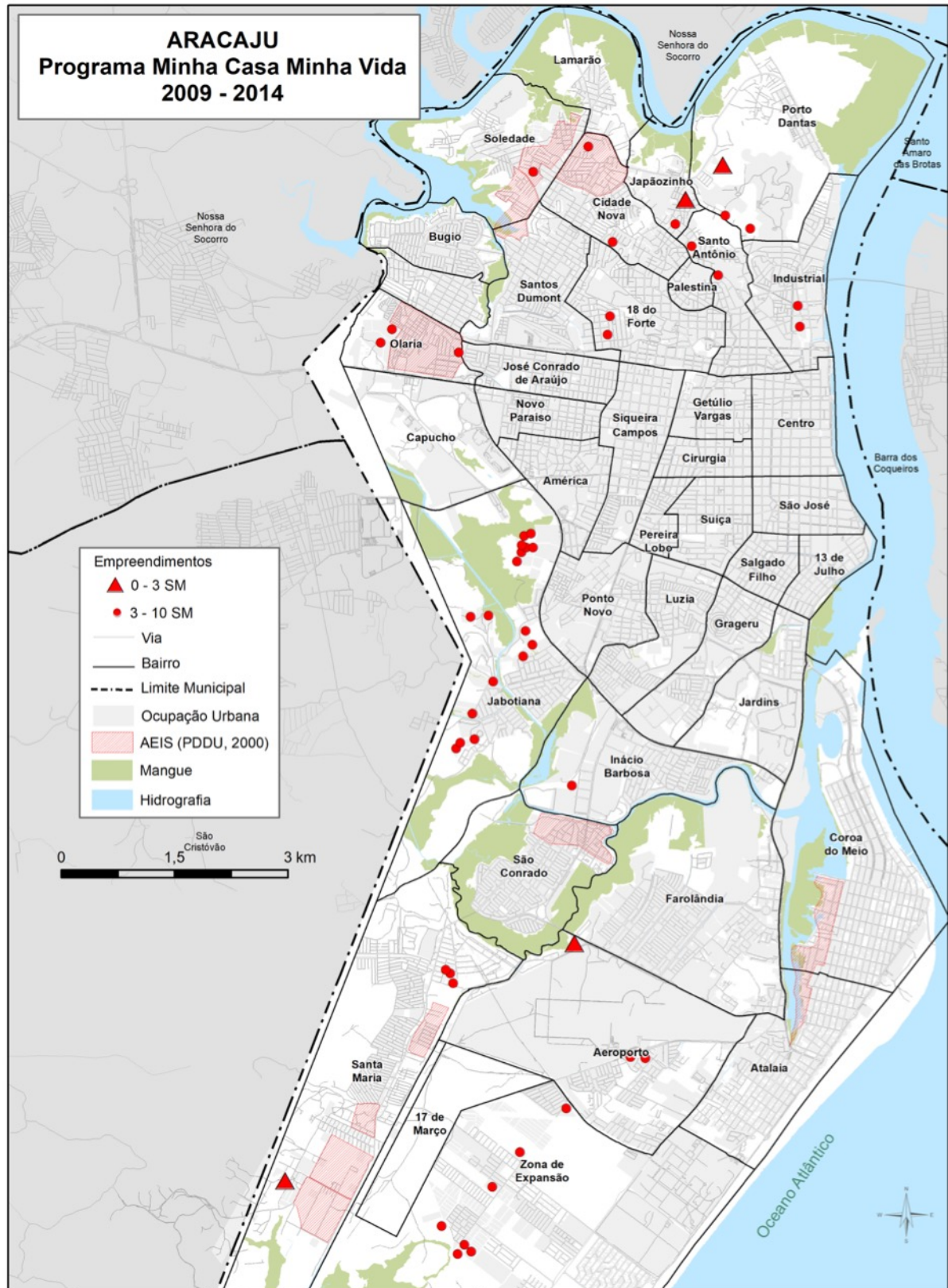
	Up to 3 Minimum Wages	From 3 to 10 Minimum Wages	Total
Housing Developments	4	45	49
Housing Units	1.262	8.724	9.986

Table 2: Aracaju, Programa Minha Casa Minha Vida, Distribution of Enterprises and Housing Units by Income, 2009 - 2014

Source: Elaboration Sarah França, 2016. Data provided by CAIXA (2015).

The small number of projects intended for the 0 to 3 minimum salaries range shows the difficulty in access to urbanized and cheap land to enable the social housing. Therefore, the main obstacle is the pursuit of the real estate market by greater profitability, concentrated in the products intended to the higher income classes, which requires a more incisive action of the State to attend this band (FRANÇA, 2016) (Figure 2).





