

Consumerist tendencies in housing sector—A case of misdirected resource allocation

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ABSTRACT: *Housing sector seemed to be the main object of consumerism in Kerala. The current housing practice in Kerala is supposed to have far-reaching effects on the economy and society. The present attempt is to examine the consumerist behavior in housing sector and the consequent misdirection of resources in Kerala society. The arguments are verified in the light of data collected from selected areas of Malappuram district, the district that found to be one of the most vulnerable areas to this phenomenon. The facts found are indicative of a strong exposure to this behavior and the present trend invites concern and viable policy measures.*

KEY WORDS: *Consumerism, emigrants, households, housing, misdirection.*

I. INTRODUCTION

The state of Kerala is considered to be a consumerist state. In the State, consumerism has a wide spread nature and the trend could be seen in all the sectors of the economy. The housing practices that society follows are indicative of the consumerist culture prevailing in the state. This phenomenon has specific relevance in the context of Kerala and that invites the concern of administrators, policy makers and social scientists. Resources are scarce and are to be allocated prudently among the alternatives. Inefficient utilization of resources may produce detrimental effect on the economy that it incorporates. The negative impacts that are expected to be associated with it may harm the efficiency of the economy and may pose a serious threat to its progress in future. The present attempt is to examine the extent of mis-direction of resources owing to the prevalence of consumerism in housing sector of Kerala. The study relied on the data collected from selected areas of Malappuram district. Of the four sections of the paper, second section examines the housing sector in Kerala in general. Third section is devoted to the examination of the extent of misdirection of resources that prevails in the housing sector of Kerala. Last section offers concluding remarks.

II. HOUSING SECTOR IN KERALA

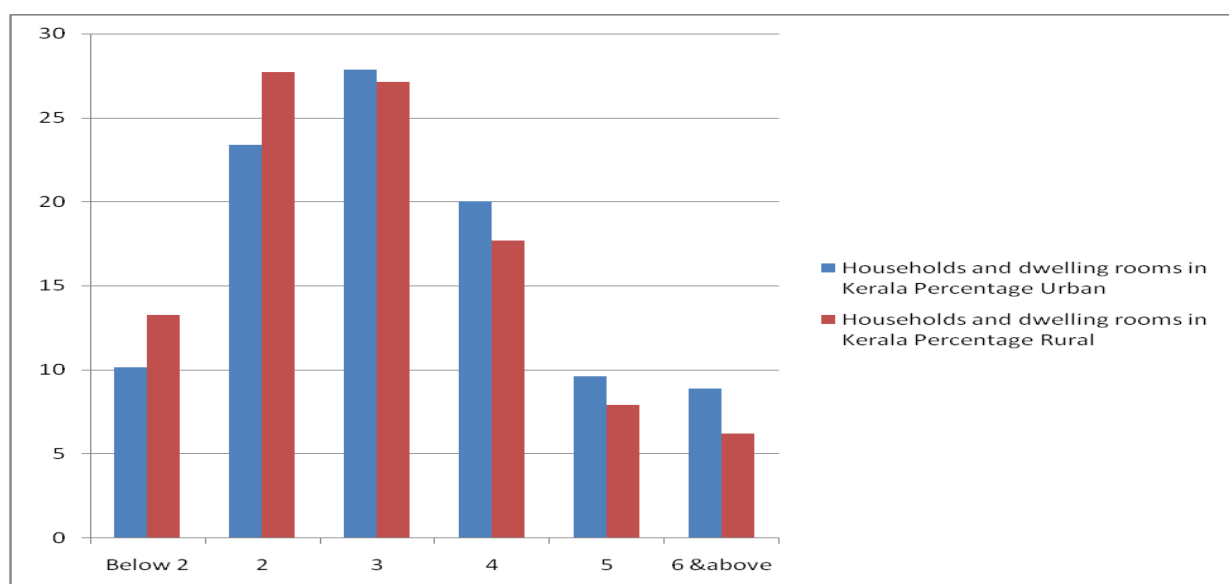
House as a shelter is a basic human need. Good housing ensures healthy life and safety to the people. Investment in housing sector is crucial as it has the potential of becoming an engine of economic growth. Among various sectors of the economy, housing receives attention in Kerala due to its prominent roles as employment generator and contributor of income to workers. The housing situation in Kerala is found far better than in the rest of the country. The numerical shortage of housing is comparatively low in the state. At the same time, a tendency of widening the housing inequality is also noticed in the state. As per census 2001, More than 8 per cent of the households live in extremely Poor quality or dilapidated houses (Economic Review, 2007). Despite the massive efforts by governmental and other voluntary agencies for providing houses and, greater focus on the marginalized and poor, even now, there is a large group categorized as homeless in the state. As per an estimate, total number of homeless in the state is 705440. Of this total, 332956 families are landless and homeless (Economic Review, 2009). Another feature that was found in the housing sector was that of vacant houses. The number of houses in the list of vacant houses in the state was 7.3 lakh as per 2001 Census. In the State of Kerala, housing - its size and style – has become an object of competition and a ‘mark’ of distinction. Consumerist style in ‘housing sector’ has caused detrimental impact on the economy and society. The very concept of ‘house’ has thoroughly changed in the state from that of dwelling places to pleasure resorts. The number of members in the house and the requirements of the family were normally neglected in the decisions as regards to the number of rooms and total plinth area of houses. Thanks to literacy the state achieved and the favourable atmosphere it experienced, the tendency in the state at present is to opt for either one or two children.

