

HOUSING AND NATIONAL DEVELOPMENT: THE NIGERIAN EXPERIENCE

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***Abstract:** One of the basic needs of man is shelter but in Nigeria, this basic need is grossly insufficient both in quantity and quality. The inadequacy of housing is prominent both in the rural area as well as in the urban centers and in effect the poor environmental quality across the country. In order to proffer solution to these ugly experiences and intention to making housing available and affordable to all Nigerian, the government has over the years promulgated various housing related laws and policies. This paper examines these policies and their impacts on national development making use of simple descriptive methodologies. We found some relationship among these policies with a conclusion that if all impediments to the achievement of housing for all Nigerians are removed, the housing sector will increase Nigeria Human Development Index, reduce unemployment and poverty among others thus contributing to national development. We recommended a "true" implementation of these laudable policies, checking inflation rate to one digit level so as to ensure relative stability in the price of building materials, provision of reasonable and accessible housing finance, curbing the activities of "the Omo Oniles" (siblings of the land owners) and that the Standard Organization of Nigeria (SON) should be up and doing in waging serious wars on the activities of fake building materials distributors so as to reduce incidence of collapse building.*

Keywords: Environment, Development, Government, Housing, Policy.

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INTRODUCTION

Housing is defined in the National Housing Policy (2012) as the process of providing safe, comfortable, attractive, functional, affordable and identifiable shelter in a proper setting within a neighbourhood, supported by continuous maintenance of the built environment for the daily living activities of individuals/families within the community while reflecting their socio-economic, cultural aspirations and preferences. The World Health Organization (WHO, 1961) also identified housing as the residential environment, neighbourhood, micro-district or the physical structure, including all necessary services, facilities, equipment and devices needed for physical health and social well-being of the family and the individual. Housing in its indirect role serves as the area where the individual becomes capable of experiencing community and private social well-being and shelter and protection against hostile physical forces and disturbances (UNO, 1970).

Housing has also been universally accepted as the second most important essential needs of man. The right to adequate housing is considered a core human right. Housing rights were first universally codified on the Universal Declaration of Human Rights adopted and proclaimed by the UN General Assembly in 1948. Also, the 1976 International Covenant on Economic, Social and Cultural Right which is binding on more than 149 countries including Nigeria also recognized the right of everyone to an adequate standard of living both for himself and his family, including adequate food, clothing and housing and to continuous improvement of living condition. Even, the Nigerian 1999 Constitution also enjoined the Nigerian State to provide suitable and adequate shelter for all citizens.

The success of a man in Nigeria may be measured by his ability to own a house. Housing ownership is the single biggest step on the ladder of upward mobility but it is very difficult. Thus, a vast majority of Nigerians coupled with the burden of macroeconomic problems which are becoming worse over the years could not afford to own a house.

In view of the above, the Nigerian government in the quest for making sure that all Nigerian were not deprived of this important right promulgated several housing policies. This study therefore intends to discuss some of these policies and examine their effectiveness or otherwise towards this objective. To achieve this, data were drawn mainly from the Central Bank of Nigeria's Statistical Bulletin and simple statistical methods were made use of.

Research Questions

This study seeks to provide answers to the following questions:

- i. To what extent has the housing sector contributed to the economic growth in Nigeria?
- ii. Is there any need for policy adjustments towards the Housing sector?

Objectives of the Study

The over-all objective of this study is to empirically determine the effectiveness of the national housing policies towards the provision of affordable and habitable houses for Nigerians.

Specifically, we seek to:

- i. Investigate the nature of relationship between housing and employment in Nigeria.
- ii. Evaluate the extent to which the housing policies have been implemented in Nigeria.
- iii. Examine the share of housing in the total capital expenditure in Nigeria.
- iv. Evaluate the effectiveness of the various housing policies adopted by the government towards boosting the supply of houses for Nigerians.
- v. Suggest policies which the country could adopt in order to boost the contribution of the housing sector to national development.

LITERATURE REVIEW

The relevance of housing can be viewed from the perceptions of different experts in the housing field. For instance, Agbola, (2005) viewed housing as a symbol of man's status, an extension of his personality, a part of his identity, a determination of many benefits and disadvantages of the society that will come to him and his family. According to Onibokun, (1990), it is assumed that low-income people tend to spend a larger portion of their income on housing than the high-income people. In other words, the average propensity to housing is higher for low-income people but lower for high-income people.

Housing need is an expression of human desire for decent and affordable accommodation. It is the quantity of housing that is required to provide accommodation of an agreed minimum standard for a population of a given size, household composition and age distribution (Robinson, 1979). In its immediate definable neighbourhood according to Olatubara, (2007), housing encompasses all the ancillary services and community facilities which are necessary to human well-beings. It is the physical structure that humans use for shelter and the environment of the shelter, including equipment and devices needed or desired for the physical mental, health and social well-being of the household or individual. The services include potable water supply, electricity, heating, ventilation, air conditioning system etc. while the facilities include access road, drainage, sewage, refuse disposal system etc. In its expanded view, housing is both a product and a process. It is a bundle of goods and services with psychological satisfaction.

