SOCIAL RENTED HOUSING IN EUROPE: POLICY, TENURE AND DESIGN
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This volume is based on a selection of papers originally presented at a research conference held 15-19 August 1992 to coincide with the National Housing Fair - "Bo 92" - in Örebro, Sweden. The fair was concentrated on a neighborhood with a newly built housing estate including multi-family housing blocks of different tenures: private, cooperative, and social rented housing. With the reputation of being a forerunner of good multi-family housing, Örebro’s showcase estate attracted lively attention as a possible continuation of this record. However, as shown by the introductory chapter, the aim of the research conference was broader than indicated by its spectacular framework. By illuminating crucial dimensions of social rented housing and involving experienced scholars from different countries, it was hoped that the conference would contribute to both the academic and the political debate on the future of social rented housing in Europe.

Reflecting the multidisciplinary approach of the conference, the sponsors represent a broad spectrum of interests: the National Association of Housing Companies (SABO), the National Housing Fair Bo92 AB (Bomässan Bo92), the Swedish Federation of Tenants’ Associations (Hyresgästernas Riksförbund), the Swedish Council for Building Research (Byggforskningsrådet), and the Swedish Federation of Property Owners (Fastighetsägarförbundet). Maybe this constellation of partly mutual, partly conflicting interests in housing also indicates something of the renowned Swedish model of welfare state policy, cautiously maneuvering between the Scylla of state socialism and the Charybdis of neo-classical liberalism.

The editors of this volume -- including their organizational setting, the center for Housing and Urban Research at the University of Örebro -- gratefully acknowledge the help of all the sponsors of the conference. We also express our gratitude to Lennart J. Lundqvist for eminently chairing the meetings; to Malcolm Forbes for correcting the language; and to Åke Aronsson for transforming the chapters into a manuscript ready to go to press.

Örebro, June 1993

Berth Danermark  Ingemar Elander
INTRODUCTION

Ingemar Elander and Berth Danermark, University of Örebro

Ever since the war, private rented housing has been on the decline in most Western countries. Owner occupation and social rented housing have taken over the greater part of new construction, although the proportion of the social sector dropped during the 1980s. In real-socialist Eastern Europe, governments tried to put an end to the housing shortage by building large high-rise multi-family estates. As has been the experience in Western Europe, however, such estates were often devoid of meaningful social life. They posed tremendous management problems for housing authorities and caused social, economic, and political problems for society as a whole. Today, many governments have initiated massive privatization of state-socialist housing in order to create opportunities for a more positive development. However, this development also runs the risk of becoming a disaster. Many people cannot afford the higher rents that seem to be an inevitable consequence of the transformation towards a more market-oriented system. In both Western and Eastern Europe, public housing estates are currently under threat of being transformed into the last resort of those most badly in need of housing. As argued by Harloe (see Chapter 3 in this volume) and others, this process may aptly be characterized as residualization of social rented housing.

In August 1992, a group of housing researchers gathered at a conference in Örebro, Sweden. The aim of the conference was to illuminate the various dimensions of rented housing in Europe. Two questions were in focus: What are the virtues and problems of rented, multi-family housing? What difference - if any - does it make whether such housing is rented privately, publicly, or cooperatively? Although it was not the original aim of the organizers, most of the papers came to focus upon multi-family, publicly rented housing. This is probably a reflection both of the declining proportion of private rented housing and the challenges currently facing public or social rented housing in many countries. Having said this, another question immediately arises. What is social rented housing? However, to answer this question presupposes a definition of the more general concept of social housing.

As noted by Ambrose (1991), Kemeny (1993a) and others, although used as if its meaning was self-evidently clear the concept of social housing takes on different meanings in various national contexts. Thus, in Britain the concept is often used as being synonymous to council housing. Germany, social housing commonly appears as publicly subsidized housing, irrespective of ownership. In Sweden, social housing is
rather an umbrella concept, covering various types of housing in terms of ownership and tenure. Nevertheless, despite these and other differences, historically the term social housing has been ascribed some dimensions that are quite similar from country to country, thus making comparative discussion meaningful.

As summarized by Harloe in this volume, social rented housing can be very broadly characterized as having three major characteristics:

First, it is provided by landlords at a price which is not primarily determined by considerations of profit. Second, it is administratively allocated according to some conception of ‘need’. Third, government control over social rented housing is extensive and has become more so over time.

Although this definition broadly captures various forms of housing commonly referred to as social (rented) housing, it includes at least three ambiguities. First, it may be empirically very difficult to decide when price is not "primarily determined by considerations of profit." Considering current developments of renting in many countries, there is obviously an obscure field where profit and non-profit considerations coincide in a way that blurs the distinction between social and non-social housing. Second, the two first criteria do not exclude types of other tenure than renting (Ruonavaara, 1993). Third, government control over forms of housing that have commonly been regarded as ‘social’ is currently waning, which makes the third criterion problematic.

Thus social (rented) housing has been defined in various ways, often closely related to specific national contexts, and with a strong ideological flavor. Nevertheless, despite its ambiguities, we regard Harloe’s definition as being acceptable. It allows both for broad comparative analysis and historical case studies, as demonstrated in Chapters 3-6. Looking at social housing this way, the definitional issue is more or less becoming an empirical one, in the sense that its meaning must be contextualized with regard to the national setting in each case.

During the last decade or so, housing research has experienced a number of approaches allegedly offering a conceptual basis for theoretically sound and empirically cumulative work, and also having far-reaching ambitions in terms of cross-national analysis. Among these approaches are the ‘housing provision chain’ approach (Ambrose, 1991), the ‘comparative rental systems’ approach (Kemeny, 1993a), and the policy-focusing approach proposed by Lundqvist (1991; 1992a). However, this book is not systematically comparative, like other studies in the Delft series (Boelhouwer and Van der Heijden, 1992; Lundqvist, 1992b; Papa, 1992). Rather, its aim is to highlight a few dimensions which are crucial to an understanding of the reality and the prospects of social rented housing in Europe: ownership, property rights and tenure, policy, design, and social life. In housing research the focus is often upon tenure, policy, or design. The general idea behind the Örebro conference, and behind the collection of papers presented in this volume, has been to elucidate social rented housing in the light of all these dimensions.

The papers are organized as follows. Chapters 2-6 focus on policy, ownership, and tenure; the three remaining chapters take up issues concerning the relationships between the physical and social dimensions of rented housing. Before briefly introducing the
various topics, the issue of social rented housing needs to be located within a somewhat wider context. The importance of doing so is underlined by the fact that the housing systems of Europe seem to be in flux, implying a radically changing role for social rented housing.

Convergence and Divergence

In their seven-nation study on housing systems in Europe, Boelhouwer and van der Heijden (1992:295) found that, in spite of a number of similarities between housing policies and housing markets, there is no convincing evidence to suggest that the characteristics and the problems associated with housing systems in the countries under review are tending to converge. Housing market structures, which are the product of a series of historical developments unique to each country, the institutions that have been established in the course of time, and the activities of government, which are influenced partly by tradition and by ideology, are too much diverse for this to be a credible supposition. Though external factors and policy objectives are fairly similar in general, they have led to specific and often unique problems within each country.

Thus, like Schmidt (1989), the two authors found no support for the convergence thesis formulated by Donnison (1967) and by Donnison and Ungerson (1982), for example.

Despite the historically and culturally conditioned differences between various nations, the 1990s reveal a few similar trends that seem to characterize the current development of housing in Europe. On the surface, these similarities may be interpreted as support for the convergence thesis. A more realistic interpretation would say that certain structural determinants, largely external to the housing systems of the countries, raise demands that have to be met by any government that happens to be in power. The ways a particular government copes with these demands are broadly determined by the specific historical and cultural context (cf. Lundqvist, 1992b: preface). However, before mentioning some of the specificities of social housing in various countries, let us focus on a few general trends that seem to characterize housing in Europe.

First, state support of housing is fading away. Obviously, this development is most clearly visible in the post-socialist Eastern part of Europe (Turner, Hegedüs and Tosics, 1992). But it can also be seen in a developed Welfare State such as Sweden (Lundqvist, 1992b). Some of the ingredients of this process of state withdrawal are:

(i) a reduction of state financial support to housing investments, for example in Germany, Britain and Sweden, as demonstrated by Häussermann, Murie and Elander in this volume

(ii) privatization of public ownership, with Britain as the most conspicuous example in Western Europe and, of course, commonly taking place in the post-socialist European states, where restitution is one spectacular way to accomplish this goal

(iii) a phenomenon closely related to privatization, the tendency to deregulate and de-politicize housing, as vividly illustrated on the one hand by the demolition of the Ministry of Housing and the shrinkage of adjacent regional agencies in Sweden (decided
by the non-socialist government in December 1991) and, on the other hand, by the reduction in the number of rules adopted in order to standardize housing construction and keep a certain level of housing quality to the benefit of the users, as done in Norway (Vár Bostad, 1993: 38-40)

(iv) the restructuring of housing support from the production to the consumption side, using selective housing allowances as the main policy instrument. This path was taken in France back in 1977, then in the Netherlands in 1988. In Germany and Britain, consumption rather than production has long been the main target of housing subsidies (Hedman, 1993: 10). In Sweden, on the other hand, public support of housing production is still considerable (see Table 6.2 in this volume).

