

Impact of Poor Housing Condition on the Economy of the Urban Poor: Makoko, Lagos State in View

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Abstract

A neighbourhood lacking descent environment in qualitative terms is paying a hidden cost. The study examined the housing quality of Makoko characterized as slum and its influence on the economy of the poor. Structured questionnaires were analyzed using inferential and descriptive statistics. The findings revealed a complex relationship between housing quality and quality of education; cost incurred on health facilities and level of income. These combined related variables impede with the economic enterprise of the urban poor. Poor housing condition was found to be an index of poverty leading to high rate of social delinquency, poor quality education, low economic productivity, negative peer influence on adolescents, ill health condition, retardant enterprising skills and hinders socioeconomic opportunities. It recommended that government should embark on slum upgrading as housing sector is often a parameter for measuring the health or ill health of a nation's economy. It was recommended that Government should make policy aimed at defining environmental and housing quality and provide supervisory agency responsible for monitoring standard and should sincerely embark on slum upgrading and provide physical infrastructure.

Keywords: housing, housing quality, economy, Makoko.

INTRODUCTION

It is universally accepted that housing is the second most important need of man after food (Aluko, 2004). Housing transcends shelter and thus comprises of the facilities and other social services within the environment which links man with his remote and immediate neighbourhood. It encompasses the totality of the environment and infrastructure which provide human comfort, enhance people's health and productivity as well as enable them to sustain their psycho-social or psycho-pathological balance in the environment where they find themselves (Afolayan, 2007). There is no consensus in existing literature as to the exact meaning or definition of housing (Salau, 1990). The most important thing to note in all the secularly argument is that the concept of housing transcend its physical dimension. The quality of life in the urban centers depends to a large extent on the availability of social services including health, education and urban infrastructure. A community that lacks safe, decent and livable housing is actually paying a variety of hidden costs which may hamper with its economic productivity. There is a complex relationship between housing condition with quality of education, health care affordability, level of income, social integration exposure (Smith, 1990; Hauri, Parcel & Hauri, 2001; Payne et.al, 2004; and Rinker 2008). For example, low income may be the cause of poor housing quality and low income may be caused by the lack of good marketable initiatives.

The lack of marketable initiatives may be closely related to lack of sound educational background. The range of health problems which can be attributed to poor housing conditions is large from psychological and physiological effects to specific diseases varying in the degree of associated morbidity. There is a large and significant body of scientific literature that demonstrates convincingly that there are direct causal links between different aspects of poor housing condition and particular health conditions (Smith, 1990; Rinker, 2008; Lugalla, 2003). All these interrelated variables- level of education, health, income, employment opportunity etc associated to poor housing condition have ways of impeding with the level of economic enterprise of an individual on one hand and the economic development of a nation on the other hand. The negative effects of poor housing condition could be manifested in inefficient use of land resources, inequitable distribution of wealth (taxability), poverty accentuation and imbalances in economic development. Housing reflects the cultural, social and economic stance of any given society. (Olukayode, 2003; Oluwuni, Adeyinka & Abegunde, 2004; and Aluko, 2004).

UNCHS (2004) reported that one third of the world's urban population do not have access to adequate housing and live in overcrowded and unserved slums, often situated on marginal and dangerous lands. According to the report, the greatest impact

will be felt in the developing world and nowhere more so than Asia, and Sub-Sahara Africa. In the heat of these obvious and glaring challenges, not until recently, research priorities have mostly been concerned with issue of access to land, affordable housing, and housing finance (Nubi, 2000; Omirin, 2003). Official statements of national housing policy have lacked clear objectives or strategy about housing standards or quality. The emphasis has been on quantity rather than quality.

