

# Impact of Low-Cost Housing System in the Global Economic Condition

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## Abstract:

This study is designed to analyze the impact of low-cost housing project and its impact on the economic development in a global context. Administering such a vast topic through secondary data collected on the basis on reliability and validity of the relevant ideas and connect is crucial and needs proper understanding of the topic. Delivery of a complete idea regarding the economic components and analysis based on literature review through economic models and technology interventions has facilitated this study with versatility. Observations done based on global perception of low-cost housing has changed the economic condition of the low-income community, however problem can be identified through various financial, social, political and technical aspects. The primary aim of the research is to identify the impact on the global economic standard due to the implementation of the latest design technique for housing construction. Such techniques reduce the housing cost without affecting the strength of the building

**Keywords:** Low-cost, Economic, Development, Construction, global, impact.

## I. INTRODUCTION

Low cost housing (LCH) has been very demanding across the world due to the rise of the country's economy. In the construction sites, low cost housing systems are enabled that mainly deal with the residential housing, which is very demanding, by population. However, the fact that can be determined with high costs is that it is not affordable by the low-income families, which influence the gross domestic product of the country. Further, lower housing cost has been enabled for eradicating the poverty factors in terms of delivering residence to the affordable people. For people, housing is the biggest part of life in terms of productivity, innovation and economic growth of the country. Further, in the 20th century, it can be seen that growth is stimulating based on ideas, talent, and ideas. Humankind is dependent on basic needs such as housing, clothing, and food. The latest model of housing has been decreasing the costing, mainly enhancing the customer base in terms of raising the country's economy. Economic

consequences generally rise with the unskilled workers who are unable to access the job in their locality (forbes.com, 2018). This is resulting in the productivity loss in the country affecting the economic growth especially due to the housing system.



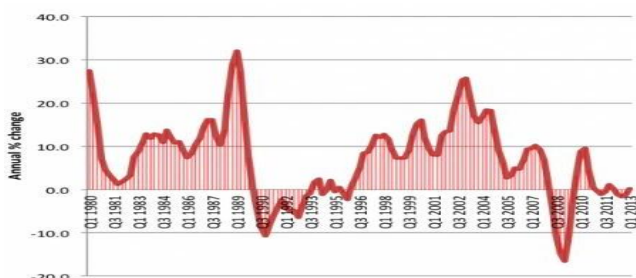
**Figure 1: Real Construction House Prices and Costs**

(Source: oecd.org, 2015)

From the above graph, it can be seen that high-cost housing has been seen until the year 2007 after that it rapidly decreases in the year 2013. This illustrates that cuties are affording a standard

housing system at lower costs in which middle class and working-class families are not assigned to below poverty level. In contrast to it, it can be observed that housing policies are enhanced that will facilitate the mobility of residents to match the job for workers. This has been influencing the labor market by recovering the global crisis in terms of employing them. Moreover, building houses can be a strategy of generating economic growth based on innovative diverse, dense, and thriving districts. The primary focus of the study is to invest in the capital raises due to the integration of the low housing in the urban as well as rural areas. The depicted research targeted to determine the factors of affordable housing such as housing policies, worker's employment, market liberalization, and pricing volatility. Moreover, the study revealed that encouragement in consumer spending could stable economic growth.

#### A. Problem Statement



**Figure 2: House prices**

(Source: economicshelp.org, 2019)

The issue is the housing cost is influencing the economic growth of the country. Based on the topic, the identified issue is evaluated because consumer spending is not too high along with interest rates. It has been observed from the given graph is that houses prices have been fluctuating from the year 1980 to the year 2013 that depicts that inflation rate is fluctuating and has been increased by 10% (economicshelp.org, 2019). it is the issue now because workers cannot afford houses according to the property values. In addition, it affects moderate pressure of inflation in the country with the increase of rate in housing prices. Confidence of consumer spending has been observed lower that has been affecting the wealth. Reason for

low housing cost affecting the economic growth has been analyzed based on geographical inequality. High property ownership is observed that is rising the house cost for the workers or middle-class families. From the evaluation of the above rationale of the research, it can be observed that the labor market can get affected in terms of flexibility, availability and affordability of houses which can result in labor mobility. Further, high demand for houses has been straining on infrastructure that is resulting in the mobility of labor. In the future, affordable housing will be delivered impact on a country's economy that will comprise of purchasing power, tax revenues, and job creation.