Table 1: Households and dwelling rooms in Kerala (in percentages).

Number of rooms	Urban (percentage)	Rural (percentage)
below Two	10.18	13.29
Two	23.37	27.72
Three	27.88	27.12
Four	20.05	17.72
Five	9.63	7.91
Six and above	8.89	6.24

Source: Economic Review, 2004.

Figure: 1



The natural result was a considerable reduction in the size of the family. As per economic logic and rationality, this should have been reflected in the sizes of housing as well as the area that consumed. But, the trend that is noticed throughout the state is reverse to this logic. As per statistics, 31.87 percentage of dwelling units in rural sector and 38.57 percent in urban sector have more than three dwelling rooms. Again, 6.24 percentage of dwelling units in rural sector and 8.89 percent in urban sector have more than 5 rooms (Table 1 & Figure 1).

III. EMPIRICAL EXAMINATION

In the survey conducted, it is found that the share of family with less than 6 members was 70.26 Percentage (Table 2 & figure 2). At the same time, the share of houses having less than 7 rooms was only 3.45 percent (Table 3 & figure 3). The households with size of more than 5 members were 29.75 percentage, whereas, the houses with more than 6 rooms were 93.1 percentage. The households having the size more than 7 were 3.45 percent, while those with more than 10 rooms were 17.24 percent. These facts are indicative of huge sizes as well as large rooms that resulted in enormous amounts of money that was wasted in this sector. Adding to its seriousness, we come across the cases of many individuals whose life long earnings and savings were totally exhausted by houses. This practice was extensively found among the less remunerative and unskilled emigrants. In many occasions, this group of emigrants had to return home with no income left for their future and creating burden for themselves and the society as well. Those who returned mid-way had to face the challenge of even completing semi-built structures along with finding their means of living. This situation is indicative of how Keralites use their fortunes irrationally, having no perspective on the future. Such irrational practice that presented a miserable future to many individuals may best be exemplified in the reported story of Tunku Majeed, a millionaire who sought shelter in an 'old age home' after his splendid life (Risala, October 2006). Mr. Majeed is an early emigrant from Kannur who migrated to Dubai during the sixties.

Table 2: Distribution of households based on the size of family

Number of Members	Number of households	Percentage
3	22	9.57
4	70	30.43
5	71	30.87
6	45	19.57
7	16	6.96
8	5	2.17
9	1	0.43
Total households	230	100