The performance of the housing sector is often a parameter for measuring the health or ill-health of a nation's economy. Housing is a major part of a nation's wealth, and plays a major role in economic development (Aluko, 2004). The responsiveness of housing affects its ability to act as a countercyclical tool. Mayor (1993) reported that in Chile, a flexible housing supply system helped the housing sector to pull the economy out of a deep recession, while in Malaysia the effects of a rigid supply system and a delayed supply response frustrated the attempt by the government to use housing subsidies to stimulate the economy. Housing plays a significant role in many local and national economies. Housing to the small but influential segment of urban population is an investment as well as a place to live. It stimulates capital formation (Adeniyi, 1985; Ozo, 1990 in Aluko, 2004). Residential real estate accounts for a large share of wealth e.g 33% in U.S. in 2005 and GDP about 11% (Merlo & Rust, 2006 in Alabi, 2007). Study reported by Mayo (1993) shows that each dollar invested in the housing sector gives rise to about two dollars of economic activity in other sector. It was realized that between the period of 1960 and 1970, the building industry accounted for an average of 35 per cent of the total gross fixed capital formation and about 30% of total registered employment in Nigeria (Adeniyi, 1985 in Aluko, 2004).

A growing body of research suggests that good housing condition may provide children with enhanced opportunities for educational success (Scanlon & Devine 2001; Crowley 2003; Rothstein 2004 in Nwaka, 2005; and Kaase 2005). These literatures cited a number of explanations for the association between housing condition and lower educational achievement, including a disruption in children's educational instruction. Disruption of peer relationships and social networks that reinforces learning (Schaff 2002; and Branconi 2001). Educational outcomes appear to be better for children living in higher quality neighbourhoods (Vandiver et al. 2006; Popkin, Eiseman & Cove 2004; Braconi 2001; Rosebaum 1995). In a study of data from the New York City Housing and Vacancy Survey, Braconi (2001) found large negative impacts of crowding. According to his estimate "crowding reduces young males' chances of completing high

school by almost 11 percentage points, and reduces females' by 6 percentage points".

A study in Tanzania by Lugalla (2003) reveals a very close relationship between income and health. The study reveals the close relationship between income and mortality rates of children under five years. Lugalla (2003) citing Kahama *et al.* (1986) shows that households earning up to Tsh. 799 per month, had a mortality rate of 110 per thousand, while those earning Tsh. 2100-3,199 and those earning Tsh. 3,200 and more per month had mortality rates of 64 and 13 per thousand, respectively. The 1994 plague epidemic in India resulted in a fall-off in tourism revenue estimated at U.S \$ 200 million while recent cholera epidemic in Lima, Peru, resulted in an estimated loss three times the expenditure on water and sanitation for the entire country over the preceding ten years (Giles & Brown, 1997 in Kaase, 2005). Makoko has been characterized as lowest slum area in Lagos but no empirical evidence to show how the neighbourhood influences the educational level and economic enterprise of the people living for decades in the area. This paper is aimed at examining the housing condition of Makoko neighbourhood of Lagos State, Nigeria in qualitative form with a view to identifying the impact of such housing condition on the economy of the indigent people

The Conceptual Framework

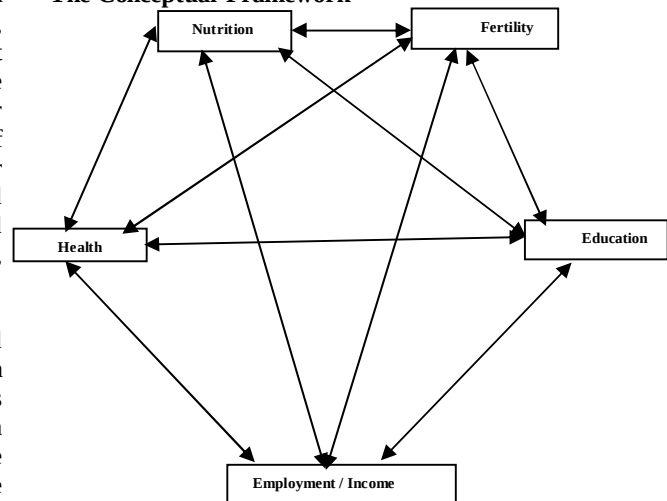


Figure 1: Conceptual framework

Income in the figure1 provides the base upon which health care affordability, level of education, nutritional stability, and productiveness is determined. In general, higher incomes associated with economic development permit greater spending on housing which is in turn reflected in better housing- more durable, with more secure tenure, and with better facilities. The demand for housing quality of housing space is comparatively inelastic with respect to both income and price (Mayo, 1993). The same flows from the conceptual framework, housing