#### B. Research Aim and Objectives

The primary aim of the research is to identify the impact on the global economic standard due to the implementation of the latest design technique for housing construction. Such techniques reduce the housing cost without affecting the strength of the building.

The various relevant objectives of the research are given below:

- To identify the reason behind low housing cost
- To analyze the various positive and negative effects of the change in housing cost over the global economic condition
- To evaluate the cost factors in the context of a low budget housing system
- To recommend various strategies for improving the economic standard of the nation through the housing aspect

## II. LITERATURE SURVEY

### A. Affordable Housing and Global Economy

Low cost housing system has a huge impact on the global economic condition as it focuses on the low income group and the affordable housing concept. In this literature, there is a clear linkage between the public capital and aggregate production function. In addition to that, affordable

costing of the housing is aligned with the micro and macroeconomic framework. In this study research analyses the latest design technique for reducing the cost of the construction. Technological intervention can enhance the strength as well as the capacity of the building within an affordable cost Aspden, C et al.[1]. As mentioned by, the global population is increasing in a consistent way. In this context, providing a housing facility to each individual will consider as a matter of concern in upcoming days.

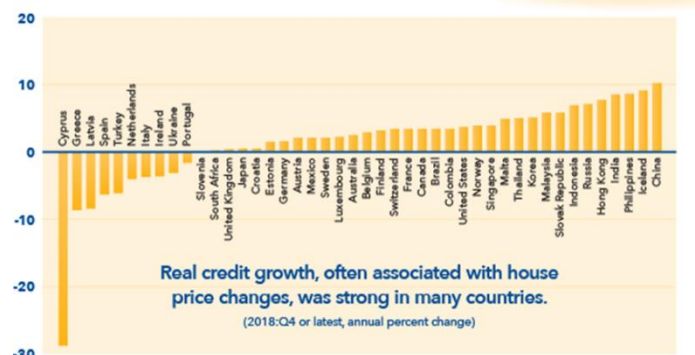
2010	6,956,823,603	1.24 %	82,983,315	28	2.58	47	51.7 %	3,584,868,146
2005	6,541,907,027	1.26 %	79,682,641	27	2.65	44	49.2 %	3,215,905,863
2000	6,143,493,823	1.35 %	79,856,169	26	2.78	41	46.7 %	2,868,307,513
1995	5,744,212,979	1.52 %	83,396,384	25	3.01	39	44.8 %	2,575,505,235
1990	5,327,231,061	1.81 %	91,261,864	24	3.44	36	43.0 %	2,290,228,096
1985	4,870,921,740	1.79 %	82,583,645	23	3.59	33	41.2 %	2,007,939,063
1980	4,458,003,514	1.79 %	75,704,582	23	3.86	30	39.3 %	1,754,201,029
1975	4,079,480,606	1.97 %	75,808,712	22	4.47	27	37.7 %	1,538,624,994
1970	3,700,437,046	2.07 %	72,170,690	22	4.93	25	36.6 %	1,354,215,496
1965	3,339,583,597	1.93 %	60,926,770	22	5.02	22	N.A	N.A
1960	3,034,949,748	1.82 %	52,385,962	23	4.90	20	33.7 %	1,023,845,517

**Figure 4: Population growth as per year**  
(Source: World meters, 2019)

As per the data it has seen that in the year 1960 overall population in the world was 3034949748 whereas it has increased up to 4458003614 as per the census of 1980 (World meters, 2019). This data clearly reflects that the world population is accelerating quickly. It has also forecasted that the global population will reach almost 9.8 billion in the year 2050 (UN, 2019). In addition to that, it has also known that almost 82 million people are increasing in a year within the global population. In 2008, the total urban population has enhanced almost 3 times as compared to 1960. However, this data has reflected the requirement of affordable housing for providing a shelter to each individual.