Source: own survey

Figure: 2

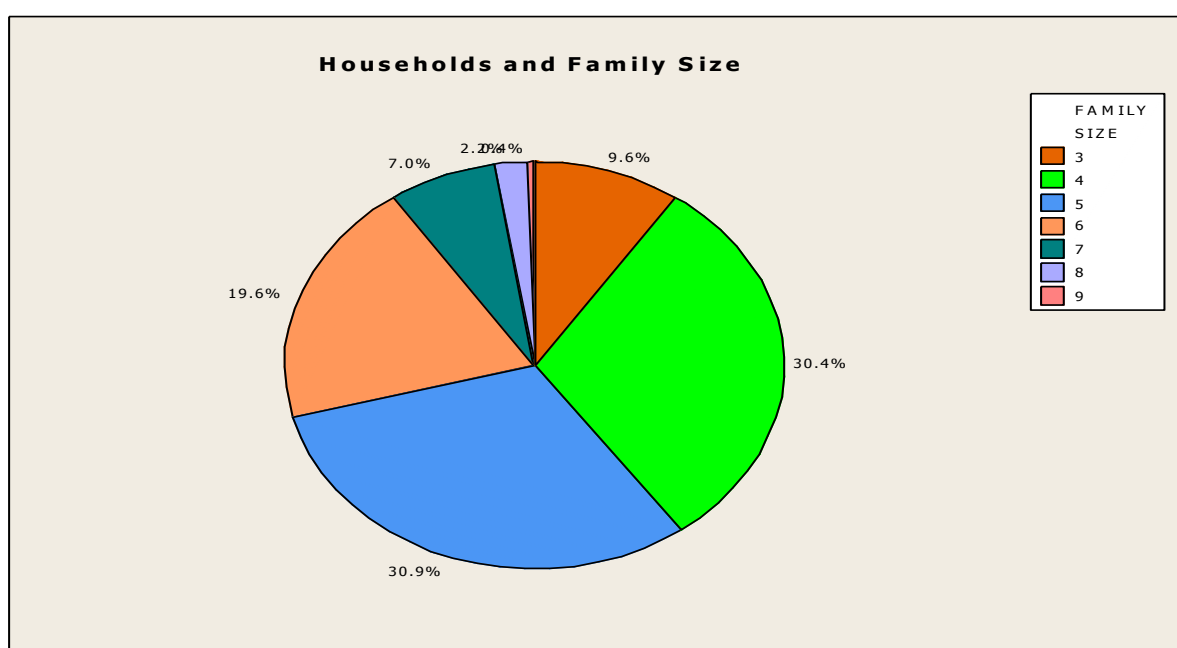


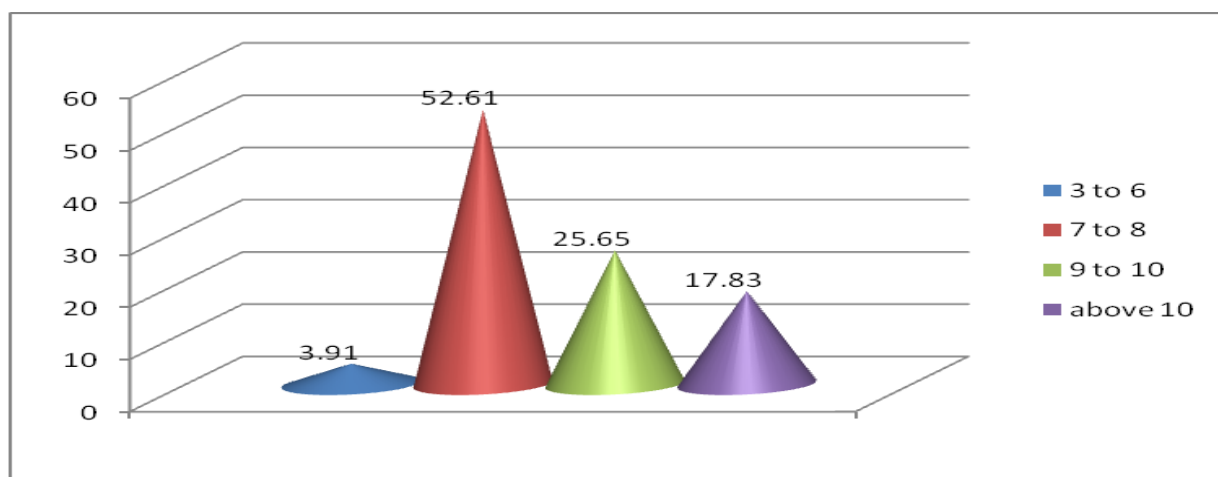
Table 3: Distribution of respondents' houses based on the number of rooms.

Number of Rooms	Number of households	Percentage
3 - 6	9	3.91
7 - 8	121	52.61
9 - 10	59	25.65
above 10	41	17.83
Total	230	100

Source: own survey

The behavioral pattern towards housing was not different in the case of non-migrants. It was common that most employees in the organized sector owe huge amounts to financial institutions where the repayment may last till their retirement. In certain cases, the burden extended even to their retired life and thus may consume a major portion of their pensionary benefits. Very often, educated people aver that the pressure of the situation made them helpless in doing away with huge structures that consume their entire earnings and make their remaining life indebted to financial institutions. In the decision regarding the sizes and structures of buildings, the resource availability of the state as well as its sustainability were totally neglected. Even the requirements of the family and their financial resources received little consideration. The size and conditions of dwelling units

Figure: 3



in general are far better in the state compared to all-India and neighboring states. 68 percent of households in the state lived in permanent houses while 21.6 percent were in semi permanent houses. The corresponding shares at all India level were 51.8 and 30 percentages respectively (census, 2001). Dwelling units with one room in the rural sector of Kerala is only 11.58 percent whereas the percentage is 37.98 in the case of all-India.