Other tendencies currently characterizing housing in many European countries are crises in the real estate market, homelessness, and segregation (Hedman, 1993: 9-12). Taken together, these aspects of housing policy indicate a broader shift from general to selective Welfare State policies that seems to be under way. Following Lundqvist (1992b:1-16), underlying this development are not only alleged economic necessities but a fundamental ideological change. This is illustrated by the fact that privatization is given high priority, also in countries where economic growth is showing a positive development.

Second, during the post-war era, there has been a clear tendency to favor home ownership in many West European countries, especially through generous tax reductions. At the same time, public housing has been favored through various forms of production support. Compared to these two tenures, private renting has been continuously in decline (Harloe, 1985). However, in the current wave of general cut-backs, there might be a revival of private rented housing, cooperative, and condominium ownership. Losing the generous subsidies made possible through tax reduction, home ownership is increasingly becoming too expensive for households with middle and lower incomes. Paradoxically, many governments that are ideologically committed to defend home ownership and increase its proportion of the housing stock are forced to contribute to policies disfavoring the financial conditions of people occupying this tenure (Boelhouwer and Van der Heijden, 1992:293-4). In addition to traditional rentals, new forms of rentals appear, combining a modest amount of money as an entrance fee with ordinary renting.

Third, diminishing state support of housing puts a heavier burden on today's residents. This contrasts with the Welfare State housing era, when it was assumed that the cost of the massive investments in housing was partly consumed by inflation and payment was partly postponed to later generations. Consequently, the proportion of social rented housing in new production is decreasing, while its social base is becoming narrower. The state is increasingly left with the residual task of housing people who could not afford to buy their own dwellings or to rent a flat on the regular market. This, in turn, adds to a development towards social polarization in housing. Thus, both segmentation -- referring to systematic differences in housing conditions between people with various incomes -- and its geographical reflection, segregation, will become sharper, as the current financial situation of the households, who are now partly abandoned by the state, will have a much more direct effect upon their choice of a dwelling.
Fourth, there is a general decline in the construction of new housing. According to a number of housing researchers and experts from France, the Netherlands, Britain, and Germany, the low level of new construction is regarded as one of the most serious problems in housing (Hedman, 1993:11). Although partly compensated for by the redirection of building investments into housing renewal (Priemus and Metselaar, 1992), the low level of housing construction leads to a growing housing shortage. Neo-liberal policies may be correct in their implication that there is no demand for substantial investments in new housing. But the rising number of homeless people and the fact that grown-up children have to stay longer than before with their parents obviously indicate a real need for new housing.

Looking at the broad tendencies currently restructuring the housing systems of Europe, and having the ambition to get deeper into the analysis than short-term policy descriptions (Kemeny, 1993b), we now turn to the concepts around which the chapters of the book are structured.

Tenure, Ownership, and Property Rights

Among the notions proposed and used as core concepts in housing research, tenure has sometimes been treated as the crucial factor when it comes to understanding differences in housing qualities. However, as argued by Barlow and Duncan (1988), tenure should be treated as an intermediary variable, reflecting various sets of rights that have been historically linked to each tenure in various proportions. For example, the right to use a dwelling in this or that way does not logically presuppose ownership. On the one hand, non-private ownership of a dwelling may be combined with extensive rights to use that dwelling. On the other hand, private ownership of a dwelling may be substantially circumscribed, e.g. by high interest rates.

Although ‘tenure’ can be very useful as a shorthand descriptive category in housing research, comparative analysis sometimes reveals substantial variations behind allegedly similar tenures in different countries. There could also be important variations over time within a tenure in one and the same country. To get out of this analytical straitjacket, Ruonavaara’s plea for a "moderate constructivism" seems well-founded:

Moderate constructivism sees housing tenures as historically and geographically changing but maintains that the variation of rights and duties within types of housing tenure is a variation within limits. Tenure forms conforming to certain types share certain inherent characteristics which cannot be extended to other types of tenure without making them lose their distinctive nature. Because this is so, it makes sense on a general level to compare cross-nationally national forms of tenure and to translate national tenure categories into cross-nationally valid ones. The translation may not be complete but it provides a starting point for more detailed investigations (Ruonavaara, 1993:18).

Treating ‘social rented housing’ as one type of tenure suitable for comparative analysis is problematic for several reasons. On the one hand, if the analytical focus is on the term ‘social’, tenures other than renting might be included, as shown by Häussermann
in the case of Germany. On the other hand, if ‘renting’ is focused upon, both privately and publicly owned rentals might be included, as argued by Ruonavaara in the case of Sweden (Ruonavaara, 1993:15-16). Thus, as illustrated by the policy-oriented chapters of this volume (Chapters 2-6), the terms ‘social housing’ and ‘social rented housing’ have strong contextual connotations and are not consistently used in accordance with one unequivocal categorization. For example, in Britain ‘social housing’ has often been used to mean ‘council housing’, while in Sweden ‘social housing’ is an umbrella concept covering various types of tenure.

Considering the contextual variations in time and space pertaining to one and the same tenure, any type of tenure should be analyzed in relationship to other aspects of housing. These could either be policy-oriented aspects, such as housing finance, forms of promotion, distribution etc., or the more legal dimension of what rights and duties are linked to the tenure. The ‘bundle of rights’ concept developed by Marcuse in the second chapter may be conducive to the second aim. Thus, one or several of these rights might be used as an analytical point of reference, hence making it an empirical question which of these rights are linked to the various tenures:

If ownership is more heavily subsidized than rental tenure, as it certainly is in the United States, then that is a major reason for a sensible household to favor home ownership. If, on the other hand, rental tenure is more heavily subsidized, as it has been in Eastern Europe, sensible people will have reason to wish to remain tenants. The preference here is not for the tenure, but for the subsidy although the two are not always distinguished.

Looking at security of disposal, one finds that this right in many countries is better satisfied by home ownership than by any other tenure. However, worsening economic conditions currently facing many homeowners throughout Europe may be conducive to a better understanding of the limits of tenure as an analytical category. Thus, it is obvious that home ownership does not logically imply better housing than renting in any respect, but that question has to be decided empirically. Depending on a number of contextual circumstances, some of the virtues of home ownership may suddenly turn out to be weaknesses. Conversely, what have traditionally been described as weaknesses inherent in social rented housing now may turn out to be virtues. For example, renting does not give the occupier the right to make capital gains in this tenure. However, more interesting these days is perhaps that the social renters cannot make capital losses either. Considering the traditional image of the virtues of home ownership, the slogan ‘rent yourself free’, as recently expressed by the municipal housing companies in Sweden, implies a paradoxical insight into this new situation (see Chapter 6).

There is an interesting parallel between the bundle of rights concept as applied to housing and the concept of ‘functional socialism’ developed by some Social Democrats in Sweden during the 1960s. The latter concept was originally devised to be applied more extensively, and not specifically related to the housing sector. However, the analytical potential of the concept has often been exemplified in reference to land and housing policies. Thus Adler-Karlsson, in his book on functional socialism, takes the landlord as an example, contrasting two situations. In one situation, the landlord has unrestricted rights of ownership; it the other, these rights are partially circumscribed.
In the latter case, there are restrictions on rents and profits, the landlord is not allowed to demolish or rebuild according to his own discretion, eviction of proper residents is severely restricted, or impossible etc. (Adler-Karlsson, 1967: 21-22). The concept has also been used to describe Social Democratic state policy with regard to the private landowners' right to own land. This concept is used in circumscribing their security of tenure and their freedom of disposal, i.e. their right to construct and manage houses and other buildings on the land of which they are the formal owners, and also their right to unearned increment (Elander and Strömberg, 1992). Unfortunately, in Sweden the concept of functional socialism has mainly been used as an ideological concept in the political struggle between left and right-wing proponents. However, in addition to its strong ideological load, the concept also seems to have an analytical potential that should be explored in future research.

Summing up the arguments mainly based on Marcuse in Chapter 2: to understand the conditions of housing, the rights, duties, and functions connected with ownership and tenure are important -- not ownership and tenure as such. Further, to avoid the risk of fetishizing one specific tenure, it is also important to look at social rented housing and other tenures in a historical perspective. The chapters by Harloe, Häussermann, Murie, and Elander are illustrative in this respect, revealing context-bound, historically changing concepts of social housing and social rented housing. To understand the nature of these changes, one has to bring the policy dimension into the analysis.

Policy and Tenure

Considering the context-bound definitions of social rented housing and the importance that should be paid to the historically evolved institutional settings of each country's housing system, we agree with Kemeny (1993b) that long-term public policy strategy is a crucial object of analysis when it comes to understanding current tendencies within various housing systems. The case for focusing on historically significant periods of time in comparative studies in general has been convincingly argued by Przeworski (1987), Mörner (1981), and others. And the focus on long-term public policy strategies should be a corrective to the near-sightedness in much housing research concentrating on detailed policy analysis.