The technological intervention has changed the dimension of the housing cost in the global economy. In addition to that, it reduces the case of human error in the concerned field. The low price of house provides a scope to all individuals to avail own house. As per the research it has seen that this shelter security has enhanced the mental health of the individual Atukeren, E. et.al[2]. In addition to that, it increased the social structure as well as

status. As per the report mentioned industry has generated a lot of job facilities in the global economy. As commented by [5], within the year 2011 to 2015 this sector has provided almost 329400 new jobs. In addition to that, global GDP has also increased in an equivalent pace provides the scopes of the affordability. As per the data in the year 1960, the amount of public capital is \$524m whereas in the year 2008 the same has enhanced up to \$29526m. In addition to that, as mentioned by ABS the private capital in the year 1960 is \$3683m whereas it has enhanced up to \$269851m within the year 20008 (Abs, 2009a). Capitalization has changed the dimension of the housing concept by incorporating various aspects of the investment in the construction department.



**Figure 5: Global housing price change**  
(Source: IMF, 2019)

It has seen that the government of several countries has supported the scopes of development in this industry. Apart from that, there are multiple subsidized towards the concerned projects throughout the world as it has a direct connection with the social wellbeing (Abs, 2009b). The construction sector has included a high proportion of the economy of the country. In addition to that credit growth across the globe has increased the capability of this sector. The implication of the innovative technology can enhance the proficiency of the housing. As mentioned by Bougheas, S., Demetriades, P. O. & Morgenroth, E. L. W. et al. [7], urbanization is identified as the current trend of the global housing complex.



**Figure 6: Global housing price in several countries**(Source:IMF,2019)

As per the data, it has noticed that Canada has secured a high rate of housing growth within the world economy whereas Italy has shown the lowest. In this study, research has shown the effective processes of lowering the cost of housing.

- *Incorporation of technology*

The technological intervention has changed the specification of the concerned industry as it has reduced the production cost. Inclusion of clay bricks, green approach, Green AC, eco- friendly structure and many others of the construction have a vital role in the development of the business in terms of cost reduction. Clay bricks have a natural phenomenon for declining the temperature of the building structure. However, innovative technology has reduced the cost of the housing.

- *Recycling*

Recycling process with the help of green approaches can reduce the cost of the construction as it minimizes the amount of waste. As commented by Aschauer, D A et al. [3], the recycling process can reduce the cost of the resource as there is limited wastage of the raw material. Water recycling can reduce the scarcity of water throughout the globe as well as provide the scopes of the plenty of water in the building sector.

- *Power source*

Inclusion of the green technology can reduce the cost of the power generation in the mentioned sector. In addition to that, it has the capability to enhance the revenue of the business. As stated by De La Fuente, A&Vixes, X. et al. [8], power generation from the unconventional sources has cut

the cost of manufacturing as well as the distribution of the raw material.

- *Carbon footprint*

Application of the green innovation has reduced the emission of the carbon from the industry and secures the protection of the environment. Apart from that, it incorporates the health security of the residents. However, eco-friendly features of the industry have declined the amount of tax and penalties from that local government. On the other hand, it attracts the government subsidized as well as stakeholder's attention towards the development. Therefore, it can stretch that inclusion of the mentioned factors can reduce the cost of the housing and provides affordable cost towards the residents.

