

# Contradictions in the organization of the housing space of favela in São Paulo

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This article analyzes the contradictions in the housing space organization in a favela of Sao Paulo. I carried out ethnographic fieldwork with 18 months of participant observation, 21 interviews with residents and local workers, and 26 testimonials of the memorial project. In an attempt to make sense and understand this urban social phenomenon, I divided the data into two categories and 16 subcategories, carrying out the analysis based on grounded theory. Considering the spatiotemporal epistemology associated with the theory of organizing, I conclude that in the organization of the favela's housing space, the social struggle for housing coexists with practices like those of a real estate market, although adapted to the reality of the favela. These two phenomena are simultaneously in conflict and nourish each other, making it complex the fulfillment of the right to housing.

**Keywords:** favela; social housing; real estate market.

## Contradições na organização do espaço habitacional de uma favela paulistana

Este artigo tem como objetivo analisar as contradições na organização do espaço habitacional em uma favela paulistana. Para tanto, realizei um trabalho etnográfico com 18 meses de observação participante, 21 entrevistas com moradores e trabalhadores locais e 26 depoimentos do projeto memorial. Na tentativa de dar sentido e compreender este fenômeno social urbano, dividi os dados em duas categorias e 16 subcategorias, analisando os dados embasados na *grounded theory*. Fundamentada em uma epistemologia espaçotemporal associada à teoria de processos de organizar, concluí que na organização do espaço habitacional da favela as práticas de luta social por moradia coexistem com as práticas de reprodução de um mercado imobiliário adaptado à realidade da favela em que, ao mesmo tempo, conflitam entre si, alimentam a existência uma da outra, complexificando a concretização do direito à moradia.

**Palavras-chave:** favela; habitação social; mercado imobiliário.

## Las contradicciones em la organización del espacio de vivienda de una favela de Sao Paulo

Este artículo tiene como objetivo analizar las contradicciones en la organización de la vivienda en una favela de San Pablo. Con este fin, se realizó un trabajo etnográfico de 18 meses de observación participante, se entrevistaron 21 residentes y trabajadores locales, y 26 testimonios del proyecto memorial. Tratando de dar sentido y entender dicho fenómeno social urbano, se dividieron los datos en 2 categorías y 16 subcategorías en el análisis de los datos, puestos a tierra en *grounded theory*. Teniendo en cuenta la epistemología espacio-temporal asociada a la teoría de la "organizing", se concluye que la organización del modo de la vivienda y la lucha social por la misma coexisten con prácticas como las de un verdadero mercado inmobiliario, si bien esto último está adaptado a la realidad de la favela. Estos dos fenómenos ocurren simultáneamente en conflicto y se retroalimentan mutuamente, volviendo más complejo el cumplimiento del derecho a la vivienda.

**Palabras clave:** favela; vivienda social; mercado inmobiliario.

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## 1. INTRODUCTION

The evolution of the city of Sao Paulo and its urban development has been a contradictory process. As the city has grown and competition for urban land increased, spatial segregation and social exclusion took place (Rolnik, 1997). In general, the city of Sao Paulo organized itself around the late industrial capitalist system of the early 20<sup>th</sup> century, based on concentrated capital accumulation in its urban area (Singer, 1987). Currently, the city is organized around informational and financial systems, based on hegemonic organizing processes that work according to their own interests (Fix, 2001). The production of urban space in Sao Paulo was and continues to be segregating (Rolnik, 1997; Caldeira, 2000). However, resistance has also been a part of the city's urban production, and different ways of organizing and experiencing the city blend with the hegemonic values of Sao Paulo.

The creation and spread of the Sao Paulo *favelas* (slums) resulted from the government reallocating lower-income populations to the city outskirts. This process began primarily with government actions to vacate certain areas to build public infrastructure, mainly roads, that would serve the expansion of the industrial city (Sampaio, 1991). Nevertheless, their socio-spatial organization was due to the actions of residents and their relationship with such space, mainly through self-construction. The Sao Paulo *favela* residents spontaneously organized themselves into local leaderships and social movements to ensure their right to housing and to the city in that urban space.

At the heart of the *favela* building process is the right to housing and belonging to the city (Bonduki, 1987; Maricato, 1997; Rolnik, 1997; Brum, 2013). In the first months of field research for the present study, a resident expressed, “we want nothing more than our rights. I just want to be part of the city of Sao Paulo” (Note, 12/12/2014). Housing is a social right guaranteed by Article 6 of the Brazilian Constitution (Brazil, 1988); however, its implementation is not always ensured. In principle, *favelas* have represented a model of urban housing space organization that emerges in resistance to the real estate market and as a way of “imposing” the right to housing with no due legalization.

Nonetheless, the supremacy of capital redefines sense of space in the cities and urbanization becomes a business that favors the appropriation of space, either as a commodity — private property — or as a means of territorial expansion of capital. Therefore, *favelas* have been increasingly re-signified by this logic of capital, adapting some capitalist practices to their realities and contributing — albeit unconsciously — to the territorial expansion of capitalism and the weakening of resistance practices (Harvey, 2005). Thus, the aim of the present study was to analyze the contradictions in how housing space in a São Paulo favela is organized in the current context of commodification of the urban space.