Elaboração Sarah França, 2018. Fonte: Dados fornecidos pela AIXA (2015). Visitas de Campo; Google Earth; Base Cartográfica: SEPLOG/PMA, 2014. Limite de Bairros: SEPLOG/PMA, 2015. Mancha de Ocupação Urbana/Use do Solo: SEFAZ, 2014.

Figura 1: Aracaju, Programa Minha Casa Minha Vida - PMCMV, 2009-2014.

Source: Elaboration Sarah França, 2016.



Another factor is the institutional and legislative incentives. The Municipal Law No. 93/2009 was enacted, which established flexibility criteria for the enterprises introduced in the ZEIS Special Areas of Social Interest defined in the Master Plan, although these alternatives are not enough to encourage the real estate market to operate in these areas. The lack of articulation by the government to donate public land made it difficult to implement the program in the care of lower income families. those families that receive from 3 to 10 minimum salaries found a greater offer of housing, for the sale to be favorable to the real estate market. There are 45 housing developments in this range, resulting in 8,724 houses spread across several neighborhoods. In total, between 2009 and 2014, 49 projects were built, totaling 9,986 dwellings. The bulk of the population is located in the northern, western and southern portions of the Porto D'Antas, Jabotiana and ZEU districts, covering 6,410 households (Figure 2)

It is important to point out an advance of the projects on the municipal territory of São Cristóvão, approved by Caixa as if they were from Aracaju. Three projects are located on the banks of the São Cristóvão-Aracaju municipal boundaries, closer to the Jabotiana neighborhood, where a large number of housing units built by PMCMV are located (FRANÇA, 2016).

The guidelines established to carry out the PMCMV provided the free choice of land. However, inefficiency in the implementation of land value instruments has led to the occupation of cheap areas, without availability of infrastructure and public services, attenuating the peripherization, as occurred intensely in the district of Jabotiana and ZEU, places of higher real estate growth in last years.

In these localities, mainly in the Jabotiana neighborhood, in the west zone, the PMCMV's concentration of enterprises, in the range of 3 to 10 minimum wages, occurred continuously. Condos were built close to each other, enhancing the impacts of the transformation from rural to urban (sites were replaced by condominiums) and the predominantly horizontal residential use has given rise to vertical housing (Figure 2)

The agents involved in the PMCMV activities (landowners, developers, builders and state) show that the high value of land urbanized is a major obstacle to the progress of the program, which should be que deveria ser enfrentada... with the application of the tools to combat land speculation included in the Master Plan, especially the ZEIS, whose use by the PMCMV was later encouraged through municipal legislation (FRANÇA, 2016).

It is important to observe the effectiveness of PMCMV not only in quantitative terms, as it is exploited by the public power in the media, but especially, qualitative. The data presented here allowed to consider that the contributions of the program to the fulfillment of the right to housing and to the city are insignificant.

**Production of Houses of Social Interest: direction of expansion by the State**

The need for an interlocking of land, housing and infrastructure policies and road system is evident in order to guarantee access to urbanized land, allowing the enterprises to be built ZEIS and to a greater extent for those who are concentrated in the income range of 0 a 3 MW. However, Aracaju does not demonstrate this alliance of public management in the sense of providing a fair and egalitarian city.

The insertion of these ventures in places that present bigger parcels with less value was decisive factor in the choice of location. It is noticed that the concern of the management was associated to the dynamization of the economy by means of the established quantitative targets, than by the real fulfillment of the right to housing. It was observed that the programs studied have had serious impacts, even in relation to those implemented in the surrounding municipalities (FRANÇA, 2016).