### *B. Affordable housing with property value*

Value of the property has a vital aspect for incorporating the concept of affordable housing. In addition to that, it has a direct connection with the capability of the individual. This study has focused on the public capital for explicating the services which are provided by the asset of the industry. In this context macroeconomic models have been discussed for linking the public capital with the function of the production. On the other hand, this aspect has not analyzed the process of growing capital. Value of the asset as well as property has reduced the cost of the housing across the globe.



**Figure 7: Growth of the real estate market**  
(Source: Artemis, 2019)

As per the above data it has seen that housing cost has decreased as per the development of the



economy in terms of technology. In addition to that, the cost of the property has a direct connection with the affordability of the citizen. In recent era, property value has decreased, which enhances the affordability rate of housing globally. Different government has set different innovative low-cost housing plan, which help the public to afford the house at a low costs. The main aim of the government is to provide best accommodation to the public. In the words of Everaert, G. & Heylen, F et al. [9], such a process enhances the economic growth of the country. However, such developments in housing affordability need the involvement of local administration so that the development of low-cost housing becomes successful at the national level.

In recent days, the entire plan focuses on the right place and link with wider economic condition of the region.

As mentioned by Fernald, J. G et al. [10], in the process of low-cost housing, the budget of the housing is decreased, which helps the low income people to afford the best accommodation for them. Such process increases the standard of living. House tax is exempted for low cost housing project. As the main aim of the low-cost housing is to enhance the living style and accommodation of the public, it has the effects on the economic condition of the country. In the words of Fourie, J et al. [11], finance market in housing lower the borrowing cost of the housing. Such low-cost housing policies increase the growth of real-estate brand in the country. In such a situation, the frequent drops in the house prices encourage the public to buy low cost houses. By this process the entire economic condition of a particular region can be improved.

Such low-cost housing plan enhances the volatility of house prices. In this regard, the government of different countries provide loan process to increase the demand of low-cost housing. As mentioned by Duggal, V., Saltzman, C. & Klein, L. R. et al. [12] it also becomes easier to the investors as well as borrowers to enhance

their buying operation of the low-cost house. It is evaluated if the demand of the house is low, the prices of the house increase due to lack of consumer for the houses. For this reason, the government focuses on the housing policies that help to strengthen the economy of the region. As suggested by Fernald, J. G et al. [10], the government must on the employment rate of the public. If there is low level of employment rate, people are not able to buy the house for their living. In such a case the main of the project cannot be implemented successfully. Such project has the effects on the labour market. On the other hand, as the wages of the labour is quite low, the buying power of them is also low in the society. In such a situation, the low cost of the house help to increase their confidence level regarding the buying capacity of the houses. It is examined that lower demand region is always ignored for any kind of public facility. Low cost housing project helps improve the infrastructure of the low demand areas and increases the physical infrastructure of the mentioned region.

It has seen that the government of several countries has enabled subsidy regarding the affordable housing platform as a result there are less intervention of the tax as well as duties regarding the government policy. In this section of the study all the important requirements of the concerned aspect have included. Apart from that macroeconomic theory is included in this literature to discuss all the aspects of the concerned matter. Therefore, it can be stretched that implication of the low budget housing companies in society can enhance the social as well as economic structure of the country.

### *C. Macroeconomic models linking with public capital for economic growth*

On detailing the aspect of macroeconomic models (MM), it can be stated that this model is used for illustrating and clarifying the theoretical concepts. This can be evaluated in terms of testing, comparing and quantifying the several

macroeconomic theories. However, prediction can be made based on the changes in monetary policies such as fiscal and monetary policies Blanchard, O et al. [6]. Macroeconomic model for economic growth can be seen in terms of policy assessments, it is seen that this modeling is enhanced for making the distinction between the individual interactions for the households. In such a context, it can be noted housing cost can be influenced by macroeconomic policies such as fiscal and monetary policies. In such a context, it can be discussed worker who is experiencing the effect of the policies cannot afford houses. However, a large number of things can come under control due to the public capital investment process. In order to analyze rational behavior and financial crisis, the macroeconomic model can be used, as that will assess the forecasting of model-based on private debts. In addition, in the financial sectors, this result can be determined using the oversimplification method in which public capital can be evaluated Amisano, G, & Geweke, J et al.[4]. This can be approachable for counting the trading business of the country that is affecting the profitability and productivity of the country.