## 2. THE COMMODIFICATION OF URBAN SPACE

“(Social) space is a (social) product” (Lefebvre, 1991:26, our translation). It is the set of relationships, shapes and practices that together produce what we call space; thus, Lefebvre (1991) defended the truism that “social” is inherent to space. According to the author, space is not limited to the reflection of social relations related to capitalist production and urbanization (Lefebvre, 1999). Moreover, space should be understood as a reproducer, product, and producer of social relations. “(Social) space interferes in the mode of production; it is at once its effect, cause, and reason; it changes according

to this mode of production” (Lefebvre, 1999:6). Dialectic space performs the reproduction of social relations of production, while simultaneously creating social relations of production, introducing multiple contradictions to them.

Another author who thinks the dialectic space is Harvey (2005). He developed a general urban theory that is capable of considering space as a key element of the capitalist development process. According to Harvey (2005), the appropriation of space by capital is intrinsic to the geographic and historical materialism process. Furthermore, the accumulation of capital occurs within a geographic context; therefore, spatial organization and geographic expansion are necessary products for the accumulation process. “The more difficult the intensification of capitalism, the more important is geographic expansion to sustain capital accumulation” (Harvey, 2005:46).

In this sense, space is no longer a place for the materialization of human life and is appropriated by the capital. Thus, space itself is capable of creating more capital through speculation, turning the city into a commodity. For the process of urban growth to occur, it is in moments of crisis of capital overaccumulation that capitalism, together with the government apparatus, takes hold of spaces that used to be devalued and begins to value them, thus including them in the logic of capital (Harvey, 2013).

A recent change in the capital accumulation process in contemporary society is the process of urban financialization (Fix, 2001). Rolnik (2016) calls it “the war of places” in her analysis of the relation between financial capital and cities, describing how urban space is transformed into commodity through the construction of the hegemony of personal property and the transmutation of real estate into assets. Therefore, it is essential to understand the process of organizing urban space, which is addressed in the following section.

### 3. THE PROCESSES OF ORGANIZING URBAN SPACE

The epistemology of temporal space is aligned with emancipatory assumptions regarding space (Lacerda, 2015). Lacerda (2015) posits that space is more than static because of interwoven social and material flows, thus pointing to the usefulness of considering how time and space are objectified in organizations, overcoming dichotomies and epistemological constraints. Crang and Thrift (2000) also believe that it is possible to produce a narrative of “how” and “why” space is a central element in organizational phenomena.

However, both categories of space and time tend to be vague, just like the understanding of organization tends to be limited. In an attempt to operationalize the understanding of urban space in contemporary times, the present study is based on the theories of organization processes to understand the relationship and material flows of the social space organization of *favelas*. To this end, it was necessary to understand organization as more than an entity with well-defined structures, which acts rationally and coherently to reach specific goals (Czarniawska, 2010).

Czarniawska (2014) focuses on the importance of organizational processes that consider organizations as temporary reifications. This is because the organizational process never ceases, happening at various places at the same time. This performative outlook that reaches beyond organizations enables us to see how organizations are established and how they occur instead of just looking at how they appear.

On thinking about the relationship between organizations and social space as unfinished processes undergoing production and reproduction, it is also possible to believe that another form of urban production is possible whereby the city is truly for all. Thus, by supporting research in organizing theory, starting from a procedural perspective where organizations can be understood as unfinished organisms or as a context for human action and interaction (Czarniawska, 2010), it is possible to observe how spaces are organized based on the practices of those who inhabit them and how they inhabit it materially. In this sense, the present study presents a reflection on the urban housing organization in an era of city commoditization, based on the case of the Heliópolis *favela*, in the city of Sao Paulo, Brazil.

#### 4. METHODOLOGY

The present study was based on ethnographic principles as the methodological premise used to approach a social reality that is different from that of the author. Ethnographic work concerns itself with the study and representation of a culture or its aspects (Spradley, 1979; Van Maanen, 2011). To be able to approach this culture, ethnography requires field immersions for long periods of time and deep involvement of researchers with the studied field.

Because I had to approach Heliópolis intensely, going beyond physical and social proximity, it seemed appropriate to choose participant observation as the collection method, the method in which ethnography is rooted. I took on multiple roles in Heliópolis: I followed various social projects, attended the local residents' association meetings, worked on practical community activities, visited residents at their homes, etc. I made weekly observations at two times of my research: (i) from September 29, 2014 to December 14, 2015 and (ii) from August 29, 2016 to October 19, 2016, for a total of 18 months. Based on these observations, I produced field notes that were analyzed as the source of empirical research data.

In general, participant observation is complemented with other types of data collection. To this end, 21 interviews with local residents and workers were conducted, totaling approximately 27 hours of audio recordings. All the interviews were recorded with the participants' consent and later transcribed. The names of those interviewed are fictitious.

A *favela* memorial project was also used as a data source. This project tells the *favela's* social story and resulted in a book. Additionally, the testimonials of 26 residents were recorded, in which they tell their life stories, which are intertwined with the history of the *favela* itself. The testimonials were used as a source of secondary data.