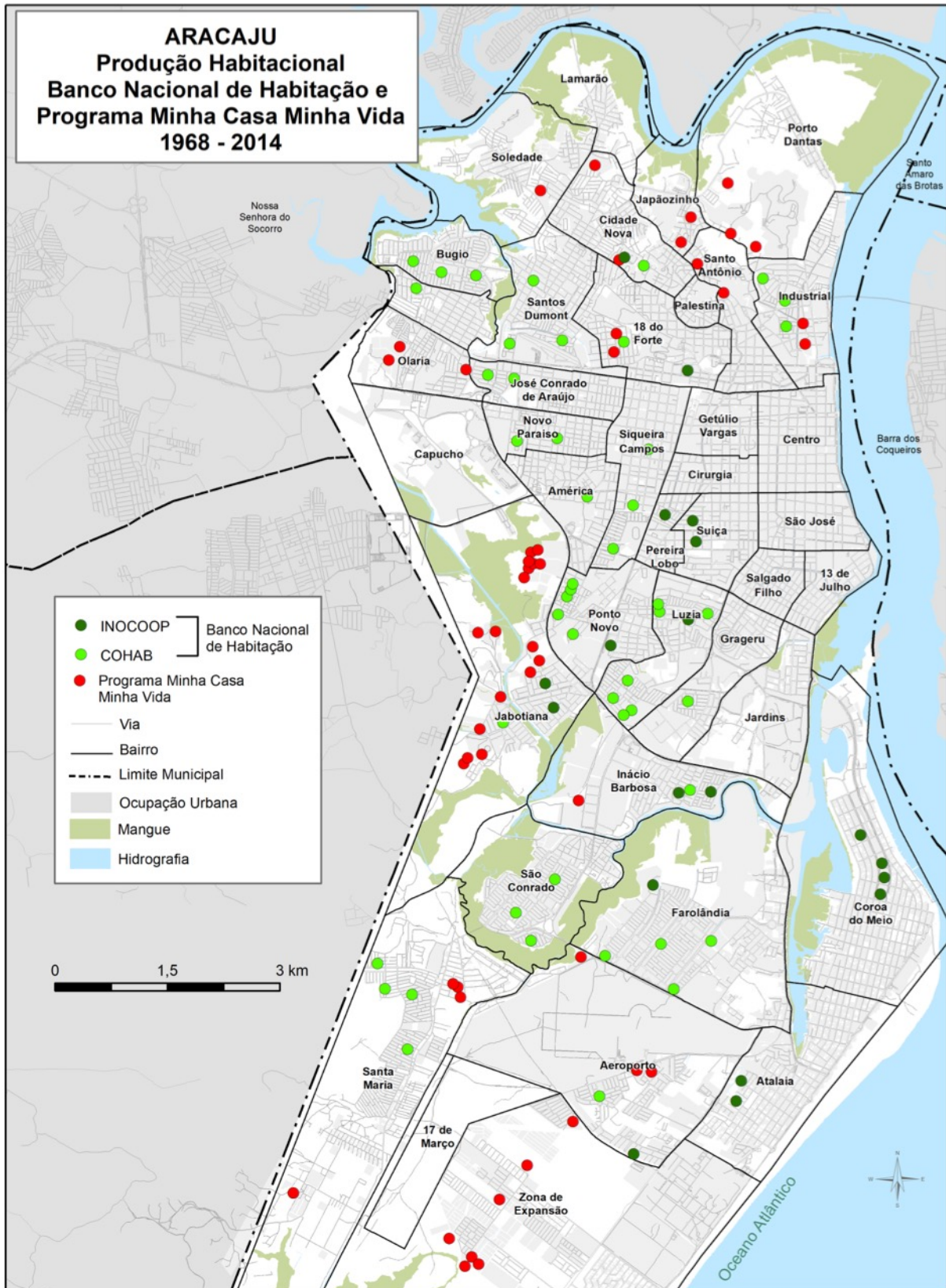
The 116 housing complexes built between 1968 and 2014 were responsible for spatial fragmentation, resulting in an exclusionary and unequal city. There was no concern to engage in the implementation of other policies, such as infrastructure and mobility. In addition, it can also be noticed that the recent PMCMV ventures are more distant from the urbanized neighborhoods than the former BNH-subsidized residential buildings, re-reading the old experiences and repeating the same difficulties (Figure 3 and Table 3).

	BNH		PMCMV		Total	
	Housing Developments	Housing Units	Housing Developments	Housing Units	Housing Developments	Housing Units
<b>Total</b>	67	26.928	49	9986	116	36.914

Table 3: Aracaju, Housing Programs, Enterprises and Housing Units by Neighborhood, 2000-2014

Source: Elaboration Sarah França, 2016. Data collected at the City Hall and State Government; Data provided by CAIXA, (2009, 2015)





Elaboração Sarah França, 2018. Fonte: Dados fornecidos pela AIXA (2015). Visitas de Campo; Google Earth; Base Cartográfica: SEPLOG/PMA, 2014. Limite de Bairros: SEPLOG/PMA, 2015. Mancha de Ocupação Urbana/uso do Solo: SEFAZ, 2014.

Figure 3: Aracaju, Housing Production, BNH and PMCMV, 2000-2014

Source: Elaboration Sarah França, 2016.



The popular housing peripherization was very clear since the BNH period. The recent process continued the expulsion of the low-income classes, extending the occupation out of the urbanized areas and further away from the central neighborhoods than the BNH-funded settlements. The PMCMV is aligned with the same localization strategies adopted by the previous program, distancing the residents of these groups from job offers and from the city with opportunities.

