



*Building
houses,
building
hope*

HABITAT FOR HUMANITY'S PUBLIC COMMENT ON THE MILLENNIUM CHALLENGE ACCOUNT'S FY 2007 SELECTION CRITERIA AND METHODOLOGY

The Millennium Challenge Corporation has made impressive strides in creating a new mechanism to deliver foreign aid. Habitat for Humanity supports the general principles of the MCC and especially supports the work it is doing to help reduce poverty in some of the world's poorest countries.

Regarding the indicators, we are supportive of the MCC's inclusion of the Land Rights and Access Index in its criteria to select eligible countries. From our experience working in 93 countries to improve the shelter conditions for the world's poor, we have found that environments with better land access policies increase our ability to make progress with providing improved shelter.

We also, in general, believe that increased land access to the world's poor is an important step in helping the poor invest in their own lives and creates incentives that not only help improve their own shelter conditions, but create an environment of improved living conditions for the broader community. A great example of this was mentioned in a *Wall Street Journal* article dated November 9, 2005 titled "Barrio Study Links Land Ownership to a Better Life."¹ The article states that, "The Argentine study followed 1,800 squatter families who in 1981 occupied a one-square mile piece of what they assumed was public land. Through a quirk in the legal system, roughly half of the squatters in the heart of the neighborhood gained title to their properties, while the other half didn't. The researchers found that over the course of two decades, the title holders surpassed those without them in a host of key social indicators, ranging from quality of house construction to educational performance to rates of teenage pregnancy."

The selection of eligible countries to the MCC sheds light on important policy reforms that both MCC eligible and other countries need to address. Thus, having the Land Rights and Access Index among those indicators we hope will go a long way in improving the lives of the world's poor by providing increased incentives for countries to improve land rights and access policies.

HABITAT FOR HUMANITY
INTERNATIONAL
1000 Vermont Avenue, NW
Suite 1100
Washington, D.C. 20005
(202) 628-9171

INTERNATIONAL HEADQUARTERS
121 Habitat St.
Americus, GA 31709-3498 USA
www.habitat.org

¹ Moffett, M. (2005, Nov. 9). Barrio Study Links Land Ownership to a Better Life .
The Wall Street Journal, pp. A1.