Empirical data were analyzed according to the principles of grounded theory. According to Strauss and Corbin (2008), grounded theory is a research process that allows theory to emerge from systematically collected and analyzed data. The first stage of systematic analysis is microanalysis. In this study, this phase consisted of detailed, line by line analysis of each piece of data. Due to the flexible and creative nature of grounded theory, it is not possible to circumscribe when each step was performed. Therefore, during the analysis, both axial and focused coding were performed. These consist in establishing relations between subcategories and refining them until the point of saturation (Chamaz, 2009; Strauss and Corbin, 2008). Thus, of the 87 codes found in microanalysis, 14 subcategories emerged, which led to two categories of analysis, as shown in box 1.

**BOX 1 ANALYSIS CATEGORIES AND SUBCATEGORIES**

Categories	Subcategories
<ul style="list-style-type: none"> <li>• Social housing;</li> <li>• Real estate speculation</li> </ul>	Housing auto constructions; Land invasion; Absence of land; Land legalization halted; Central location; Evictions; High population density; New invasions; Slow building of new housing estates; Weakening of social housing movements; Social rent; Vertical expansion; Purchase, sale and rent by informal contracts (off-the record agreements); Housing as bargaining power.

Source: Elaborated by the author.

Although it is not possible to reduce the complexity of a social theory to a theoretical model, in the following topic I try to demonstrate the contradictions presented by the categories “social housing” and “real estate market” in the organization of the *favela* social space.

**5. CONTRADICTIONS IN THE HOUSING ORGANIZATION OF FAVELAS**

Heliópolis is just like anywhere else. What difference do I see in Heliópolis? [It’s that] we live in a place where there is more than one million square meters per more than 200,000 inhabitants. It’s a lot of people, it’s a lot of people. [Fernando]

The large number of inhabitants in such restricted space is currently one of the most critical issues for Heliópolis. First, there is no more land available for the horizontal expansion of the *favela*. “People don’t wanna leave Heliópolis, but there’s no space to grow here. There’s little space to build new housing” (Note, 3/5/2015). Not only are people unwilling to leave Heliópolis, but they also want to bring their families to live nearby, contributing to the ongoing migration process.

During the process of urban development in Sao Paulo, the migration process of workers coming mainly from northeastern Brazil is historically noteworthy. For Singer (1987), this migration movement meant the displacement of labor supply to where demand grew most. In a segregated city, however, the place for the northeastern “reserve army” that was formed in Sao Paulo was the city outskirts (Singer, 1987), adding to the expansion of the Sao Paulo *favelas* in the 1970s as a response to the lack of housing for these workers. The first dwellers of Heliópolis affirm their northeastern roots in their testimonies.

Dimas’ project was to save some money in Sao Paulo and go back to the town of Pau D’Alho, in the state of Pernambuco, for a better life. He came to Sao Paulo in 1975 and settled in Heliópolis to escape rent. “We bought a little shack from Mineiro and it became what it is today: our home. [Testimonial 2:34]

The Heliópolis *favela* was built in the 1970s on land that had been abandoned by the government and invaded by people coming mainly from northeastern Brazil. Not being able to afford rent was

the main reason for the invasion of these lands and the residents guaranteed their right to housing through self-construction.

Carla: The entire place was invaded here, it was all bare land. [...] Then it was all overrun. My aunt has been living here for 35, 36 years. She took a piece of the land, subdivided it, then there was a piece in the back and then each one built on a piece, right? Nothing here was bought, everything was overrun. Today, people go on and build their *mocós*, they make their houses and sell them.

Researcher: They do what?

Carla: *Mocó*, a small house. They make their little houses, go on and sell them, but everything has been invaded, nothing has been bought. No one has anything in their name. [Carla]

When the dweller says, “no one has anything in their name,” she is referring to tenure or property via land legalization of the lot where Heliópolis is located. “Here in Heliópolis [there are] many houses. None of them belong to whoever says they’re the owner, right? The entire land belongs to the municipality” (Ana), that is, “there is no paper that established that land belongs to her or to any other dweller here in the community” (Marcos). The land legalization process in Heliópolis came to a halt at the municipality, according to the local residents’ association, a long time ago. “Regarding legalization, the chairman of the association stated at a meeting that they needed to know how it was going with the government, and one member of the association replied that the [municipal housing] secretariat is far from everything and Heliópolis is not the only case that has come to a halt (Note, 3/5/2015).

I was intrigued the first time I saw adverts of houses for rent and sale in Heliópolis. On the way to a meeting at the local residents’ association, I walked past the library and in front of the building there was an easel with several yellow sheets of paper inside transparent plastic bags with printed real estate advertisements: “For rent: 2 bedrooms + living room + kitchen + garage: BRL 1,000. For sale: 2 bedrooms + living room + kitchen + garage: BRL 79,000.00. Commercial hall for rent on Estrada das Lágrimas: BRL 1,500.00”. The last ad was quite blurred by the rain: “Commercial space for rent across from Hospital Heliópolis: BRL 1,000” (Note, 2/23/2015).

These amounts seemed to be impracticable in a *favela*. Although the real estate market in the city of São Paulo is one of the most expensive in Brazil, it still did not seem to make sense to pay a one-thousand-*real* rent to live in places often unsafe and unhealthy. “My cousin lives in a bedroom and kitchen, she pays 600 *reais* for a bedroom and kitchen with no ventilation, and seven people live there” (Maria). At the time, I was not used to the housing issues in the *favela* and I found it intriguing that people could rent, buy, and sell houses in a space where there was no ownership guarantee or legal property rights. Carla then explained to me: “So, because they built [the house], they think they own it and so they go and sell it” (Carla).