Price drop in the housing can influence the customer confidence in spending the money. For analyzing this perspective, it can be evaluated that macroeconomics model analyses the economic growth in which the current consumption of public is rated. In the context of the country, if the pricing of the house will be high then the rate of production get decreased that will negatively affect the GDP and economic growth of the country. Further, various commodities can be evaluated with the help of this model in which capital goods and consumption goods are determined. The judgment related to public satisfaction for the development of the country is evaluated in consumption good. On one hand, the need for producing such goods is elaborated in the capital goods. This can be evaluated that focuses on the consumer investment on households, which will affect the interest growth rate. With the evaluation

of such aspect, it can be commented that skilled people are not getting the chance of spending the money to turn out the high labor market. Moreover, consumer spending can be seen based on the flexible infrastructure and business development Kocherlakota, N et al. [13]. It has been the reason for deployment of consumer spending in the labor market has been decreasing the housing demand. In addition, poor infrastructure for housing is resulting in labor mobility in which the business of the country is affected. Further, business development is lowered due to employment and economic planning. Labor is regarded as the production input that deals with final goods consumption. This model is linked with the public capital, which focused on the total income of an individual that will assess the investment based on capital income. Moreover, the residential apartment is the key factor in encouraging the profit factor of the country in terms of building mid-level housing. It can be commented that affordable cost by the person for the houses comprised of maintenance and income for the lower cost.

#### *D. Summary*

As per the discussion, it can be summarized that affordable housing concept has a direct connection with the global economy as well as the valuation of the property in the global context. In addition to that, this literature has provided a clear concept regarding the affordable housing platform. Technological intervention can enhance the pace of the implication in the mentioned sector. In the context of the technology, green initiatives can reduce the cost of the industry in terms of power generation, recycling and many others. Affordable housing has a vital role in the development of the local economy as well as the labour market. It has also seen that this concept has included the social security towards the citizens. Budget housing enables the mental peace and security to the individual. As per the data, it has found that this industry has generated almost 329400 jobs.

Property values have a vital role in the platform of affordable housing as it relates to the price of the apartment. In the recent pace of the global population development, it is essential to enhance the place of the housing for providing shelter to each individual. This study has incorporated the green implication of the raw material to enhance the quality of the building. In this context, clay bricks can be considered as an element that has the capability to control temperature. As per the data, it has seen that the global rate of the GDP as well as per capita incomes. Property value has reduced in 2018 as compared to 1992. This literature has analyzed all the mentioned aspects in an appropriate way. In addition to that, this thesis compares the dimension of the construction field for implementing a relevant analysis.

### III. EXPERIMENTAL STUDY

#### A. Introduction

The chapter of research methodology is concerned with the discussion of relevant methods that will be selected for conducting the entire research work. This includes a detailed discussion of the appropriate methods used by the researcher for conducting the study. During the time of selection of the relevant methods, the researcher requires focus on the nature of the entire study, which will be helpful in selecting the methods along with the chances of doing further studies. Different views are considered in the study to analyse it effectively. Moreover, detailed process of the methodology is applied by the researcher in evaluating the topic to maintain standardisation.

#### B. Research Method

Selection of appropriate research method is crucial in conducting any research work in the most effective way. The research method as to be chosen entirely based on the nature of the current study. In this regards, the researcher selects interpretivism as this is based on human interest in the entire study. In the words of Kennedy, A M et al. [14], as the research approach, the researcher opts for deductive

approach due to the use of relevant theories in evaluating the current researcher study. This helps the researcher to gain relevant knowledge from the theories that are associated with the current topic. The research design that has been chosen in the current research is exploratory as this is applied in the research for no proper definition of the issue Lewis, S et al. [15]. Moreover, this is used for doing further studies on the current research.