quality response to change in income which subsequently enhances the quality of the environment. The inverted triangular base shows downward decrease and upward increase in income with corresponding downward decrease and upward increase in housing quality respectively. This implies the higher the income, the more the housing quality and the better the components of health, education, nutrition, and productive factors. Study in Tanzania by Lugalla (2003) shows a strong linkage between income and health. In the study, group with higher incomes recorded less mortality rate while group with low income recorded high mortality rate. It is stating the obvious to say provision of appropriate social services and infrastructure will reduce spending on drinking water, high cost of power, and waste disposal which may lead to increase in savings with corresponding increase in investment thereby improve the quality of the environment.

The Study Area

Makoko community sprang up in the early nineteen century. The name Makoko was derived by Egun and Ilaje people with few Yoruba and Igbo people. Land ownership is rested in two families namely the Oloto family and Olaiye family. The Egun and Ilaje people derive their title from the Olaiya family who had bought their portion on fee simple.

Makoko is a riverine community due to its closeness to Lagos lagoon and a good number of the population built their houses on the lagoon where they live. The residents of the area are confronted with severe flooding especially during rainy season. The major occupants of the houses on the lagoon comprise the Eguns, Ilajes, Ijaws and Itsekiri people whose major occupation is fishing. Most importantly, these people have been known to always prefer settling in the coastal areas especially very close to a river and lagoon due to their major occupation. With the ushering in of urbanization, Makoko found itself in a heart of an active commercial urban center which offers diverse opportunities for infrastructural development. Considering the location of this neighbourhood in Yaba Local Government of Lagos state, surrounded by reputable institution and in no much distance with an affluent neighbourhood it stands to wield better prospect. However, this area is in bizarre lowest category of squalor. This has elicited reactions from foreign and indigenous researchers to examine related urban problems associated with such neighbourhood, yet no effort was made to assuage the menace.

METHODOLOGY

This study by classification is an action research which is concerned with local problem and is conducted in a local setting without minding whether the results are generalized to other situation (Yalams & Ndomi, 2000). It is of paramount importance

because the reliability of the findings lies on the form and nature of the information gathered and system adopted in analyzing it. In this research, both primary and secondary data were used. Well-structured questionnaire and interviews were employed as instrument for data collection. Three hundred questionnaires were analyzed using inferential and descriptive statistical tools. It is pertinent to mention that study of this nature engenders social tension and conjure insecurity because of glaring inequalities in social status; this limits the extent of response for the study. However the main thrust of the data obtained are statistically presented and analyzed descriptively and inferentially using SPSS version 16.

RESULTS AND DISCUSSION

Table 1 Distribution of Respondents by Monthly Income

	No of Response	Percentage
Below N10, 000	20	6.7
N11, 000-N20, 000	70	23.3
N21, 000-N30, 000	80	26.7
N31, 000-N49, 000	70	23.3
Above 50,000	30	10.0
No response	30	10.0
Total	300	100.0

Table 1 presents the respondents' ranges of monthly income. About 27% earn between ₦ 21, 000 and ₦ 30, 000, while about 7% are below ₦ 10,000. Defining poverty by Dollar earning capacity is only those earning above ₦50,000 which constitutes 10% of the respondents can be said to be above poverty line. This is affirmative to the findings of Hauri, Parcel and Hauri (2001); Rinker (2008) that there is a complex relationship between housing condition with quality of education, health care affordability and level of income.