The issue of land legalization is an obscure point, not only in Heliópolis, but in the entire *favela* phenomenon throughout Brazil. According to Fernandes (2007:39), the issue of land legalization in *favelas* “is almost impossible because the dynamics, high mobility and collective nature of the *favela* phenomenon do not fit the technical and individualistic requirements of civil law”. Additionally, the author states that dwellers cannot legally resort to the acquisitive prescription right in case the *favela* was built through invasion of public land, such as in the case of Heliópolis.

Another issue raised by the author, which I believe to be essential, refers to the individualistic and exclusionary nature of current territorial property rights impacting the organization of *favelas*. According to Fernandes (2007), urban territorial illegality involves not only the dynamics between political systems and land markets, but, above all, the confirmation of an individualistic social system with no effective urban and fiscal policies, which can aggravate the process of real estate speculation in city outskirts, causing socioeconomic impacts for residents. Therefore, legalization programs may end up intensifying the “commodification” of informal settlement areas, sometimes leading to the gentrification of these lands. It should be noted that there is no gentrification in Heliópolis, because there has been no change in the profiles of the favela’s inhabitants, i.e., it has not changed from a poor working-class area into a region inhabited by the middle class (Clark, 2010).

Even in urban illegality, there have been changes in housing relations in Heliópolis that have substantially changed the favela’s socio-spatial organization, leading to the exploitation of some residents, not by the middle class, but by the poor working class itself.

For example, one who has money. There’s a boy down the street from home, he has three houses for rent. When he buys a house, he buys a house that can grow vertically so what does he do? He builds it upward and starts renting. And the people who pay rent are those who is [are] the people who are truly in need. [...] Then, from the moment they saw the municipality was giving this assistance, that rent assistance, which used to be called rent assistance, people began to covet that money. So, what happens is [that] the money they give is so little in relation to this logic that the people who own the house are charging too much. [Maria]

The above excerpt illustrates how the real estate speculation logic is reproduced, even without ownership. “There are a lot of people who come here to take advantage of people. What I see, for example, [is that] there are people who have several houses, they have them for rent and the people who are truly in need are paying this rent” (Ana). At one of the local residents’ association meetings, one of the participants said that “what is happening is the exploitation of the poor by the poor.” He mentioned the names of two people from Heliópolis and went on: “It seems that they are exploiting the people in the housing issue” (Note, 3/5/2015). At another meeting, the matter was also discussed, and people said: “Housing has become a business counter” (Note, 5/8/2015).

These excerpts demonstrate a reversal of values. In the past, *favelas* were built as alternative housing for people in response to the spatial segregation process in big cities. Those who cannot afford to pay rent or buy a house, “were obliged to break the law to have a place in the cities, living with no legal security of tenure, in precarious or even unhealthy and dangerous conditions, [...] and built their homes illegally” (Fernandes, 2007:35). However, even without a title deed, the organizational practices of the *favela* space are currently based on real estate speculation, such as leasing, buying and selling; vertical expansion of houses; slow progress of social housing movements, and even the corrupt relationship between organized crime and the local real estate market.

The lack of title to tenure or ownership is not an impediment for real estate market practices to occur informally. Verbal and “off-the-record” (informal) agreements are respectable types of

agreement. “Rents here, there are no pretty, signed and registered contracts in the entire *favela*. It’s just verbal. Everything is verbal here in the favela” (Ana).

Marcos: Yes, there is no paper defining that land belongs to her or to any other dweller here in the community.

Researcher: And how do people sell or rent houses when they don’t have papers?

Marcos: Yes, then people take the risk. Those who buy it risk everything. It’s a way, it’s a gamble, because the person selling it is not the owner, they make an “off-the-record” agreements. [Marcos]

State interventions were also factors that impacted real estate market practices, such as what happened with the construction work carried out with the help of the Growth Acceleration Program (PAC, as per its acronym in Portuguese). In 2007, urbanization policies were included in the 2007-2010 PAC, in the Social and Urban Infrastructure axis, and a national urbanization policy for *favelas* was one of its proposals. The positive results of the PAC ensured the continuity of the policy into PAC2, between 2011 and 2014. Heliópolis was one of the *favelas* that received most PAC resources in the city of Sao Paulo. Altogether, considering the PAC 2007-2010 and PAC2 2011-2014 resources, the *favela* received BRL 229,782,565.58,<sup>1</sup> according to the Ministry of Planning.

Researcher: What has changed here in Heliópolis with PAC?

Ana: They have fixed the stream, they evicted everyone who lived near the stream, channeled the entire stream, the “Redondinhos” neighborhood exists because of the PAC, ‘cause most of the residents of “Redondinhos”, who used to live along the stream, were in bad shape, and today they have a decent home. [Ana]

“Redondinhos” (in Portuguese, “little round ones” in free translation) are four-story cylindrical buildings destined for social housing, designed by architect Ruy Ohtake, with 18 apartments each. There are 11 building in all, and together they form the Heliópolis residential complex. The apartments are on average 50 m<sup>2</sup> and are mainly intended for families who have been relocated to other places because their houses were built in risk-prone areas within the *favela* (Note, 12/12/2014). Currently, nine buildings are ready and have been inaugurated; 162 families live in the condominium, and 32 families are still waiting for their apartments (Note, 09/18/2015).