The development of social rented housing in various countries seems to follow the general tendencies within housing described above, implying the redefinition of housing as a commodity among other commodities rather than as a social right. Thus, social rented housing is increasingly regarded as a residual tenure targeted only for those in need. This is convincingly demonstrated by Harloe in his broadly historical overview, and it is elaborated more in detail in the case studies of Britain, Germany, and Sweden. Keeping to these three countries, we can identify both similarities and differences as re-

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1 By the time of finishing this introduction, Evert Vedung published his book on state and municipal land policy, analytically using the concept of functional socialism in some parts. The author's main thesis is that Social Democratic land policy could be characterized as a combination of ownership socialism and functional socialism (Vedung, 1993).
gards the development of social rented housing.

To start with the similarities, all three countries fall into the mainstream golden age of post-war social rented housing development, with massive investments in multifamily housing by the middle of the 1970s, when that tenure represented more than 20% of the housing stock in each country. However, by then there was a gradual shift, both in Britain and Germany, towards a more residualist model of social rented housing. Meanwhile, in Sweden this tenure had come to be regarded as an integral part of a comprehensive social housing policy approach, ultimately aiming at tenure neutrality in terms of standard, influence, and costs. Again, at the beginning of the 1990s, there are signs that social rented housing is developing in a more residualist direction even in Sweden, thereby following the road already trodden by Britain and, though less dramatically, by Germany.

Among the differences in social rented housing, the various institutional forms are most striking. Thus, in Germany, social rented housing is not limited to registered institutions but can be represented by project development companies, institutional investors, and even individual investors (Boelhouwer and Van der Heijden, 1992:115). In Britain, social housing is managed directly by the local authorities, thereby making this tenure extremely vulnerable to centralist policies, considering the relatively weak local government level in this country. As regards state support, the municipal housing companies in Sweden had a privileged position up till the end of 1992. Their position in the national political system has been, and is still being, forcefully represented by the Swedish Association of Municipal Housing Companies. Despite these and other differences, the development of social rented housing in the three countries seems to lead in the same direction. However, this is not to presuppose a convergence between social rented housing in different systems. Despite a likely development in the same direction, it might be that the differences between the systems are about the same, or may even be increasing, as argued by Murie in the case of Britain. Thus the ‘Anglo-Saxon’ model seems to be far ahead of any other case with regard to disfavoring the public rented sector in relationship to private renting and home ownership.

Finally, although some countries show signs of a revival of the cooperative model of housing, as argued by Harloe in Chapter 3, it is unlikely that this model will become a major alternative form of social housing provision. Thus, housing in most European countries is moving towards a more market-oriented position, where the social dimension is becoming more of a residual.²

² The dimensions of this residualization process include the following: (i) decreasing proportion of publicly owned (social rented) housing; (ii) qualitative deterioration of social rented housing; (iii) an increasing proportion of low-income, unemployed, disabled and elderly tenants in the public housing stock; and (iv) cuts in public support of social rented housing (Lehtinen, 1992).
Urban Planning, Design and Social Life

Taking the neighborhood as the point of departure for the discussion of social life has a very long history. A basic theme has always been that the various dimensions of a neighborhood have an influence on the individual and on social life in the area. It is, of course, correct to observe that the nature of social life may vary according to the type of area; in other words, behavior can vary with the built environment. Over the years, a great effort has been made to elucidate this connection. There have also been many attempts to influence the social life in an area through manipulation of the built environment. The notion that changes in behavior can be brought about through different spatial arrangements and urban design has been around a long time. As early as 1833, the British parliament discussed the idea of laying out walks through the poor parts of London, walks that might be used by the more affluent from time to time. The point was that through this increased contact with the more well-to-do, the poor would become ashamed of their dirty conditions and change their way of living, or at least would become aware of their apathy and indolence. There was also the pious thought that the well-to-do could lend the lower classes a helping hand in the adoption of 'better standards' (Sarkissian, 1976).

In urban and housing research, there has always been great interest in the local social life in a housing area and the broader urban environment. It was the effect of city life on social life, on human culture as a whole, that was the focus of Georg Simmel’s urban-sociological reflections precisely 90 years ago (Die Grosstäde und das Geistesleben, 1903). Rather more than half a century later came Jane Jacobs’s The Death and Life of Great American Cities (1961), a classic study of the important part played by the environment with regard to the complex pattern of what sociologists refer to as secondary contacts. The arrangement of the spatial environment is one factor that contributes to making everyday life on Hudson Street, Manhattan, rich in content and easy to maintain.

In social movements such as the Garden City Movement and the Community Center Movement, the notion of the importance of the physical environment had a very prominent place. The neighborhood as arena for social life was the basis of an extremely detailed proposal by Clarence A. Perry that was first presented in 1924 (Franzén and Sandstedt, 1981). It fully illustrated the reasoning behind the neighborhood idea, in respect to both planning and ideology. The purpose of the proposal was to create the physical prerequisites for the emergence of a neighborhood. It involves a detailed description of how various spatial elements are to be coordinated, in order to influence social life. Six elements of planning are taken up: size, demarcation, open areas, institutions, shops, and internal traffic system.

With roots in German sociology - as represented by such prominent scholars as Tönnies, Simmel, and Weber - there developed within the Chicago School a perspective on urban social life that was characterized by the notion of a particular urban culture. Such urban life is conditioned by ecological factors. Louis Wirth (1938), perhaps together with Park the most outstanding representative of the Chicago School, distinguishes three central dimensions of an urban area: size of population, density of population, and heterogeneity of inhabitants and groups. Large urban areas, he says,
lead to anonymity, anomie, and lack of participation. With regard to density of population, he points out that being close together can have both positive and negative effects. The latter effects appear when persons without emotional ties to one another live near one another. On the one hand, frequent and close physical contact between persons who are socially different can give rise to feelings of loneliness. On the other hand, encountering different types of personality is also important for the individual. Therefore, the capacity of an area to offer such social interplay (i.e. the degree of heterogeneity of an area) is important too.

Not least in architecture, the notion of the importance of design come to play a major role. Modernism and the modernistic movement spread further and further. In architecture, it acquired the general name of functionalism. It incorporates the same avant-garde spirit as modernism in music, the visual arts, and poetry, according to Von Wright (1993). But architecture takes a special position in this connection. In contrast to music or painting, architecture does not exclusively belong to the realm of the fine arts. Building technology is central, and thus architecture also belongs to the realm of technology. Far-reaching standardization and production adaptation, rational building techniques and practical functionality all these go hand in hand with the new planning grammar of right angles, ordering axes, and modular networks. Furthermore, the social awakening on the part of the builders of society gives architecture a moral and social dimension that it cannot escape. There arises an express ambition to unite the three dimensions of art, technology, and social questions. Prominent architects and planners such as Le Corbusier and Gropius thought they could influence the lives of individuals through urban design. The architectonic movement of the 1920s had a strong social-progressive commitment. For instance, there were strong social pretensions in the architectural idiom developed in the Bauhaus collective at this time. The new technology, in combination with purist architectural aesthetics, would be put at the service of the working class as open, ascetic, and economical building would make it possible to carry out the major housing reforms that were waiting on the doorstep. In short, the housing problems of the working class would be solved in this way.

This firm faith in the importance of spatial arrangement must also be seen from a historical political perspective. A good illustration of this is the reception accorded the neighborhood idea when it arrived in Sweden after World War II. This reception occurred in a special political and ideological context. The consequences of the emergence of totalitarian states gave cause for alarm. Great migrations from country to town had left individuals with no group to feel at home in. Lacking roots in any primary group, the individual fell an easy prey to mass imitation and mass suggestion and was thus led into dictatorship. So the primary group had to be created anew. But where? In the neighborhood units, of course! The democratic system had not had restrictions making it impossible for Nazism and Fascism to be voted into power 'by due democratic process'. What was needed now was to create "a fighting democrat, anti-fascist and collectivist, a rational sceptic" (Holm, 1965). This, in brief, was the analysis, and this ideal type of person was now to be created with the aid of the architects and town planners. The bourgeois construction of democracy is given a spatial aspect: neighborhood planning.
The emphasis on environmental context and design as determining factors in social relations was increasingly criticized towards the end of the 1960s. Much of this criticism was summarized by Manuel Castells in his *La Question Urbaine* (1972). In his opinion, studies that had concentrated on the relationship between different urban environments and social behavior had indicated the irrelevance of the environment as an explanatory variable. As soon as the urban environment is broken down into operationalizable terms that are typical of certain environments, it becomes evident that the latter are determined by other factors. At the same time, Castells however, emphasises that this criticism must not lead to a dismissal of the influence of the urban environment on human behavior. It must be included in the social context. On the other hand, there are no scientific grounds for regarding it as an independent explanatory variable. Should one regard it in this way, one is indulging in myth-making with a political and reactionary tendency. Traditional urban sociology had in such a guise served the purpose of concealing power relations in society. The traditional view leads to a technocratic approach. Social problems are taken care of through manipulation of the urban environment.