#### C. Data collection

The collection of relevant data for the concerned research study is based on qualitative data as the study is based on various case studies, historical data and so on. In the words of Teherani, A, Martimianakis, T, Stenfors-Hayes, T, Wadhwa, A & Varpio, L et al.[16], as these data are descriptive and exploratory in nature, these are capable of providing relevant data for the study. This is helpful in gathering information from various sources that can be said to be useful for the current study. For this the source that will be used in the study is based on secondary data. This helps in extracting required information that can be provided in the research to make its relevant and accurate. The data has been collected from various case studies and associated journal articles that has been evaluated by experienced authors previously. Moreover, the researcher uses them to ensure the quality of the study.

#### D. Data analysis

Analysis of the data is done after collection of the relevant items and information associated with the topic of the concerned research. In this process, the researcher requires proper analysis of the study so that the readers can understand properly the issues and solutions as highlighted in the research. The analysis also needs meeting the objectives that are associated with the research. This is done with the help of relevant graphs so that it can make the analysis of the topic easier and more understandable Lewis, S et al. [15]. Moreover, this also helps in making progress of the research and develops the key findings. The provided

conclusions as well as recommendations are also based on the analysed data that provides relevance to the entire research work.

*E. Summary- Aschauer, D A et al.[3]*

In the concerned chapter, the researcher focuses on the associated techniques and tools that are used appropriately in the current research. However, during this work, the researcher faces various accessibility issues. Relevant information and journal articles are not always available on the web. Moreover, some articles also has accessibility issues due to paid version. Therefore, it was difficult for the researcher in extracting appropriate data for the research work. The limitations that were faced by the researcher can also not be neglected. This is because the time and budget for the work that has been received by the researcher are quite short and limited. It is also not ensured if the data extracted by the researcher are reliable and relevant. As per the ethical considerations, the researcher requires good attention while the research conduction. Due to non-consideration of the data for any commercial purposes, all the relevant data could not be disclosed in the work. However, the application of various techniques and tools used in the concerned research ensure it to be carried on in the right way.

#### IV. ANALYSIS AND RESULTS

*A. Economic Growth along with Labour market, employment, and business development*

Residential supply and reduction of the investment for supply and tenant power reducing cost control from the observer areas for increasing mobility rate. Changes in the property value and mobility rate provided creditors to provide financial aid and reducing the cost for mobility gain. OECD reference regarding the younger household presentation and reflecting the savings factor as another source can be seen as a target (OECD, 2011). Increasing mobility based on the housing supply can be seen as an effect of government

regulation in such countries, which directs towards a specific change in asset management in the surrounding. Taking care of the quality of the regulation needs government intervention and it includes restriction of the credit limit policy.

Housing affordability has provided humankind with a vast prospect of property ownership as per economic condition and it can be seen through emerging growth of house ownership in a different region. The negative effect of these housing projects is becoming evidential due to current market dynamics and responses collected from various sellers and contractors. Enabling Green channel technology within a business environment has changed the way of property value declination. Secondary data collection and empirical analysis conducted for seeing the relationship between the physical property values along with changes in the LCH availability is done for providing a clear view.

Most crucial reason for delivering an important finding based on the housing impact in economic performance and growth. LCH values are creating an impact on the nationwide change in the existing infrastructure as this presented as an easy housing solution for increasing Resident's buying power through developing confidence based on ownership. Significant increase of the members with basic needs such as food, healthcare, and nutrition are attracting towards the low-investment project. Employer report regarding the changes in the effective areas of stock based quality care is the housing plan and an insufficient amount of economic disadvantage is putting the value through a competitive edge.