“Whoever left first gets the apartment first. We were one of the last to leave, we’ll receive the apartment last,” said the resident Ana. While they wait, these families receive financial assistance to pay rent. “Right. Whoever left the houses and is waiting for the apartment, is waiting for something, is receiving the Rent Stipend (financial assistance for rent). Hence the increase [of the rent price]” (Ana). However, the value of the benefit does not seem to be enough for the market values in the *favela* real estate market. “It’s 400 *reais* a month, [but] rent is 550.00, so you have to pay the rest, you know?” (Maria). By the end of 2015, the Municipal Housing Department of the city of Sao Paulo

<sup>1</sup> Transparency on the Ministry of Planning portal. Available at: <[www.pac.gov.br/obra/25280](http://www.pac.gov.br/obra/25280)>. Accessed on: 31 Dec. 2015.



gave 30,143<sup>2</sup> families financial assistance for social rent. Of these, 3,249 families are in Heliópolis and surrounding regions. Priority is given to residents who have been removed from risk areas or because of urban construction work. “They need to be a priority because there are people who have been paying rent [for] seven years and they have been waiting for a long time. It is also expensive for the public coffers” (Note, 8/5/2015). João stresses that there is not enough “Rent Stipend” to meet all the social demand:

So, there’s social rent and then there is the regular rent people have to pay. And then the owner doesn’t want to hear about it, they just care that there’s social partnership. To them, everyone gets money from the city hall, right? But not everyone does. There are more than 4,000 families [not receiving] waiting. [João]

Before the PAC, rents were very cheap. They were 200 *reals*, 300 *reals*, you could rent a huge house. When we came to live there [in the current house], it was 350 *reals* for the house: two bedrooms, living room, kitchen, bathroom, there’s an aisle, there’s a laundry, the house is huge, and it was 350 *reals*. Then, when the PAC came about, ‘cause the *favela* population discovered that the city hall was paying the rent connected with PAC, then they raised the rent value. But not everyone is helped by the city hall. [Maria]

By improving the *favela* infrastructure, the real estate market quickly appropriates the improvements and commercializes these new spaces. This does not happen in the *favela* alone; other urban districts are also subject to the interests of commercial relations of urban space. However, these practices in a *favela* are especially noteworthy because these territories were first established as a form of resistance to the real estate process itself. Thus, by adopting leasing, buying and selling, and vertical expansion practices as a decisive way of access to housing, the social housing issue becomes increasingly complex.

Nevertheless, new invasions continue to take place, adding another variable to the complexity of the social housing agenda: new evictions. “It’s the latest overruns, most are wooden shacks. Only those in the middle is masonry but is [still] a shack” (João). “There are a lot of new areas in Heliópolis that is considered risk area and there are places that need intervention, maybe even evictions [because of the risk]” (Note, 3/5/2015). One of the residents illustrates the precariousness of the new invasions as follows:

Around [the housing complex] they overran everything, it’s all shacks. So, there are already 600 more families that need to be taken care of. They have already been registered by Cohab [housing projects] and all, but the risk there is imminent for the same thing to happen as in Ilha [specific region of Heliópolis], because what happened—it was called Ilha—yeah, there was a fire there. But it more deaths could happen because the situation is very precarious there. [João]

<sup>2</sup> Transparency on the Habita Sampa portal. Available at: <[www.habitasampa.inf.br/atendimento/atendimentos-realizados/programa-aco-es-de-habitacao/](http://www.habitasampa.inf.br/atendimento/atendimentos-realizados/programa-aco-es-de-habitacao/)>. Accessed on: 30 June 2016.

When there is a need for eviction, the government must offer new housing to the families in return. The City Hall has not even finished meeting old demands; with new invasions, the number of people in situations of vulnerability has just been increasing. Moreover, due to the location of Heliópolis, it is increasingly difficult to keep families evicted in the same region. “We [Heliópolis] are very close to the center and we have no more land to meet all the [social housing] demands” (Note, 8/5/2015).

While these families receive rent assistance, they can choose where to live out of the options in the real estate market. Nonetheless, the housing complexes are not within Heliópolis; usually, they are built at its borders and some families return to the *favela*, even after being given the social apartments. “Oh, there are a lot [of people] who were given, like, “Redondinho”, and sold it. They sold it to be able to live in a house over here, because whether you like it or not, you have your free will in a house, it’s much better” (Maria). The selling of social apartments occurs through informal contracts because the owners remain registered in the government records as the beneficiary of the apartment (Note, 4/13/2015) and “it’s just that they can’t have another [social] house because they’ve already been registered and the registration is unified across the whole country, right?” (João).

Some people in the *favela* considered the housing problem a commercial opportunity, because the demand for housing in Heliópolis is higher than the supply.