In the same year that Castells’s book came out, 1972, Oscar Newman published *Defensible Space: Crime prevention through urban design*, which was soon followed by other books on the same theme (see e.g. Poyner, 1983). These works incorporate the idea of a definite and predictable connection between spatial design and community life. The type of environmental determinism that Newman and the others advocate has been somewhat revitalized during the past ten years or so. It has become evident that such determinism has a strong position, in spite of the above-mentioned criticism. It offers simple solutions and gives the planner a prominent role. As Dickens shows in this volume, it has enjoyed great currency with politicians and planners, as manifested in the appointment of Alice Coleman as adviser to the Conservative government in Britain. Drawing on the survey conducted by Rubenstein et al. (1980) the state of knowledge at the end of the 1970s, Popenoe (1987) concludes that the physical design of buildings and adjacent properties has a direct effect on social life. Although there are reasons to question this type of assertion, a number of indirect connections between design and social life obviously exist. For instance, there is a connection, as Van Kempen indicates in her contribution to this volume, between the nature of the housing in a certain area and the type of households that seek such housing. Also of great importance in this context is the structure of the local housing market. The degree of migration is another variable that, to a certain extent, can be manipulated by means of the physical structure. With a varied range of flat sizes, there is greater opportunity for households to stay on in the area when their needs change.

After making a survey of the results of the relevant Swedish research during the post-war period, Hjärne (1985) draws the following two conclusions: (i) that "research has ... not been able to demonstrate any unequivocal connection between the way of building and the way in which social relations between the residents develop" and (ii) that "if it is desired to promote a good sense of community in the housing area, a surer way would appear to be to ensure in the planning that possibilities be created for the residents of an area to influence the physical environment and other conditions in the area, rather than to create even the most highly arranged physical environment ..." (our
Participation and influence are two central concepts in this context. In the cultural-historical school, the importance of communications, symbols, language, culture, and values is stressed. These are an integrated part of material existence and human practice. If work is the physical tool for the transformation of the real world, language is the psychological tool for influencing the behaviour of others and for influencing one's own behavior through conscious thinking and control. Here, the question of power becomes relevant. Communication is infused with different 'accents' which reflect different ideological positions in the class structure. This is close to the perspective in the theory of power where stress is placed on the third dimension of power. Lukes's now classic *Power: A Radical View* (1974) develops a view of the exercise of power as involving three dimensions: decision-making, non-decision-making, and influence on consciousness. The latter dimension is crucial when it comes to understanding power relations in modern societies. Such a perspective has been applied in a study of an urban renewal process in a Swedish neighborhood (Ekström and Danermark, 1991). The study illustrates the importance of the processes at work on the third level. Power as the capacity to influence consciousness is uncovered by close examination of what the flow of information was like, how power was masked as bureaucracy or structural compulsion, how a (false) picture of harmony in the planning process was spread, and how a number of other myths were produced and spread among the residents.

As was previously touched upon, and as Van Vliet (1987:8) indicates in his survey, one of the limitations in this field of research is the preoccupation with design per se. Ample light is shed on this limitation by Lawrence and Van Kempen in their respective contributions to the present volume. As Lawrence puts it, there is an architectural orthodoxy that ignores cultural, societal, and historical dimensions. Architects and planners have always been limited in their view of the city. Boyer (1988) writes that "neither the profession of architecture nor that of city planning has any concept or theory to deal with the city as an entity, rather than fragmented into bits and pieces; and neither hold out any vision of what the city might be as it enters the last decade of the twentieth century" (p. 49). Today we are also witnessing a greatly increasing interest in the aesthetics of town planning, a return to the focus on physical form. It is true, though, that this interest and its forms of expression come in a partly new guise, "in a free play of styles, with a general quoting, appropriating, recycling of images which facilely slide over surface structures" (Boyer, 1988:52). Thus, the need for a reorientation is perhaps greater today than it has been for a long time. It is worth pointing out, though (as Lawrence does in the present volume), that design is much more than the art of aesthetic composition. Although design is mostly regarded from a contextual angle, there is variation in the meaning given to the concept of context.

From the architectural point of view, context is more often than not understood in a very restricted way. It is mostly seen as being a question of the external appearance of buildings, i.e. as being more or less restricted to the physical. It goes without saying that history offers many examples of architects inspired by the task of implementing cultural, societal, and historical dimensions, Le Corbusier being one that immediately springs to mind. Nevertheless, the mainstream in the field of urban design is characterized by a restricted interpretation of context. This approach to the designing of space
has been reinforced during recent decades by the new manner, which involves the free play of all styles. The process of decontextualization and fragmentation is very obvious on the local level. Here, it is argued that there is a contingency in the relationship between design and social life and that the aims of design can be achieved only under socially favorable conditions. Consequently, planners and urban designers have to abandon the restrictive interpretation of context and instead develop and apply a contextual view, which includes subjective and qualitative factors, socio-demographic factors, economic and political factors, and land use and building regulations (see Table 8.1).

An important conclusion that can be drawn from this review of the relationship between urban planning and design on the one hand, and social life on the other hand, is that the possibilities of influencing social life through spatial arrangements are very limited. Rather, it is the case that the spatial acquires importance when a physical environment is created which can be affected, modified, by the residents. This requires, among other things, a development of the forms of administration in the rental sector. Furthermore, there has to be a strengthening of influence over the immediate housing environment. Power, influence, and participation are perhaps the most central factors, when it comes to being able to have an effect on the social life in a housing area. Several of the contributions to the present volume place stress on this (see Van Kempen, Dickens, Murie, and Lawrence). Not, of course, that design is unimportant with regard to social life. The physical environment can, in various ways, strengthen or weaken the processes in question, but the important thing is that (as Van Kempen puts it) design should be accorded the role appropriate to it both theoretically and empirically in such a context.

Tenure, Ownership, and Ontological Security

During recent years, the question of the importance of form of tenure has again come under discussion. For instance, Saunders (1990) has emphasized the central role of ownership right with regard to our ontological security.

There is something remarkable about man's inborn longing for the possession of property. ... It is an unconscious sense of the importance of economic gains that the possession of property represents. ... He has an area where he has an absolutely free hand, he is his own master, he has a certain amount of power and a sure haven in time of need. His self-esteem grows, and with it his moral strength.

This view might have come straight from the present-day discussion, but in fact these are the words of the Austrian economist Sax, quoted in Engels (1946). About 15 years ago, ownership was on the agenda when the bourgeoisiefication of the working class was the theme of debate. Fuel for the discussion came from the controversy between Engels, Müllberger, and Sax in 1872. Engels harshly criticized the proposal to let all tenants buy their flats, i.e. to transform tenancy rights into ownership rights. In the first place he firmly rejected the notion that human beings are, as he put it, peasants by nature. By this he was rejecting the notion that it is in all our natures to strive for ownership.
In the second place, he saw ownership as fettering the worker, when in fact freedom of movement was a necessary condition of life. This co-opting of freedom by society through ownership right could be of great importance with regard to how the working class would act. Harvey (1978) stresses the important role played by economic ties in curbing social unrest. The discussion continues, and is reflected in the way Dickens treats the question of ownership right in the present volume.

The concept of home ownership, as Marcuse shows in Chapter 2, is by no means unequivocal. Its meaning and importance in e.g. Bulgaria, the country of home ownership par excellence, is altogether different from what that in the UK or Sweden (see Tsenkova, 1993; Lowe 1992). Ekström (forthcoming), in a paper on housing and the elderly in Sweden, shows that a person’s home has very great importance with regard to the one’s feeling of security. What does not, on the other hand, appear to be of decisive importance is the form of tenure. Whether or not you own your home is of minor importance. What is of interest is what rights and obligations go with the different forms of tenure. As Marcuse makes clear, this is determined by legislation and by historical, social, and economic conditions.

Thus, the content and import of ownership right seem to change over time, partially determined by the economic situation. It is reasonable to suppose that in times of high unemployment, major regional upheavals, and substantial changes in the interest rates, the fact of owning one’s own home will lead to ontological insecurity for large groups in society. This is well illustrated with slogans such as ‘Rent yourself free’ and ‘Are you a prisoner in your own home?’, which are used by the municipal housing companies in an on-going campaign in Sweden. The message is that having ownership right and large debts means great insecurity, while on the other hand tenancy right brings security, mobility, etc. (see Elander, Chapter 6 in this volume). This captures the crux of the matter: our desire to control our lives. In one context, a certain form of tenure contributes to increasing this control; in another context, the same form of tenure has the reverse effect. It is always an empirical question what form of tenure best promotes real control over one’s destiny and thereby one’s feeling of safety and security. Today, in many countries it is far from obvious what kind of tenure would satisfy this demand, as illustrated by this quotation from The Observer:

Once it was a simple choice between renting and buying a home. Now you can do both at the same time. The question is whether this is the best of both worlds, or the worst (Thomas, 1993: 13).

The quotation refers to the Do-It-Yourself Shared Ownership reform as of April 1992 in England but it illustrates well the more general problem regarding which housing tenure offers the best security.