*B. Low-Cost Housing scheme to economic growth (Employment, Infrastructure, and Business)*

As per low-cost housing initiation, the Australian market in a global economic arrangement is done in the past years and low-cost housing shift and it created changes based on the economic development as the rapid movement of the capital tends to get slow due to the change in the



conventional housing system. Rapid flow of the investment in these property- related areas created financial investment from the international area. Employers responsible for the discovery of new process along with production for delivering proposed plan can alter realtor system and policies made through government intention for the manufacturing process. Pressure created in the regulatory system, police modification based on federal government issues accompanies various exportation issues, and this concern altered the employment along with restructuring need.

Crucial aspect of economic development with the low-housing policy increased in 1980's through social exclusion and polarization due to globalization of the housing policies and socio-economic division in the metropolitan areas. Spatial separation included in these policies became the reason for the departure of the non-poor elements with private property ownership and racial segregation can be considered as another reason for this segregation along with the phenomenon of creating a developing pattern for rejecting low- cost housing solution. Empirical studies largely rely on ethnic and cultural segmentation for validation of the low-income property. Sustainability of the low-cost home-ownership in the UK provided changes in the labour market, due to the emergence of the mortgage defaulters and it contributed to the financial hurdles and manageable employment condition for reduced wage and modification to the mortgage insurance. This economic shift due to the low-cost housing and development of the labour market included housing financial market through social segregation and low-cost home affordability as a marginal risk for future and contributing to the dimensions for the emerging Australian context. This created a transparent linkage between the social-tenurial linkage of Labour market, economic growth, and low-cost housing.

#### *C. Placement and Community-based distribution of LCH and Economic growth*

Collected data from secondary sources regarding the impact of low-income housing has created a completely different niche as seen from the segregation of the property due to the emergence of this new category. Lower-income households are considered in a completely different area for providing household requirement. Market decline of the housing accessibility for a low-income household in Australian cities seem to be excluded from the inner areas and based on the location choices. Restriction to the location-based limitation can be considered as a general pattern to the development of the metropolitan areas. Private housing communities being the highest order of the housing society excluded low- income housing in a completely different area. Labour market and business enterprises connected to the housing through economic development if placed in a proper context. Global concern in this matter stated in the same aspiration of twofold housing policy. Thus, it can be clearly seen that low-income housing can generate prominent economic growth if these are included in main housing society and placed properly.

#### *D. Impact of LCH on Property Value*

Lack of any evidential changes in the property valuation is seen due to the socio-economic segmentation and products distribution and marketing for a different niche. Product development strategy for companies enterprises are developed based on a cost-based structuring. Buying behaviour of as per socio-economic categorization has reshaped the demand for LCH property. Economic categorization and value-based approach retained in the pricing factor for the implementation of such housing policies. Public perception of affordable housing is based on the public opinion and is conducted in the affordable housing can clear the financial barriers for development of the design and high land cost for inadequate financing scope. On the contrary, the negative perception of the above-mentioned surveys shows greater risk with variables

influencing property value scopes. Real property value can be done through influencing of the build quality material, which can be ignored in cases of the low-cost housing solution. Quality issue and development to the LCH can be seen with a low turnover rate as this is used as nearby housing and located for the negative proportion of assets based on the value proposition. The positioning of the low housing areas can be seen as another factor for delivering a high rate of population. Placement of the low-cost housing in a high-income area defined through socioeconomic separation can increase the rate of the LCH. Besides keeping LCH in a high demand, area can provide a separate pricing range, which can be excluded from real property items and affordable housing objectivity. Pricing of the houses is based on the market price of material, which is used specifically for this kind of construction purpose, which is completely different from any other regional context and states reasonability.