There are a lot of people [who pay rent]. I think, today, of the 200,000... I mean, it’s people, right? [who live in Heliópolis] there must be... what? It’s hard to estimate how many families there are here [paying rent], but suppose there were 1,000 families, I think about 300 live on rent, you know? To give you a number, so you understand. [João]

Vertical expansion through self-construction is also another component of the Heliópolis housing scenario that intensifies real estate market practices. “There are people who sell just the slab for people to build on. [...] Or just the top of a house, there are people doing this. There are even little signs that read: Bottom of house for sale, there are little signs like this” (Maria). This solution emerged from the lack of land available for construction and the growth the population density in *favelas*. For Somekh (1997), verticalization is the multiplication of urban soil. In the case of *favelas*, the main idea around verticalization is the permanence of residents, solving the need to move to other areas of the city, “solving” the delay and discontinuities of government proposals for housing problems, together with the reduction of spaces available for occupation. Residents have created a new type of verticalization where the slab reproduces the soil for self-construction. “I left Alegria street. I was one-month pregnant with my daughter. She’s going to be four years old on April 11th, so we’ve been waiting to get the apartment for four years and nine months” (Ana).

He buys, for example, I have my house, let’s suppose. Then someone notices my house can grow vertically. They buy my house, in this case, and build on top of it and there are a lot of houses for rent. So there are a lot of people, I’ve seen a bunch of cases like this. For example, people don’t understand, so they go and sell [the house for] a bargain and it’s not enough money to buy [another] house, both in and out of here nowadays, you know? [Maria]

Thus, the very urbanization and housing programs became factors that favored real estate market organization practices, resulting in the discredit of the social housing movements. “There are comrades who have been [waiting] for 20, 30 years and have not yet been given houses” (Note, 3/5/2015), said a member of the local residents’ association. He continued by explaining the difficulty of registering new families for social housing: “Today, it’s difficult to register more people and deceive them, we can’t take away their hope. Housing is a very serious matter, very. [Shelter] is necessary for human beings, we can’t deceive [them] (Note, 3/5/2015).

Because housing is such a key issue in the *favela*’s social and spatial organization, social movements such as the Movement of Homeless Workers (MTST, as per its acronym in Portuguese) play a relevant institutional role to pressure the State regarding urbanization and housing public policies. Miagusko (2008) explains that in the 1990s, social housing movements began to participate in the mechanisms of public policy management or organized themselves around these policies, as was the case of the Heliópolis local residents’ association. At a meeting on August 5, 2015, which was entirely devoted to the housing problem, they reported that

there were 1,500 people [on average] participating in the meetings of the Homeless for the “Redondinhos” [the last housing complex built in the region]. Now there are only about 500 people in Heliópolis in the movement. MTST does not have the structure to deal with all the demand, so there was a reduction in the number of people because some people thought it was taking too long for the new houses in Heliópolis to be given [Note, 8/5/2015]

However, “despite the exodus, the MTST still has a lot of people” and therefore it is necessary to think about alternatives to engage more people in the movement. “People don’t have the patience to wait, and they think housing just falls out of the sky.” At one of the meetings, they reported that people were being aggressive with the MTST local president: “if you don’t get an apartment for me, things are going to get ugly” (Note, 8/5/2015).

This is why when it comes to social housing, unrealistic expectations must not be raised among residents. “Housing is a concrete thing, it’s a grand dream. We have to make it clear that it’s not the movement that gives them a house, that we are here to help and fight for their dwelling” (Note, 8/5/2015). The current agenda involves the registration of applicants for the apartments of the “Minha Casa, Minha Vida” program (“My House, My Life” in English, whose acronym in Portuguese is PMCMV).

There has been a discussion about whether or not to have new applications and, at the moment, it is better not to send more applications. The local MTST president was upset with this decision, but he came to understand that it was not possible to create expectations because there wouldn’t be enough housing. [Note, 8/5/2015]

The PMCMV was established in 2009 with the purpose of creating mechanisms to encourage the production and purchase of new housing units by families with monthly incomes of up to 10

minimum monthly wages and to reduce the housing deficit that has been a historical problem in Brazil (Rolnik et al., 2010). The initiative, according to Amore (2015), was countercyclical in nature and the program was a bet on the economic potential of mass housing production.

The PMCMV's great differential is enabling popular entities and NGOs in the "Popular Housing Program – Entities" to be directly responsible for organizing beneficiary families, carrying out the hiring process, and discussing projects and monitoring the execution of works. For Amore (2015), it came as a surprise that social, organizational, and community work were given a voice and autonomy, as were the resources allocated exclusively for this purpose in the social production of space. In the case of Sao Paulo, though, there was concern about whether there would be enough resources to build these dwellings. "What is on the agenda now is whether there will be financial resources from the PMCMV to build these houses. It seems that large cities, like São Paulo, may not suffer from a big drop in resources, but we do not know yet for sure" (Note, 8/5/2015). Another point was the territorial issue. There is not much public land available in regions near the city center, "so this is the big problem here. There is a lot of demand and little land supply" (João).