The examples given above raise important questions. Does ownership right give greater security? Do slums cause criminality? Does the neighborhood confer a sense of identity? Does high-rise living cause alienation and anonymity? Such questions are as relevant today as they have ever been during the past 150 years. A way of acquiring a better knowledge of the relation between the built environment and social life is to direct one’s attention towards the individual and the processes that form the individual in modern capitalist society. "Social theory and the political economy of housing has
badly neglected the subjective aspect of personal behavior," writes Dickens in this volume. A central point of departure for developing our understanding of the processes under discussion here is formed by theories of the social formation of personality. Burkitt (1991) has made a highly discerning attempt to formulate such a point of departure. Social relations and social activity are two fundamental aspects of processes that form our personality. The basis of individual identity is to be found in society, in the social relations that exist between individuals. Thus, it is not a question of inborn characteristics. The relationship between the individual and society is not one that can be described in terms of a distinction. It is not a question of finding a relationship between the two, but instead a question of an entity—the social being—that can be seen from two different perspectives. This being is formed partly through relations that transform the real (i.e. production), relations of communication, and relations of power. Sève (1978) has outlined a psychology of personality that emphasizes the action of individuals within production and how this shapes those capacities which mark their development as social individuals. Our capacities develop only if they are needed for the accumulation of capital. They have no chance to develop to the full. Thereby we are alienated from society. In our activity to transform reality in order to satisfy our needs, we are affected in such a way as to cause new needs to emerge. On the basis of this insight, Sève turns the whole theory of personality and motivation around. It is not biological needs that provide motivation for activity. It is rather the activity that we are engaged in that results in historically determined needs.

What we are arguing here is that it is necessary to search for more fundamental sociological and socio-psychological mechanisms behind an observable behavior. Such mechanisms concern how the individual is formed, what control the individual has over his or her own destiny, and what social relations the individual is a part of. It is in the development of these more genuine theoretical questions that a more fruitful knowledge of the relationship between the built environment and social life can be produced.

Two Missing Perspectives

The papers in this volume cover several crucial dimensions with regard to understanding the experience and prospects of social rented housing yet we would like to draw the attention to two missing aspects that should become the object of housing research: the perspectives of gender and ecology.

If our understanding of the relationship between the built environment and social life is limited because of shortcomings in the application of socio-psychological theory, this would appear to be even more clearly the case with regard to the gender perspective. Dorothy E. Smith (1987) attempts to formulate a feminist sociology on the basis of her own and other women's experiences, and she asks herself how these experiences are organized and what social relations generate them. It is her opinion that an alternative to traditional sociology is to make the everyday world the locus of a sociological problematic. This everyday world is the immediate world in which women are located physically and socially, a local and historical reality. Not, however, that this means that the everyday world and the object of study are one and the same. An important dis-
tinction has to be upheld between the everyday world as problematic and as phenomenon. The concept problematic can be used to generate questions that would not otherwise have emerged. The approach is the same as that which Marx and Engels use when they start from material reality in their method of analyzing capitalist society. In The German Ideology, it is stressed that the analysis should start from the world we live in, among real individuals, their activities, and the material conditions of their activities. The daily activity of the individual is determined by the division of labor, which, in turn, is the result of both national and international social, economic, and political processes. Smith's discussion of ideology illustrates what was briefly indicated above concerning the formation of personality. On the basis of Marx's concept of ideology, Smith shows how ideas have their origin outside our world of experience. They come from an external source and constitute imperative categories into which we have to fit our reality. Furthermore, women's lives both regarding daily routines and within a lifetime perspective are loosely and episodically structured, which is a reflection of the fact that women often lack control over important circumstances in the world around them. Women's lives are often externally determined. A field offering possibilities of developing a research strategy capable of capturing the gender perspective is institutional ethnography. In contrast to more traditional sociology, it does not start from concepts and theories of sociological discourse; instead, it starts from a concrete situation and concrete events, seeking to trace the underlying relations in them. It is a question of describing events and customs from within in order to search for patterns and to explore the cognitive maps of the subject. Participant observation is the primary research method. To a large extent, the home and the local neighborhood constitute a world populated by women, especially when it comes to social life during the day. Certainly there is research that highlights this from a gender perspective: with the aid of time geography, women's use of the home and the home environment has been analyzed (for a discussion, see Pred and Palm, 1978), and there have been ethnographic studies of women and the home (see Kenen, 1982). Nevertheless, it would seem to be no exaggeration to say that the perspectives which Smith calls for are conspicuously absent from urban-sociological research focusing more closely on the relationship between the built environment and social life.

Indeed, it is a challenge for future research in housing to develop and apply a theoretical approach based on an understanding of the development of personality from a gender perspective. However, talking about missing perspectives in this volume, we should also note the absent dimension of environmentalism. Although 'green housing' was not on the agenda for the research conference, it undeniably is an issue that should be highlighted when it comes to discussing the future prospects of rented as well as other forms of housing. However, in the vast and increasing literature on environmental issues, comparatively little attention so far has been paid to cities and housing (Stren, 1992), despite the fact that most people in the so-called developed world live in urban settlements, where development towards sustainability should be more important than anywhere else.

Referring to "the process where society is able to produce and consume at a level that conserves the Earth's resources for future generations and causes the minimum amount of pollution and waste" (Bhatti, 1993: 100; cf. White and Whitney, 1992: 8-9),
sustainability in housing has several dimensions. Following Priemus (1992: 39-40), one dimension of sustainable housing pertains to the construction process, meaning a reduction of non-renewable raw materials in building and a reduction of harmful building materials. Another dimension refers to housing management consistently directed towards energy-saving, including recycling of waste products. Finally, sustainable housing should be an element of a compact city policy: concentration of building activities in and around the city, in order to limit the commuting distance between work and home and to promote collective transport.

Relating the issue of sustainable housing to the dimensions of social rented housing actually highlighted at the conference and earlier in this introduction, we would like to stress just one point. As convincingly argued by Dickens (1993a: 151), "to suggest that buildings and designs are themselves capable of creating sustainable societies could be, to say the least, seriously misleading". Thus, to be able to develop sustainable housing, it is crucial to understand the links between policy, tenure, design, and social life. Considering the large scale of most social rented housing and the potentials of collective action inherent in this kind of tenure, one may be cautiously optimistic about the prospect of developing an environmentally sound consciousness among the public landlords and tenants. To give just one example, the Swedish Association of Municipal Housing Companies (SABO) recently published a detailed check-list on how to make management better adapted to the requirements of green housing. The check-list comprises 56 points listed under seven headings: waste treatment, saner dwellings, energy, water and sewage, traffic and transport, neighborhood, and organizational activities. According to the declared ambition, 45 of the points should be implemented by the time of the next SABO congress in 1994. Although the check-list is not mandatory to the individual companies, it is an expression of growing green consciousness among the public landlords in Sweden. Finally, as argued by Dickens (1993b), the two perspectives of gender and ecology might develop into a fertile couple within the framework of a rapidly growing body of ecofeminist thought. But, of course, this will be another story than the one told in this volume.

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PROPERTY RIGHTS, TENURE AND OWNERSHIP: TOWARDS CLARITY IN CONCEPT

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The Problem: 'Privatization', 'Ownership', 'Rental' Have Multiple Meanings

Privatization is the current buzzword in housing circles. In Western Europe, Margaret Thatcher's ideological attack on council housing in Great Britain led to a wave of sales of what had been public housing to individual private owners there; other governments have followed suit. In Eastern Europe, privatization has taken on an almost magic coloration: the privatization of housing is supposed to stimulate new construction, a way to deal with the problems of the decay of inner-city housing as well as the anonymity and ugliness of the ubiquitous large new housing estates. On both sides of the former ideological divide, ownership is taken as the ideal form of tenure, both in government circles and in popular discussions; rental housing is seen as perhaps an unfortunate necessity, appropriate only under particular circumstances for particular population groups. Public housing is seen as housing of last resort; it is only for those who are unable to obtain the minimum standard of housing in the private market because of some particular weakness of the housing seeker.

Yet the lines between ownership and rental, private and public, are often fuzzy. In New York, when a city-owned (publicly owned) apartment building is transferred to a cooperative of residents -- whereby sales profits are not allowed for individual owners, income limits are set for occupancy, and subsidies from government are guaranteed -- it is considered a transfer to private ownership; yet the housing unit cannot be freely resold, no profits can be made on resale, and the ending of government subsidies would probably mean eviction. But a resident in public housing is considered a tenant, although his or her occupancy is practically guaranteed for life and may be passed on to children living in the household, resident management corporations can give virtually the same control over use that

cooperative owners have, and the financial benefits of occupancy rise steadily with inflation.\(^2\)

The ambiguity is the same under socialist systems. Looking at it from a Western point of view, Ray Struyk comments on a situation contrary to conventional expectations:

... tenants in China have the right to transfer their right of occupancy to relatives and are subject to eviction only if they leave the work unit providing their homes. This provides a quite secure living arrangement for tenants. In Hungary, tenants can even sell their right to occupy a unit.\(^3\)

And other less experienced Western observers are constantly surprised to find that ‘tenants’ in publicly-owned housing in Eastern Europe are unwilling to accept ‘ownership’ of their own apartments, even if offered them for nothing, and prefer to remain ‘tenants.’\(^4\)

Part of the problem, East and West, lies in subsidy arrangements. If ownership is more heavily subsidized than rental tenure, as it certainly is in the United States\(^5\), then that is a major reason for a sensible household to favor home ownership. If, on the other hand, rental tenure is more heavily subsidized, as it has been in Eastern Europe, sensible people will have reason to wish to remain tenants. The preference here is not for the tenure, but for the subsidy, although the two are not always distinguished.