HOUSING AS AN ENGINE OF NATIONAL DEVELOPMENT

The housing sector is the bedrock of the economy of developed nations. In the more advanced economies like the United States of America, Great Britain and Canada. This sector contributes between 30% and 70% of their Gross Domestic Product (GDP) Investment in housing accounts for 15% to 35% of aggregate investment worldwide. This sector employs approximately 10% of labour force worldwide. The housing sector in Nigeria contributes an insignificant 0.38% to its GDP. These countries rose to become the greatest advanced economies on the tide of housing development.

Homeownership is a measure of household wealth and GDP. It is generally accepted that the standard of housing in a nation indexes its effective economic development; standard of living and its height of civilization. The housing sector has the potential to generate employment, increase productivity, raise standard of living and alleviate poverty. It also has the capacity to reduce crime rate, insurrections, militancy, and terrorism and substantially address wealth distribution as well as security concerns. It is able to achieve this because investment in housing affects all facets of our life through its multiplier effect on economic development through forward linkages to the financial markets and backward linkages to land, building materials, tools, furniture and Labour markets. An example is that the construction of a medium sized (2/3 bedrooms) bungalow is capable of directly creating employment for an average of 76 workers. The number goes up

significantly when the forward and backward linkages are factored into the process. Therefore for a 1000 housing unit scheme of two bedroom bungalows, up to 76,000 workers will be engaged for a period of between 12-18 months.

Accordingly, if in a year 1000-housing unit estate is built in each of the 36 States of the Federation and FCT, we would create a workforce of 2,815,000 per annum. This labour force consists of all professionals in the built environment as well as skilled and unskilled labour namely: Bricklayers, Plumbers, Carpenters, Tilers, Iron benders, Painters, Diggers, Excavators, Electricians, Suppliers of materials, Furniture makers, Food vendors, Block moulders, Security men, Drivers, Horticulturists, Gardeners, etc. At the Presidential Job Creation Summit held on 12th April 2011, the National Economic Management Team (NEMT) declared that through the construction of 5,000 housing units in each State of the Federation, including the Federal Capital Territory (FCT), 14,000,000 Jobs will be created in 12 to 18 months. Therefore, the housing sector of the economy has a tremendous impact on job creation, employment, security, socio-political stability, effective economic growth and development of societies Governments, the world over device various strategies to meet this all important concern. For instance the Vision 20:2020 development plan and Financial System Strategy 2020 (FSS2020) have assigned special roles to the housing sector, expecting it to drive the financial system and contribute not less than 20% to the GDP by the year 2020.

REVIEW OF NIGERIA'S NATIONAL HOUSING POLICY

Efforts of Nigerian government dated back from the colonial period when much priority was on the provision of housing for the government parastatals like the Police, Nigerian Army, e.t.c to the present civilian regime where Transformation Agenda, Vision 2020:20 among others are being implemented to make access to housing easier for an average Nigerian. The following table (table 1) briefly presents some of the efforts of the government over the years.

Table 1: Housing Policies at a Glance

Period	Scheme	Operating Agent	Objectives and Remarks
The Colonial Period up to 1960	(a) African Staff Housing Scheme (b) Savings and Loan Scheme	Lagos Executive Development Board (LEDB)	To promote housing provision.(partial success)
Post Independence Period (1960-1979)	a. Formation of the Association of Housing Corporations of Nigeria b. Establishment of Federal Agencies in Housing and Urban Development c. Establishment of National Council on Housing d. Direct participation of government in housing provision e. Establishment of Rent Panel (1977) f. Setting up Land Use Panel (1977) g. Conversion of the Nigerian Building Society NBS to the Federal Mortgage Bank of Nigeria FMBN	(a-d)The Federal Housing Authority (e)State Rent Tribunals (f) Land Use Panel (g) Federal Mortgage Bank of Nigeria FMBN	(a-d)To provide housing for low-income people as a result of the influx of people to Lagos and Portharcout due to the independence and discovery of crude oil respectively(little success) (e) To review the structure of rent in the country. (not effective) (f) to make land readily available for development (partial success (g) To provide loan to low-income people for housing. (failed)
Civillian Administration (1979-1983)	(a) National Low-Cost Housing Scheme	(a) The Federal Housing Authority FHA	(a) To provide housing for the low-income people. (it was a failure)
Military Regime (1984-1999)	a. Merging of the Federal Ministry of Housing and Environment with the Federal Ministry of Works and Survey to become the Federal Ministry of Works and Housing. b. Evolution of National Housing Programme c. Establishment of the Prototype Housing Programme d. Implementation of the Infrastructure Development Fund IDB e. Urban Renewal and Slum Upgrading Scheme f. Establishment of the Urban Development Bank of Nigeria UDBN g. Launching of the 1 st National Housing Policy 1991	(a-g) Federal Ministry of Works and Housing	(a-g) to ensure that all Nigerians own or have access to decent, safe and sanitary housing accommodation at affordable costs by the year 2000.(It recorded little success)
Civillian Administration (May 1999-May 2007)	a. Liquidation of the Federal Mortgage Finance Ltd and the Restructuring of the FMBN in 2002. b. Setting up the Presidential Technical Committee on Urban Development and Housing	Federal Ministry of Housing and Urban Development and Private Investors	To ensure that all Nigerians own or have access to decent, safe and sanitary housing accommodation at affordable cost with secured tenure through