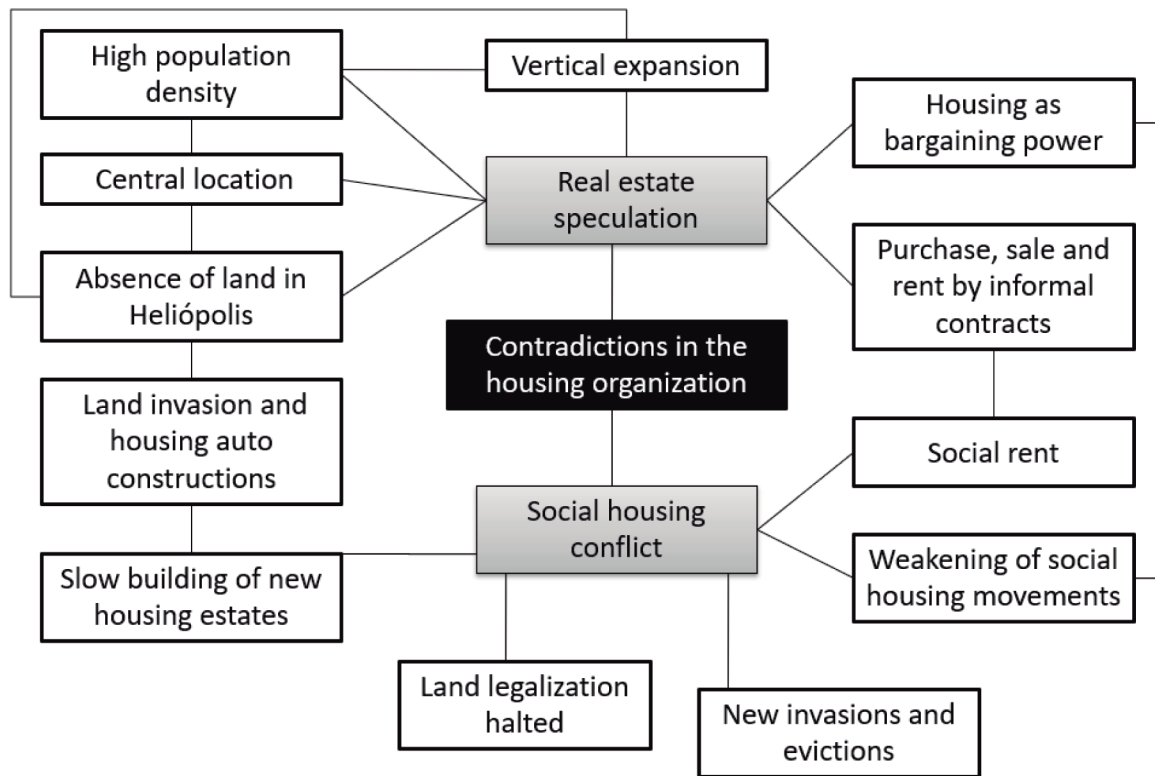
Twenty percent of investments allocated to the housing sector by the Sao Paulo municipality will be going to social movements. Of the 55,000 new houses that are planned for the city, 11,000 houses will be given to social movements. In Heliópolis, however, there is little space to build new housing. There will be a thousand something new houses here in the area, it's the best you'll get. These 11,000 are from the "Minha Casa, Minha Vida" program as a whole. Many of the houses under construction will not be in Heliópolis because the first criterion is people being paid social rent by the government, followed by residents in areas of risk. Therefore, not much will be left for Heliópolis. [Note, 3/5/2015]

Another issue is developing public facilities near these new apartments. As stated by one resident, "the movement needs to influence the government to build spaces other than apartments, it's also necessary to build schools, health clinics, and Emeis — Municipal Schools of Early Childhood Education" (Note, 8/5/2015). Additionally, the land dispute with other collective movements in the region must also be addressed ("there is also the question of [name of the member of another movement], who thinks he's the owner of the land and then people get tired of waiting and participating in the movement and end up getting involved with him." Note, 8/5/2015).

According to a member of the local residents' association, "here, the housing issue is a hornet's nest. There are a lot of people wanting more and more houses" (Note, 8/5/2015). Housing movements are concerned with helping *favela* residents guarantee a house or apartment: "The main issue in Heliópolis has always been housing and, therefore, it is necessary to elaborate an extensive and comprehensive housing policy for residents" (Note, 8/5/2015). Nonetheless, these people are finding quicker solutions and, for some, even more profitable solutions in the real estate market.

Thus, in an attempt to clarify how the research data led me to understand what I call the "contradictory housing issues" according to the presented narrative, Figure 1 presents a category scheme of the data analysis behind my reasoning.

**FIGURE 1** SCHEME OF CODES AND DATA ANALYSIS SUBCATEGORIES THAT LED TO THE CATEGORY “CONTRADICTIONS IN THE HOUSING ORGANIZATION”



Source: Elaborated by the author.

## 6. SOCIAL HOUSING VERSUS REAL ESTATE MARKET

In Heliópolis, I found a history of significant social struggle. At first, the organization of that territory took place mainly to fulfill the right to housing. This is a fundamental right guaranteed by Article 6 of the Federal Constitution after Constitutional Amendment 26/2000. According to Souza (2004), the right to housing can be understood as the human need to have a space of reference for social life with protection. This is a subjective concept, whereas the right to housing refers to the materialization of the right to a shelter.

The space of the Sao Paulo *favelas* was initially built by lower-income working-class people as a housing and resistance alternative to the high rental prices practiced in the 1970s and 1980s in the formal city area (Paulino, 2007). Housing is the “heart” of *favelas*. However, as minimal urbanization and survival guarantees were achieved, new social issues complicated the social construction of *favelas*. As Lefebvre (1991) and Milton Santos (2013) remind us throughout their work, space is unfinished, dynamic, and continually produced by materiality and human action at specific times. This is why it crucial to understand the *favela* organization processes (Czarniawska, 2010) at times of commoditization of cities.