The same is true of the linkage between housing type and tenure: most owned units are in single-family houses, in both East and West, and most rented units are in multi-family buildings.\(^6\) Very few of either the journalistic or the scientific surveys of ‘consumer preferences’ make the distinction between the form of tenure

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\(^2\) Because of the difference between the rent being paid, which is calculated as a percentage of income.

\(^3\) Presentation at International Conference on Housing, Budapest, Hungary, September, 1993.


\(^6\) Although a surprisingly large number of single-family units in the United States are rented - up to 30% - and many multi-family units in England or in Western Europe are owned by their occupants. Despite the statistics, ask anyone for their image of home ownership, and the picture is a detached single-family house; the image of a rental is an apartment.
and the form of the housing unit; what they get in response is a preference for single-family housing that is expressed as a preference for ownership.

Even after these distinctions are made, however, the concept of ownership remains remarkably fuzzy for the housing case. At the very beginnings of Anglo-Saxon jurisprudence, Coke in his *Institutes* (1628) said, "What is the land but the profits therefrom." For a more modern formulation we find, in a recent article in the official journal of the American Sociological Association, the Abstract of a lead article defining property rights as "the right to derive income from productive assets."

On the other hand, in one socialist constitution after another we find the right of ownership guaranteed, but in just the opposite sense: the right to use an object of personal consumption, but precisely not the right to derive income from its rental or sale, as we shall see below.

Privatization is, if anything, an even fuzzier concept than ownership. Generally, it means some form of reduction of the governmental role in making decisions about the use and disposition of property. But the implicit assumption that reduction means a transfer of all ownership "rights" to private individuals is at best naive, at worst deliberately deceptive. For governmental control over the use and disposition of "private property" is standard and inevitable practice in every private market economy: we do not consider speed limits on highways an interference with private ownership of automobiles, nor are residential zoning or environmental standards or building codes in contradiction to "private" ownership of land. Indeed, such governmental activity is essential to make private ownership possible. And the formulation that "property rights" need to be introduced in Eastern Europe to permit a market system to be developed is playing with words: property rights exist in socialist societies as much as in capitalist societies, in planned societies as well as in market societies; they are simply different in one than in the other.

Clarity in the concepts of ownership, renting, housing tenure, and property rights is thus a neglected necessity and must be addressed before any sound policy analysis of the position of tenure alternatives in housing policy can be properly undertaken.

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8 Walder, A. G. (1992) "Property Rights and Stratification in Socialist Redistributive Economies," *American Sociological Review* (57) no. 4. In context, 'property rights' is used as equivalent to 'ownership', although the plural should certainly have given the author pause before assigning it a singular meaning.

9 In the 1920s in the Soviet Union there was indeed an extensive discussion of the role of law in a socialist society, in which Pashukanis took the position that law was per se a pre-socialist institution, unnecessary in a fully developed socialist society. Under such a conception, it might be argued that property rights would also be an anomalous concept. Pashukanis, E. B. (1978) (orig. 1927), pp. 126-7, in Chris, A. (ed.) *Law and Marxism: A General Theory*. London: Ink. Links Ltd. But the argument at best only applied to a stage of socialism no one contended had been attained in Soviet Union, and remained essentially academic. Stalin’s position on the matter may perhaps be seen in the execution of Pashukanis in the mid-1930s.
The Legal Analysis of 'Ownership' and its Incidents

Definitions are critical. What the forms of ownership and tenure imply can vary enormously within formal categories. The differences involve, in each case, different relations among people; it is a fundamental principle of jurisprudence that ownership is a set of relations among persons and institutions with regard to a thing -- not, as is often assumed in ordinary conversation, a relationship between a person or institution and a thing.

The law of ownership is not a set of rules fixing what I may or may not do to a thing but a set of rules fixing what other people may or may not prevent me from doing to the thing, and what I may or may not prevent them from doing to the thing.

Such a definition of ownership is consistent both with traditional Western and with socialist jurisprudence.

The analysis of ownership and the various tenure forms must then begin with a specification of exactly what relations among what persons each tenure form implies. This is the bundle of rights concept, well accepted at least in Anglo-Saxon law: that ownership or any other form of tenure is a collection of separate rights, and that each form of tenure can be defined by a specification of what rights it includes. Here the term incidents of ownership is used to denote this concept that ownership is in fact a 'bundle of rights,' and the specifics are explored with relation to residential property.


I use 'people' and 'persons' here to include any type of legal entity, whether individual, corporate, governmental, or otherwise; see discussion below of the variety of entities that may be involved in 'ownership'.

There are a limited number of basic incidents of ownership for housing, which may formally be divided into rights, powers, privileges, and immunities. Those characteristics that must be taken into account in trying to understand what form of tenure is desired, or what the consequences of a particular change in legal forms of ownership will be, include the following, which I would consider the 12 key incidents of ownership:

1. Privilege to occupy and use for shelter
2. Privilege of broader uses, privilege not to have use restricted
3. Security, privilege of continued occupancy; immunity from eviction, right to protection in occupancy
4. Right of privacy, privilege not to have others invade unit, right to exclude others
5. Privilege to modify, make physical changes to the unit
6. Rights to residential services, utilities
7. Right of disposition or allocation of subsequent or simultaneous use, immunity from restrictions on disposition by user or use
8. Right of profiting from a disposition, immunity from restrictions on disposition, including taxation
9. Right and/or duty of maintenance and repairs
10. Right to public subsidy or support
11. Duty to make initial or current payments for exercise of rights or privileges


It should be obvious that the grouping into 12 categories is largely arbitrary; I have discussed some of the issues in Marcuse, P. (1972) *The Legal Attributes of Home Ownership*. Washington, DC: The Urban Institute, April, Working Paper 209-1-1. For a sociological approach, see Saunders, P. (1984) "Beyond housing classes: the sociological significance of private property rights in means of consumption," *International Journal of Urban and Regional Research* (8), pp. 202-227. The further specification, in terms appropriate for feasible research, would be a major contribution to the advancement of research on comparative housing policy.

The Supreme Court has spoken of the right to exclude as "one of the most essential sticks in the bundle of the rights that is commonly characterized as property", Kaiser Aeta vs. United States, 444 US 164, 179-180 (1979). But see PruneYard Shopping Center vs. Robins, 447 US 74, pp. 82-85 (1980).

Both capital gains and ordinary income taxes may be considered a form of restriction of the right to profit.
12. Power to alter prevailing rights, privileges, powers, or immunities by physical acts, payments, or political or judicial actions

In addition, ancillary rights often are established for ownership, ranging from the right to vote to the receipt of various kinds of public benefits, subsidies, etc.

To define adequately what a particular form of tenure really means, one would have to specify the following:

I. What are the rights, privileges, powers, and immunities attached to that form of tenure?
II. What is the extent of each, both substantively and in duration?¹⁷
III. Who has the ability to exercise each?
IV. Against whom may they be exercised
V. To whose rights and privileges are they vulnerable?
VI. To what types of property do they apply?

Answers to these questions will define the precise legal nature of the tenure involved. To understand its actual meaning and impact, one would need to know the answer to one further question:

VII. How are decisions made by the persons or entities who appear in answer to questions III, IV, and V; what resources do they have at their command, and how are their decisions made?

In light of recent events in Eastern Europe, this sixth question is of especial importance. For instance: ‘Government’ is assumed to be a single homogeneous category in most discussions of privatization and property rights, but whether that government is democratically constituted and responsive, or is bureaucratic or despotic, and what the distribution of power is that determines its decisions, are questions that must be confronted in assessing the real meaning of the response that government has the power of eminent domain. Or: information on the resources available to private households, and their distribution, is critical in judging what a private occupant’s right to build actually means.

Looking at the different combinations of the answers to our six questions that exist (or existed) and constituted property rights in Eastern European and in Western market countries will help to suggest the variations possible.

¹⁷ Variations in the length of time over which an incident of ownership exists may alter the treatment of (and label given to) that incident. Thus, under New York tax law, issues around how long a long-term lease must be before its execution or transfer amounts to a taxable transfer of ‘property’ are ongoing. See Real Estate Board of New York, REBNY Roundup, p.19.
Legal Concepts of Ownership and Rental in East Europe

To start with a general comment on the use of words: Legal forms of ownership of course reflect basic societal configurations. They are particularly important in housing and urban development. Pervasive private ownership, using property rights as the basic concept underlying the use and benefit of production as well as consumption goods, services, and intangibles, as well as physical objects, and including as an essential part of ‘ownership’ the right to free disposition at a profit18, all protected by strong judicial and constitutional guarantees, are characteristics of a private market. ‘Ownership’ in this sense is an inappropriate concept in a non-market system; rights are of necessity socially planned and allocated, not subject to privately determined use, exchange, or transfer. To Western observers, thus, it appeared that there was no coherent system of ownership developed in Eastern Europe for the protection of property rights or their exchange or transfer. Westerners searched for legal forms of decentralized ownership, limited equity cooperatives, rights of workers in factories, city or neighborhoods, or resident property rights in housing and community facilities and infrastructure, such as exist in partial form in limited sectors in several private market countries, but found none. In fact, analogous arrangements of real rights in housing existed, but their expression lay in the political, rather than the legal, sphere, and ‘ownership’ was not a term used in their implementation. The lack of legal clarity as to such alternative ownership forms is a cause of major societal problems all over Eastern Europe today.