	<ul style="list-style-type: none"> c. Creation of the Federal Ministry of Housing and Urban Development. d. Private Sector Driven-Housing Provision e. Institutional and Legal Reform f. establishment of Real Estate Developers Association REDAN and the Building Materials and Producers Association of Nigeria BUMPAN, g. Secondary Market and Bond Market Transaction h. Housing Development in the Coastal States of Niger Delta in 2006 i. Federal Govt. Staff Housing. j. Monitoring and Evaluation k. Political Will 		private sector initiative with government encouragement and involvement
Civillian Administration (May 2007-May 2010)	<ul style="list-style-type: none"> a. The Seven Point Agenda (Land Reform) b. Setting up of Land Use Act Review Committee 2007 c. Setting up Presidential Committee on the implementation of Policy on Affordable Housing Delivery 2007 d. The establishment of the Presidential Technical Committee on Land Reform 2009 e. The establishment of the Federal Ministry of Environment, Housing and Urban Development 	The Federal Ministry of Environment, Housing and Urban Development	To remove all controversial sections which impeding the achievement of housing for all Nigerians from the Land Use Act.(It recorded a huge success)
Civillian Administration (May 6,2010 till date)	<ul style="list-style-type: none"> a. Transformation Agenda b. Vision 2020:20 National Technical Working Group in Housing c. Financial Sector Strategy (FSS2020) d. Re-establishment of Federal Ministry of Housing and renaming it as: The Federal Ministry of Lands, Housing and Urban Development 	Federal Ministry of Lands, Housing and Urban Development.	Provision of between 100,000-200,000 housing units annually in collaboration with the states and local government (this does not seem to be realizable because after very close to four years, no much success have been recorded.

Source: National Housing Policy 2012

A REVIEW OF THE HOUSING SECTOR

Over the years, the capital budget for housing has been relatively increasing though at a very insignificant rate until in the mid-2000 through 2007. For instance, it was less than 5% through out the studied period except between 1990 and 1994 when its share as a ratio of the Federal government own total expenditure was 9.02%. This may be as result of the

launching of the National Housing Policy (NHP) in 1991. The goal of the policy was to ensure that all Nigerians own or have access to decent, safe, and sanitary housing accommodation at affordable costs by the year 2020. It was also during this period that the Federal government created new housing structures like the National Construction Policy in 1991 and enacted the following enabling laws;

- Federal Housing Authority Act, 1990,
- National Housing Fund Act, 1992,
- Urban Development Bank of Nigeria Act, 1992
- Urban and Regional Planning Act, 1992,
- Nigerian Social Insurance Trust Fund Act, 1993 and
- Federal Mortgage Bank of Nigeria Act, 1993.

Table 2: Federal Government Budget Estimate (Capital Expenditure)

Years	Housing/Environment N'm	Fed. Govt. Own Total Expd. N'm	Housing as a Percentage of Total Capital Expd. (%)
1980-1984	207.4	7,337.0	2.83
1985-1989	102.5	5,922.7	1.73
1990-1994	1519.1	16,844.5	9.02
1995-1999	4013.3	106,181.6	3.78
2000-2004	999.2	262,674.4	0.38
2005-2007	383,246.5	715,893.0	53.53

Source: Central Bank of Nigeria Statistical Bulletin 2007.

Between years 2005 to 2007, the Housing sector recorded tremendous allocation from the federal own capital budget for it received a whopping 53.53% percent. This may not be unconnected with the establishment of Real Developers Association (REDAN) and the Building Materials and Producers Association of Nigeria (BUMPAN) in the year 2004.

SUMMARY, CONCLUSION AND RECOMMENDATION

The paper presents the policies of the government towards the provision of housing for an average Nigerian. The policies were studied in detail from the Colonial period through the Military period to the present Civillian regime. It was discovered that some of these policies were laudable and complementing one another. Therefore, each succeeding government should promote all good policies of its predecessor most especially those that are related to housing issues. If this is done then, the achievement of a not less than 20% contribution of the housing sector to the GDP as projected in the Vision 2020:20 developmental plans would be feasible, Nigeria's Human Development Index (HDI) ranking will improve, the construction sector and the mortgage market will expand. Housing provision will also significantly reduce unemployment and poverty in households as well as increasing the productivity and quality of lives of the citizens.

Lastly, all impediments to the achievement of this objective such as, administrative bottlenecks, corruption, nepotism, inadequate funding, activities of the quacks in the housing sector, proliferation of fake and substandard building materials, public

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enlightenment, checking the activities of the land sellers most especially the Omo Oniles. (the siblings of the land owners)

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