The area covered by house and premises are comparatively larger in Kerala. The large courtyard together with the excessive plinth area consumes a major portion of cultivable land in the state. In addition, the inter-locking system might have done its detrimental effect on the normal system of water reserve in land. The spending extravaganza is also found in the case of the materials used for the construction of the houses. The materials that are under use have undergone rapid changes from traditional materials to modern materials. The share of households used traditional materials for roofing has decreased from 74.1 percentage in 1961 to 11.2 in 2001. At the same time the share of those who used modern material rose from 25.9 percentage to 88.8 percentage for the same period (economic review, various issues).

Table 4: Distribution of respondent's houses by materials used for flooring

Material	Number of households	Percentage
cement	3	1.30
Mosaic	13	5.65
Tiles	97	42.17
Marble	112	48.71
Granite	5	2.17
total	230	100.00

Source: Own survey

The survey also reveals that the share of houses used either cement or mosaic for flooring purposes was 6.95 percentage only. At the same time, tiles and marbles together constitute about 90.88 percent (Table 4).

Table 5: Number of houses and year of construction / re-construction

Year	Number of households	Percentage
After 2005	70	30.43
2000-2005	116	50.44
1990-2000	38	16.52
1980-1990	4	1.74
1970-1980	2	0.87
before 1970	0	0.00
Total	230	100.00

Source: Own survey

Another serious form of waste associated with housing was with regard to the life of the built structures. A good many houses in the state are supposed to be demolished as part of reconstruction or redesigning according to changed styles. The housing culture and the boom in the sector were supposed to have dealt a great blow to the durability of the houses. The fact may be deduced from the number of houses built or rebuilt recently. Out of the total of 230 houses surveyed, it is found that 30.43 percent was constructed or reconstructed after the year 2005. The share corresponding to the period 2000 – 2005 was 50.44 percentage and, for the period 1990 – 2000, it was 16.52 percentage. But, for the period 1970 – 80 and 1980 – 90, the share was 0.87 and 1.74 respectively. This observation is indicative of the vigour the tendency received during 1990s and got strengthened thereafter (see Table 5). Again, we have seen certain interesting facts with regard to reconstruction or modification of existing houses. Out of 230 houses, 97 houses (42.17%) were either reconstructed or modified. Out of this 97, 85.57% were re-constructed (see Table 6). Of the reconstructed houses 18.07% were within 6 years of their construction. While 30.12% reported to have re-constructed within 6 to 10 years and 40.96% included in the range 10 to 20 years, the re-construction within the range of 20 to 25 years were only 8.43%. These facts substantiate the argument that the present tendency is to shorten the

Table 6: Time laps between construction and modification of houses

Re-constructed	Number of households	Percentage
within 2 yr	2	2.41
3 to 5 yrs	13	15.66
6 to 10	25	30.12
11 to 15	19	22.89
16 to 20	15	18.07
21 to 25	7	8.43
above 25	2	2.41
Total reconstructed	83	36.09
modified	14	6.09
Total(Re/Md)	97	42.17

Source: Own survey

durability of houses that opened a new realm of waste in the state. In their appearance and facility, many of the houses in the state excel that of royal mansions. A huge amount of money is required for yearly maintenance of such houses. Maintaining such houses in its actuality has become a real burden and a source of personal grief for many of the owners in the state. It is found that a huge amount of money was expended exclusively on maintaining the existing houses during survey year.

IV. SUMMING UP

It is found that the extravaganza on housing that existed and the situation that it created in the state pose a serious threat to the smooth progress of the state's economy. In a state like Kerala where the urban-rural divide is very narrow, the simultaneous existence of homeless people along with those who follow consumerist housing practices may produce detrimental effect on the social life. Along with many other things, wastage and mis-direction of resources emerged into a serious Challenge that the state faces. If allowed to continue uninterrupted, especially in the situation which generates serious doubts on the sustainability of Kerala model, the adverse fall outs associated with housing extravaganza are likely to be aggravated in the near future. The situation demands effective involvement for re-directing the available resource to the channels which are more viable for the economy. The growth and extension of this phenomenon to various strata of society necessitate serious consideration and demands effective policy measures.

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