So ‘ownership’ is a misleading concept to begin with in a social market or in a non-market system.19 In the GDR, for example, as in most real existing socialist states, ownership of consumption goods for use was developed and protected, whereas private ownership in the means of production was disallowed. Public control was substituted for private ownership in all non-direct-use fields, for all ‘non-personal’ property. The legal categories of ownership, seen as ways in which private individuals can exercise power over other private individuals with respect to commodities20, in which the state can be treated legally as simply another private owner, are categories inappropriate to a social market. The more appropriate formulation of the equivalent relations between individuals in a social market system should be found in the political sphere, in which "popular ownership" (Volkseigentum) is clearly linked to citizens’ rights of decision-making in participatory as well as representative (parliamentary) form. It is the presence of Volkseigentum with the

18 See Andrew Waldner’s definition above.

19 In a non-market absolutist system, also, the legal forms and protections for private ownership are inappropriate: Ceausescu had no need of them, the peasants were not entitled to them.

20 "...property in land and capital especially... carry with them, when they are held in quantities larger than an individual can work by himself, a power to control in some measure the lives of others." Macpherson, C.B. (1978) Property: Mainstream and Critical Positions. Toronto: University of Toronto Press, p. 12.
absence of participatory decision-making that created the perhaps fatal tension within the 40-year system of the GDR.

Property rights analysis, however, may very well be applied to the Eastern European systems of regulation of the uses and disposition of property, if we are willing to abandon the idea that 'ownership' is a necessary legal concept with the same meaning East and West and instead are willing to look at the actual distribution of rights, powers, privileges and immunities -- what they are, who has them, over what, and to what extent -- under really existing socialism. If we use this analysis, we can understand the realities in Eastern Europe in terms familiar also in the West.

"Use-rights" (Nützungsrechte) is the formal designation of the rights of the occupant in the case of housing. Is the right of use equivalent to ownership? Yes and no. It is, to the extent private ownership existed in the GDR; it is not, were West German law to apply. That creates clear problems of equity as well as of law. The minister of Justice of Brandenburg, one of the new states created out of the old GDR with unification, suggests, for instance, that rights of use be converted to Erbpacht, a form of hereditary tenure, in which ownership may lie elsewhere (and be entitled to some annual payment), but in which the user and his/her heirs have the continuing rights of use as long as they exercise it. He argues that many occupants had improved their property on the basis of explicit statements to them by the government that the property was theirs to use, without fear of invasion by others. He further suggests varying new rights with the economic position of the occupant, legally an awkward concept, equitably fair.

The Soviet legal system, similarly, used conceptions of ownership very different from the customary Western approach, but capable of being formulated in conventionally understood Western legal terms. Three forms of legal rights in property are recognized: ownership, use, and leasehold. In Western law, leasehold would be a subcategory of the right to use without specific other incidents of ownership. Ownership is only available to individuals, and only for their own residence, thus limited to one house. Only specified entities may be either users or leaseholders. With new legislation, it appears that buildings may be 'owned' by a variety of non-state entities, but land must remain in state 'ownership.' From the outside, the legal concepts seem a hybrid of various systems.

Each of these approaches may be contrasted to that familiar from Anglo-Saxon law, in which each of the incidents of ownership is treated as a separate commodity, exercisable and transferable privately and separately from each of the others, subject to public limitation only where (in the United States) constitutionally justified. This


22 While the literature on the Soviet legal system is extensive, the system itself is in a state of rapid flux. As to the recent situation, a paper by Kaganova, O. (1990) "Introduction to the Problems of Starting Urban Land Pricing System in the USSR," typescript, still provides a very useful starting point.

23 Although Olga Kaganova (note 22) indicates that the lists are almost identical, suggesting that the initial distinction between use and leaseholding is not strong.
handling of private ownership is of course only possible because of the public structure of laws, courts, and institutions that permit its implementation. But, given that structure, it functions very differently from socialist (or feudal) systems. Let us see if we can be clear in the use of terms such as ‘tenure’ and ‘ownership’ that are fundamental to any discussion of tenure, and then see if some of those results of the East European system that seem desirable to us may be cast within such terms.

Should we expect success? Procedurally, yes. In what follows, we analyze the various forms of tenure already existing in the West and some alternative arrangements of the components of these forms that might be considered. If the alternatives and components can be reduced to some basic enough common denominators, as different languages may be reduced to basic sounds and structures, one should, procedurally, be able to rebuild quite different systems with different arrangements of the pieces.

Should we expect success, substantively? Part of the answer is of course political: different interests are differentially served by different arrangements of tenure and property rights, and a socialist housing model will affect some negatively and some positively. But is it logical to expect success, given our earlier comments on the deep relationship between forms of property and social systems?

Friedrich Engels certainly gave a very clear "no" answer to the question, in the most detailed piece on housing in the early canon of Marxist writing. He argued that housing problems were a secondary manifestation of capitalist relations, not themselves relations between classes, and since it was class relations that produced the impoverishment of the working class, those relations would have to be abolished before housing problems could effectively be dealt with. But the same logic could lead to the opposite conclusion: since housing relations are not class relations, not rooted in the fundamental relations of production, they may be altered without fundamentally altering class relations. Changing the ownership of factories would thus run up against inherent and definitive characteristics of capitalism that would theoretically not be jeopardized by changing the ownership of individual houses. Private market economists have similarly sometimes taken the position that, at least as to land ownership, unlimited private ownership rights are not only not essential to capitalism but may even get in its way. The existing range of alternatives in use in market economies suggests that the attempt to expand them even further might not be an entirely quixotic endeavor.

24 Interestingly, Derek Keene traces the origins of this approach to far before the advent of capitalism: "...by the thirteenth century, if not long before, every type of interest in urban property, including those of a short term, reversionary, or contingent character, was a marketable commodity, the money value of which (capital or annual) could be readily assessed. "The property Market in English Towns, A.D. 1100-1600" in J-C. M. Vigueur (ed.) D’Une Ville a l’Autre: Structures Materielles et Organisation de L’espace dans Lower East Side Ville Européennes (XIe-XVIe Siecle). Ecole Francais de Rome, 1989.

So let us turn to consider the general forms in which the various components of 'ownership rights' are arranged in the West, using practices in the United States as our focus.

**Forms of Ownership and Rental in Private Market Societies**

In many current discussions, it is assumed that there are only three, or possibly four, forms of 'tenure:' public ownership, private ownership, private rental, and non-profit ownership. Such usage implies that 'ownership' is a single and indivisible concept and that the distinction among tenures is a distinction based on who 'owns' a given unit of housing. In private rental housing, a private person/entity other than its occupant 'owns' the unit. In owner-occupancy, the occupant is the 'owner.' In public rental housing, the state is the 'owner.' In social or non-profit housing the 'owner' is a social or non-profit entity. A focus on who has what incidents of ownership would be much more fruitful: a 'tenant' of a unit 'owned' by a non-profit, who cannot be evicted and whose family has the right to continue occupancy after his/her death, is more similar to the 'owner' of a single-family house with restrictions on resale that to the 'tenant' of a private landlord in an unregulated housing market.

The forms of 'tenure' can be listed by name, but the content of each will vary widely by economic system, historic tradition, constitution and statute, and judicial interpretation. As to a single piece of property, different tenures in the hands of different persons can also exist, separated by time. For instance, a unit can be publicly owned for 15 years, then revert to private ownership. The following 13 combinations of rights, holders of rights, and objects of rights might be considered to reflect the essential situation in the United States today:

A. Individual ownership of detached single-family units
B. Individual ownership of apartment units for the owners' own use, in multi-family buildings (called condominium ownership in United States law), with collective control of common areas
C. Cooperative ownership, within which many variations can be distinguished, the major line of difference being:
   1. cooperative private ownership, in which the individual's right of ownership can be sold privately for an unrestricted profit; and
   2. non-profit cooperative ownership (or limited equity cooperative owner-

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26 See the trenchant discussion by Caldwell, L. (1974) Rights of Ownership or Rights of Use? - The Need for a New Conceptual Basis for Land Use Policy, William and Mary College Law Review 5.p. 759. Caldwell speaks of "mere" ownership in analyzing the possible rights that an individual may have with respect to property.

Non-profit organizational ownership, within which many variations can be distinguished, the major lines of difference being:

1. publicly owned (national, state, or municipal) corporations, or those a majority of whose directors are publicly appointed
2. charitable organizations
3. employer-established or controlled organizations
4. limited profit organizations, or organizations whose housing is non-profit only for a limited period of time, or whose dynamics otherwise are similar to those of profit organizations (e.g. high salaries for executives, speculation, etc.)

E. Direct public ownership, by a branch of local, state, or national government

F. Private ownership for use by others than the owner, i.e. of rental units

G. Collective, 'social,' 'socialist,' 'people's' ownership, a category inherently antithetical to traditional capitalist concepts of ownership. From the beginnings of the socialist discussion, the conception of an alternative to private property, but not state property, played a key role. Thus Victor Considerant, a follower of Fourier, spoke of substituting for "fragmented personal ownership" a "socialist or cooperative personal ownership." In Western law the concept is almost impossible to express legally, judging from the experience of the German Democratic Republic in trying to reconcile ownership rights in Volkseigene Betriebe (people's own enterprises) with the legal system of the Federal Republic of Germany. The result was the creation of a public trusteeship to take title of such enterprises, converting it essentially into state ownership. The concept was never satisfactorily developed in Eastern European societies either, however, Gorbachov, for instance, spoke of property in socialist ownership as being considered by many as being without any owner at all, and thus, by implication, available for exploitation by anyone so inclined.