Table 2 Distributions of Respondents by Level of Education

	No of Response	Percentage
None	20	6.7
Primary	50	16.7
Secondary	190	63.3
Tertiary	20	6.7
No response	20	6.7
Total	300	100.0

Table 2 reveals that slightly above 63% of the respondents had only secondary education while only about 7% had further their education beyond secondary school. The 7% had no formal education. Housing/neighbourhood quality appears to have positive association both with higher school attainment and some of the behavior indicators that tend to accompany it. Partnership For America's Success reported that just over one in ten children from the poorest families have earned college degrees, compared with more than half among children from the top to fifth of well to do families. To similar effect, Schafft (2002) found that evictions and poor housing quality were perceived by school

administrators as major causes of educational instability. This position was also maintained by Vandivere et al. 2006,; Popkin, Eiseman, and Cove (2004). Their findings revealed that neighbourhood was an important part of children's home environment that can enhance educational achievement through strong social ties, role models and community resources or hinder children's potential through crime, violence and a lack of opportunity. The implication of poor educational attainment hinders employment opportunity and entrepreneur skills.

Table 3: Size of Household

	No of Response	Percentage
2-5	210	70.0
6-10	40	13.3
11-15	30	10.0
16-20	10	3.3
No response	10	3.3
Total	300	100.0

Overcrowding, being defined as having more than two people per bedroom Un-Habitat (2005). The table 3 reveals that above 70% live in overcrowded accommodation as this provide a close link with table 6. Partnership for America's success reported that overcrowded housing where noise from the family members is the norm may affect people's concentration to read at home. Overcrowding is correlated with delayed cognitive development, lower reading skills and behavioral adjustment among school-age children. This is in consonance with Conley's (2001) findings which revealed that household crowding to be significantly negatively related to children's educational attainment, above and beyond that it may be more difficult for children in the study area to find a quiet place to study in an overcrowded home.

Table 4 Respondents Likeness for the Neighbourhood

	No of Response	Percentage
Strongly like	90	30.0
Indifferent	0	0
Strongly dislike	210	70.0
Total	300	100.0

Table 4 reveals the respondents likes and dislikes for the neighbourhood. The result shows that 70% do not want to live in the study area while 30% indicated that they want to stay there. This implies that greater percentage of the people living in that area is not by choice but by economic related factor as indicated by level of income and nature of employment.

Table 5 Reasons for Living in the Area

	No of Response	Percentage
Affordability	30	10.0
Native affinity	20	6.7
Social class	40	13.3
No response	210	70
Total	300	100

Table 5 presents the respondents reasons for living in the study area. The result reveals that 13.3% live in the study area because they feel that is where their social class belong. It is deduced that variation in quality of neighbourhood engender social exclusion. Poor quality neighbourhood can lead the residents to feel socially isolated, in part because they lack many of the basic amenities found in more affluent nearby areas. This induces moral and psychological trounce. The study shows that 10 % choosed to live in the study are because that is where their income can afford them to stay, while slightly above 6% live in the study area because that is the origine of their indiginity.

Table 6: Ranking of Reason for Dislike for the Neighbourhood

	Mean	Rank
High rate of crime	5.00	1
Affect quality of Education	4.87	2
Affect Economic Productivity	4.83	3
Negative Peer Influence on Children	4.79	4
Affect Health	4.37	5
High Cost of Transportation	4.04	6

Table 6 shows the respondents ranking of reasons for not wanting to stay in the study area. The monst ranked factor was foud to be high rate of crime, folowed by poor quality of education, low economic productivity, negative peer influence on children, affect health and high cost of transportation in decending order. Interview carried out at the police post in the study area revealed that an average of ten crininal cases are reported daily at the police station. This has additional cost on the people in reporting to police as well as people reported at the station.