From the findings, it is evaluated that LCH has a great impact on the regional growth of the economy. Such aspect increases the buying power of the consumers. Thus the living strand of the people also increases rapidly. Besides LCH increase the basic need of food, water, nutrition and health care facility of the public. Some economically backward areas, which are ignored by the basic public facility, LCH scheme focus on the basic amenities of the low demand areas. With the help of the mentioned scheme. Infrastructure of the region can be increased. It also has effects on the labor market. The employment rate and wages of the employee can be increased by implementing the scheme of LCH in the target market. In other words, job opportunities among the public can be created by implementing LCH scheme. On the other hand, LCH focus on the long term economic growth of the region. As such mentioned scheme focus on the financial growth of a particular region, the affordability rate for housing is also increased among public.

## V. CONCLUSION AND RECOMMENDATIONS

### A. Introduction

Low-income housing is considered as a fundamental right from low-income population across the world and it includes a generalised idea of providing equality depending on the financial condition. However, spatial separation and racial interceptions in this housing solution has already established barriers and provided with various difficulties for a complete transformation of the small-scale housing for an organised solution. This housing solution has created a ripple of impact within the society for changing entire economic separation and property ownership concept. Interpretation of low-income housing can be compared to economic development and its impact on the surrounding property valuation.

### B. Contributions of the research to knowledge

This study has developed an evaluation based on collected data from the year 1960 to 2008 regarding private and public property acquisitions and GDP of a region. Thus, this can be considered as an outstanding option for analysing the feasibility of the low-cost housing in the past markets of Australia, US, UK and other countries. This study developed a multivariate research process through analysis based on the secondary data collection based on private property acquisition along with scopes for holding a comparatively low-profit asset acquisition. Additionally, this study provided knowledge regarding the impact of LCH in three different segments of the economic area, infrastructure, business cost, and employment. Advantages and disadvantages of low-cost housing in global economic development depend on the various cost factors for budget housing and providing affordability. Apart from that, low-cost housing concept and its origin based on the improvement of the economic standards practices by various governments are included in this study, which can help in the evaluation of the property-owning and affordable construction. Technological intervention in this affordable housing has changed

in the industry specification and product cost increase. Development of the green approach in the structuring of the construction process can be included for low-cost construction. Recommendation for using a comparatively different innovation has provided sustainability of the LCH in a global context.

#### C. Research limitations and future work

Research limitation of this study is this analysis is based on the evidential knowledge and focuses on a global context. Separation of the regional improvement based on government intervention in different places can specify the gaps in government initiatives and provide the usefulness of the research process. Economic growth of the country can be dependent on various factors and thus study has discussed only housing based solution for generating proper knowledge. Comparing with the economic condition is hard to execute as this involved with multiple factors. Keeping consumer confidence in the consumption process of LCH can provide lower economic disorientation and provides stability to the economic planning with rising employment scope. This study can help with further research based on the government role in LCH financing.

#### D. Recommendations for Further Research

- Recommendation for low-cost housing can be done in various aspects; one of them can be the construction process for developing a cleaner approach while constructing a community. It needs to include recycling of materials for providing a greener approach and power source implementation for adding up a high revenue margin through low-cost inclusion. Carbon footprint reduction through the incorporation of eco-friendly material is needed for providing a healthy community and stakeholder commitment.
- Socio-economic classification of the LCH

needs to be eradicated through proper placement of the LCH and building up a community with real housing complex. Segregation of the LCH from the society can cause an exclusion, which can only be removed through the allocation of the LCH within the community. Most of the cases show the placement of affordable housing far from real house sectors, which can create a socio-spatial segmentation.

- Proper pricing of the LCH is important for separation of this property from other valued property and retaining the place for a vital part of the public capital holding. Macroeconomic model inclusion, in this case, can help with separation and reduction of uneven affordability criteria. Based on the low income per capita for each family, pricing of the house needs to be retained as this can reduce the scopes of credibility and financial mortgage. Comparison of the GDP with economic growth can provide further research scope of the study.
- LCH financing should be free from any brokerage and other taxable value as this needs government intervention for complete tax remedy and tax exemption. Government intervention regarding tax exclusion and accommodation of the property based on income level is essential for low cost housing policy in the global aspect and limiting the price volatility.

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