Figure 1 shows that high population density, proximity to the city center, and the shortage of land in Heliópolis and its surroundings are contextual elements that contribute to the reproduction of the real estate market in *favelas*. Vertical expansion is a housing practice that somehow tries to solve the housing deficit caused by high population density and land shortage. The housing deficit also adds to the common use of rental practices in Heliópolis and high values for real estate purchase and sale. It is also important to keep in mind that this *favela* was built on municipal public land and its residents do not have real estate records, resorting to informal contracts for rent, purchase, and sale. Additionally, there are people who take advantage of their peers and use housing as bargaining power in their relations within Heliópolis. Considering all these factors, the “reproduction of the real estate market” points to a reversal of values in the organization of this space as regards housing. In the past, the social struggle for housing was the main issue in Heliópolis; now the reproduction of the real estate market hampers possible alternatives to achieve the right to housing.

Nonetheless, the social struggle for housing continues even with the barriers to be granted new social housing. The ownership legalization that would guarantee the non-eviction of residents from the public land where Heliópolis was built has been halted in the city hall. The shortage of land in the region hinders the building of new housing complexes, in addition to the slow pace of the construction itself. Moreover, social housing is intended for those who have been evicted from their former homes by the government and those who have been waiting for years after registering with social movements. While they wait, they receive social rental assistance that helps strengthen the local real estate market. The long wait for social housing also weakens social movements and new shack invasions further complicate housing issues. Because the real estate market is quicker to solve these problems, there is a growth of speculation practices in Heliópolis.

There seems to be a reproduction of hegemonic urban organization models mixed with the *favela*'s own types of organization. At some point in the process of social construction of space in Heliópolis, it became possible for people to organize themselves based on self-construction, collaborative action, resistance and counter-hegemonic alternatives. Today, however, I observed hybrids (Brulon, 2015) in the *favela*, which blend its own history with the reproduction of hegemonic urban practices.

This realization is very visible when housing organization practices contain elements analogous to the hegemonic organization patterns, albeit adapted to their reality. When the residents of Heliópolis adapt real estate practices to their reality through informal contracts or when they have a renowned architect like Rui Ohtake as their partner, planning new spaces and adding “beauty” to the existing ones, it seems clear that the types of urbanistic organization in the *favela* end up reproducing, in its own way, hegemonic urban practices.

These reflections occur at a time when the commodification of urban space is a global reality. Rolnik (2016) shows how changes in housing policies in various countries around the world have led to a global process of land tenure insecurity. For the author, as well as for Harvey (2013), globalized and financially controlled neoliberal expansion sees land as a commodity of greater value for the expansion of the system itself, strengthening the hegemony of individual ownership and the transmutation of real estate into an asset. In practice, those who have their right to shelter impacted are the most vulnerable citizens in terms of housing, because the real estate market, submitted to the will of capital, precludes non-hegemonic housing policy practices such as social leasing, integration of settlements into the

city, self-management, housing cooperatives, and technical assistance for self-construction. In other words, non-market types of housing production are weakened (Rolnik, 2016). All this happens so that the real estate market can impose on social housing, to its detriment.

Thus, Lefebvre's "right to the city" (2008) may seem a utopia because it does not refer to the right to a dignified life and citizenship in a commoditized city. He alludes to a space production logic that is not subordinated to its exchange value but rather to its use value. The right to the city would only be possible based on the transformation of the potential of that which is not present in social space, but may come to be through the symbolic relations experienced in that space.

## 7. FINAL CONSIDERATIONS

When analyzing the contradictions in the housing space organization in a São Paulo *favela*, I found a space built on public land where residents do not have the guarantee of tenure on properties and ownership right of their houses; nonetheless, due to their size and social political organization, Heliópolis is a *favela* that runs low risk of facing an eviction policy. It is not the bookkeeping that gives residents a feeling of belonging: their historical process of land ownership and self-construction of houses enables residents to consider themselves house "owners", even without a title deed. This also allows them to use these houses as real estate goods, increasing the complexity of the housing issue in *favelas*. Consequently, the same device that ensured these residents their right to housing is what allows them to exploit other residents, ignoring the early history of the *favela* building. Thus, they reproduce real estate practices and weaken housing social movements, which are so important to the *favela*.

Because there are few plots available for social housing and self-construction building in Heliópolis, practices based on the real estate market model are adopted and adapted, complicating housing issues. Therefore, considering housing as one of the key elements in *favelas*, there seems to be a dimension of social struggle and another one of real estate market practices in the housing organization of Heliópolis, which simultaneously clash with and foster each other. These practices reflect the commoditization practices of urban space, which allows the city to become hostage to the whims of capital, making access to housing increasingly distant from the poorest population.

Thus, this article is a contribution to this discussion, presenting the organizational processes of the *favela* space as part of a city totality and not as a space of precariousness, delinquency, violence, poverty, and disorder — stereotypes that are still pervasive in the popular imagery. When viewing the Heliópolis *favela* as a space in constant movement, it is possible to understand the dialectic process between practices that complement, overlap, change, and contradict each other in the production of urban space.

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