Table 7 Problems Affecting the Neighbourhood

	Mean	Rank
Social vices	4.63	1
Flooding and inadequate drainage of storm water	4.40	2
Presence of litter and illegal piles of solid waste	4.26	3
Inadequate disposal of residential waste water	4.20	4
Unreliable electricity supply	4.14	5
Inadequate solid waste collection system	4.13	6
Poor quality of drinking water	4.12	7
Inadequate disposal of human excreta	4.10	8
Difficult access to drinking water	3.73	9
Nuisance from solid water transfer	3.47	10
Poor access for vehicle	3.44	11
Lack of public transport	2.80	12

Table 7 presents the ranking of problems affecting the study area. This also shows the housin quality of the study area. Social vices ranked first which is in consonance with table a above. Empirical evidence suggests that adolescents raised in such neighbourhoods are more likely to use drugs engage

in delinquent behaviour, and engage in promiscuous activities which may lead to wide spread of

HIV/AIDS. The neighbourhood is characterised by a lot of problems as ranked on the table above.

Table 8 Percentage of Income Expended on the Amenities

Percentage	1-10%	11-20%	21-30%	31-40%	41-50%	Above 50%	Total
Feeding	0	50(18.5%)	80(29.6%)	70(25.9%)	70(25.9%)		270(100%)
Health	80(29.6%)	20(7.4%)	0	60(22.2%)	110(39.2%)		270(100%)
Water	70(25.9%)	90(33.3%)	70(25.9%)	40(14.8%)	0		270(100%)
Education	140(51.8%)	70(25.9%)	60(22.2%)	0			270(100%)
Transportation	160(59.3%)	90(33.3%)	10(3.7%)	10(3.7%)			270(100%)
Sanitary/ building Maintenance	190(70.4%)	60(22.2%)	20(7.4%)				270(100%)

Table 8 shows that health care takes the greater percentage of the respondents. Above 39.2% of the respondents expend between 41% and 50% of their income on health related problem. The percentage spent on health is higher than what is spent on feeding. Empirical findings revealed that there is a strong relationship with housing and neighbourhood conditions and frequency of health related problem. This indirectly adds to cost of living in a slum. The result also affirms that poor housing condition affects quality education looking at the low percentage of income spent on education. Most of the respondents, about 52% spent only 1% to 10% of their income on education. It appears this is as a result of absence of good schools in the neighbourhood compared to the schools found in more affluent areas. In a related study, Vandivere et al. (2006); Popkin, Eiseman & Cove (2004) and Braconi (2001) found that educational outcomes were better for children living in higher quality neighbourhoods. The study cited a number of explanations for the association between housing condition and lower educational achievement, including a disruption in children's instruction, disruption of peer relationships and social network that reinforce learning. Sanitary and building maintenance receives very low percentage as over 70% of the respondents spent only between 1% and 10% of their income on vicinity sanitary.

CONCLUSION AND RECOMMENDATIONS

The study found that there exist a complex relationship between housing condition with quality of education, health care affordability and level of income which subsequently impede the poor's economic enterprise. However, it is difficult to estimate the real cost of these variables directly. The study found that effect can be very negative when people reside in unsafe neighbourhood characterized by crime, violence, and lack of opportunity. The research also revealed that those living in a slum neighbourhood are paying a variety of hidden costs on health, poor quality of education, water, employment opportunity etc which may subsequently affect their economic productivity. The huge amount government spent on malaria prevention and HIV/AIDS if half of it will be spent in upgrading the quality of the environment that will go a long way checking most of these health related problems.

Government should embark on slum upgrading and facilitate affordable housing as this is a clear reflection of a nation's advancement in technology and influence in the global economy. Poor housing condition not only accentuate poverty but also hampers national economic growth by reducing property taxability. More so, the urban poor living in inhabitable housing condition and informal settlements have only bricks and mortar that can be traded as having dead capital which cannot enhance economic enterprise. This study is limited in its findings of the extend of crime in Makoko neighbourhood and such study presents a perceive social exclusion from the indigent people's perception. However the findings can be relied upon for urban upgrading decisions.

Government should make policy aimed at defining environmental and housing quality and provide supervisory agency responsible for monitoring standard. Government should sincerely embark on slum upgrading and provide physical infrastructure. Government should facilitate the provision of affordable housing. The urban poor should embark on community self-help projects such as local construction of open drain and environmental sanitation.

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