The residential projects of both programs were built in the north, west and south, the latter receiving 13,843 dwellings, equivalent to 37.50% of the total, which reinforces a Santa Maria neighborhoods and Expansion Zone. Analyzing the neighborhoods that have housed the largest amount of housing, it is noted that São Conrado, Jabotiana, Farolândia and Santa Maria account for more than 46% of the total, comprising 17,051 units (FRANÇA, 2016).

As for the housing stock replenishment aspect, these programs have as discourse the reduction of the housing deficit, however, it is not what is verified. The data point to the low effectiveness of care for families with incomes lower than 3 minimum wages, due to the greater difficulty of access to formal housing. The majority of the beneficiaries are in the range of 3 to 10 minimum wages, especially PMCMV which corresponds to more than 90% of the housing offer. This proves the contradictory performance of the program, favoring the segment of higher income, with families from 0 to 3 minimum wages, still lacking the possibility of acquiring their housing. Thus, the same situation that occurred with BNH, with greater employability of resources in the INOCOOP projects, than in Aracaju, financed 67 sets, in contrast to the 47 built by COHAB.

In the speech of the federal government, the PMCMV should meet progressive goals in fulfillment of previous ones, which meant a concern only in quantity of housing, without considering important aspects such as housing quality and the place where these enterprises were inserted. Thus, the rationalization of construction occurs, above all, with the repetition of projects and the construction process, expanding scales and promoting standardization. Unlike BNH, the maximum number of dwellings per enterprise was defined by Federal Law No. 11,977 / 2009, which established a limit of 300 dwellings, in the case of closed condominiums and 500 units in allotments, which is considered an advance in normative terms in the PMCMV. However, builders easily "circumvent" this rule by subdividing projects into stages, but on contiguous land, with the same typologies, constructive solutions, and architectural designs. This practice was identified in the licensing processes, and of the 45 condominiums, 13 were approved in up to 5 stages, totalling 3,567 dwellings, most of them located in the Jabotiana neighborhood and the Expansion Zone (FRANÇA, 2016).

With regard to the quality of housing, both consider only the guarantee of housing (considering the quantity), without taking into account access to infrastructure and public services, further deepening social inequalities. The most recent program deserves severe criticism for directing poor families to peripheral and neighboring areas, deepening the process of segregation and social exclusion and distancing, contradictory to the realization of the right to the city and housing, as guaranteed by the City Statute. In this aspect the PMCMV is considered more aggressive than the BNH of the military that foresaw the removal of the poor to the periphery, but had the idea of the industries and nearby commerce, which did not happen with the recent program, that did not allow commercial activity in its enterprises. That is, a setback.

### **Brief reflection: is PMCMV a replicate model?**

If the PMCMV, in the general scope, evolved in the normative aspect, also reached an amount of housing units *quantidade de unidades habitacionais* much larger than the BNH. In 5 years, 9,986 houses were built, corresponding to 37% of the total financed by BNH in 34 years. That is, quantitatively, the PMCMV was successful. On the other hand, it has regressed on the architectural characteristics of the dwellings and town planning of the enterprise and the environment. It is pointed out, as the main cause, the protagonism of the real estate market in the decisions. The objective of mass profit, violates the right to the city and disregards the quality of the dwellings (in the broad concept), as it applies the quantitative rationality, instead of the qualitative personification of the dwelling and the city.

In an attempt to limit the effects of the economic crisis, as occurred in the 1960s, and repeatedly in the first decade of the twenty-first century, housing policy served to warm up the civil construction sector, inserting it as a determining actor in construction of the dwelling. Considering similarities in the service delivery structure, the families from 0 to 3 minimum salaries that make up the housing deficit, were not reached as the other classes from 3 to 10 minimum salaries. In both, the premise of equating the problematic housing scenario, was not achieved, and there was a sharp chasm between discourse and practice.

The most relevant point is based on the difficulty of access to urbanized land for the implementation of residential groups facing the lower layers, an obstacle that neither the BNH nor the PMCMV were able to face effectively. In contrast, these programs have contributed to aggravate land speculation and social exclusion.





Each new housing complex built in scattered areas, with the justification of the low land value, later implementing infrastructure and road system, with state resources, stimulate land speculation. The population in need of housing, without being able to pay for more equipped areas, moves further, increasing the peripheralisation. There is no doubt that the absence of effective implementation of the instruments to combat speculative land retention and urban real estate and the democratization of access to housing established by the City Statute has contributed, contradictorily, to the rise of the real estate market, for the ineffectiveness of housing policies, and for distancing the fulfillment of the right to the city.

### **Disclosure Statement**

No potential conflict of interest was reported by the author.

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