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28 While blurring somewhat the range of theoretical alternatives, Michael Harloe differentiates within the category of 'social housing' models defined in part by who their target populations are- that is, who may exercise rights of occupancy - and by forms of ownership and management. [See Harloe in this volume.]


30 Although C.B. Macpherson (note 9) suggests the concept of 'common property,' as opposed to 'state property,' as a possibility. Macpherson, pp. 4ff. The category 'non-speculative' ownership [see Elander in this volume] might be broad enough to cover such a concept, but its reality will not be found in any market economy to my knowledge.

31 Speech at the Plenum of the Central Committee of the CPSU, Moscow, January 28, 1987; cited in Brie (note 29), p. 10.
Housing ‘classes’ defined by ‘tenure’ -- i.e. owners as one class and renters as the other class -- seems a very clumsy approach to analysis indeed, in this context. Leaving aside the question of whether classes are better defined by production or consumption cleavages, to the extent that consumption cleavages are invoked and housing consumption is made central, that consumption needs to be defined much more carefully than a simple ‘ownership-rental’ duality does. As Alan Murie says, the discussion about the interests generated by ownership refers to a set of historically specific circumstances rather than necessary attributes of the tenure. 32

Possibilities for Different Definitions and Uses of Tenure Concepts

Decisions as to the desirable form and extent of property rights are directly dependent on decisions about the priorities among much broader social goals: personal security, economic growth, international competitiveness, social cohesion, environmental protection, equality of social circumstances, among others. Nevertheless, possible principles can be suggested to expand the range of options worth considering.

These possibilities were originally developed in the midst of the rapid changes in the GDR and the debates about German reunification in the period 1989-90. They thus reflect some of the now vanished hopes in some of the East European countries that a gradual and deliberate transition from their existing systems to new forms of societal organization might be possible. 33 They are, however (perhaps surprisingly) relevant to current discussions in the West.

1. Definition and protection of personal property and rights and privileges of use. The distinction between personal and private property, made in a number of East European constitutions and laws, is a useful one. It could be introduced into or strengthened as to housing in Western legal systems. Personal property may then be an appropriate name, and concept, for property as to which an individual may only have rights of use. 34


34 Whether this is more or less than the vernacular concept of ‘ownership’ of course depends on the perspectives. It is more, if the right to use is a guaranteed and protected right; it is less, in the sense that rights of transfer and profit therefrom are not included.
2. **Protection of residents.** A distinction may be made between the property rights of those resident in particular housing accommodations (their occupants) and property rights of those having claims on housing occupied by others.

3. **Varying the bundles of rights of occupants under whatever title, whether ‘ownership’ or ‘tenancy.’** Tenure forms may reflect a wide variation in rights of occupancy and in the bundle of rights of ‘ownership,’ and model forms of occupancy (model leases, model contracts of sale, model deed restrictions) may be publicly established and/or publicly limited (e.g. rights of occupancy, of eviction, of rental payment, of use). As an example, from Norway: cooperatives, until the first part of the 1980s precluded sale by occupants of their cooperative interests; they were considered privately owned, but as ‘price regulated dwellings.’ "The regulations imposed on the cooperative sector were not considered to be on ownership [sic!], but only on the possibilities of obtaining market prices on sales." 36

4. **Different rules for different objects of ‘ownership’.** Property rights in land used for purposes of commercial agricultural production may be differentiated from rights to land in urban areas, and from rights to non-urban land used for recreational or other non-commercial purposes, etc. 37 Different physical aspects of an object of ownership may be treated differently: air space over land, the land itself, and subterranean resources, for instance, may be differently treated. 38 The size of holdings may also be a factor, as it has been in most nationalization decrees, which distinguish, for instance, between holdings of 100 hectares or less and those over that area. 39

5. **Different rules for different ownership entities.** A distinction may be made among the property rights of different classes of persons or entities having

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35 For a detailed working out of the major incidents of ownership compatible with either the form of ‘title’ or the form of ‘leasehold’ and that are exactly equivalent to each other in substance, see Marcuse, P, with R. Clark (1973) "Tenure and the Housing System: The Relationship and the Potential for Change," Working Paper 209-8-4, Washington, DC: The Urban Institute.


37 Articles 9 and 10 of the Czechoslovakian constitution of 1960, for instance, said: "The citizen’s personal ownership of consumer goods, particularly articles of personal and domestic use, family houses, as well as savings derived from work, shall be inviolable."

38 In the United States, air rights and oil and mineral rights have both produced substantial bodies of law dealing with the allocation of rights. In Brazil, air rights for space over that defined by a Floor Area Ratio of 1 may be considered public; see Doebie (note 27) p. 74.

39 As in the nationalization decrees in the Soviet zone of occupied Germany after the end of World War II, for instance.
claims to real property, e.g. among private persons, non-profit entities, co-operatives of users, commercial or speculative claimants, and those utilizing property for purposes of business.

6. Taxation and regulation of transfers. Such distinctions may be reflected both in ownership forms and in the tax structure, and different regulations may be put in place governing transfers or changes in use of real property by each class of persons.

7. Constitutional priorities. The primacy of private, personal, or public claims to property may be spelled out; thus in the absence of specific legislation a presumption of a primacy of one or another set of claims may be established. Private rights may be seen as primary, limiting public rights. Or public rights may be seen as primary, defining the nature and extent of private rights. Personal rights may be seen as taking priority over either or neither. Example: The Constitution drafted by the Round Table during the period between the overthrow of the old GDR regime and the absorption of the GDR into the FRG. It deals, in Article 29, Section 2, with "personally used and cooperative property (Eigentum: literally, ownership) as well as claims to, and expectations of, income arising out of the claimant's own performance (Leistung)." That section provides that such ownership as to housing and plots for housing is to be especially supported. Section 3 then provides a series of protections for ownership, but singles out "personally used property" for special protection. All property may be taken by eminent domain; personally used property only "if the grounds are pressing." There must be compensation for such takings; only in the case of personally used property does the amount have to compensate for the owner's losses in full.40

8. Eminent domain. Provisions for the transfer of property from public to private hands, or from private to public (as by eminent domain) will reflect such decisions. So will the determination of the appropriate amount to be paid on 'taking' of private property for public use, or a sale of public property for private use. Example, from Singapore:

...a 1973 amendment... permits the state to compensate owners of acquired land at the 1973 'market' value or at the date of notification, whichever is lower. In determining the 'market' value, the existing use or the zoned use is considered, whichever is lower; no account is taken of any potential value of the land for any other intensive use.41


9. More detailed specification of the division of the legal incidents of ownership. Provisions for the division of property rights may be highly elaborated, permitting a wide variety of financing arrangements, pledges of property, divisions of rights by time period, or by nature and extent of use, with concomitant provisions for public enforcement of private arrangements, e.g. by judicial action; or limitations may be placed on such arrangements. Examples: Central city commercial land might be rented out only, not sold, with title held by the municipality, with provisions regulating use included in the lease - for instance, jobs provided, environmental conditions. Only end users might be permitted to lease land; or, if a speculative builder is allowed to build, the duration and extent of the speculation allowed could be limited. Rights to assign leases could be severely curtailed, and require municipal permission. Financing might be provided by the municipality, and assignments to guarantee repayment if there is borrowing from private sources might be permitted of the right to collect rents. Rental payments to the municipality, perhaps based on a percentage of rents received by the primary tenant or of appraised value, could take the place of real estate taxes.

Single-family residential uses could permit life-long use secured to the occupant, with a payment based on some combination of value and income; thus for an established minimum quality of housing, no one might be required to pay more than 20% of income, with payments going up as quality, space, and/or income rise, or family size goes down. Personal preferences could be expressed by permitting ‘bids’ for occupancy based on payment of varying percentages of income. Assignment, by gift or inheritance, could be a guaranteed right of the occupant, but only to family members. Other assignment, i.e. sale to a third party, could be permitted, so as to recapture any investments in purchase or improvements, but without profit, and with priority to buyers certified from a priority list publicly established based on need.

Multi-family housing could be held primarily by cooperatives, mutual housing associations, or community land trusts, forms in which collective ‘ownership’ would be exercised by the democratic collectivity of those living in a building or buildings. Within that framework, rights and duties similar to those of single-family housing occupants (see above) could be provided.

Large new residential developments could be transferred to democratic assemblies of their residents, including control over any commercial facilities or public space located within it. Property rights could be a way of guaranteeing neighborhood self-government. The overriding concerns of public policy, such as prohibitions against racial or ethnic discrimination, or maintenance of environmental standards, could be provided by law, as could equitable payment for supra-neighborhood services among neighborhoods.

These suggestions are only intended to be examples of what might be done through a flexible use of property rights; they are not detailed prescriptions recommended for immediate implementation anywhere. They should simply indicate the range of the possibilities.
Whatever choices are made on these issues, it is clear that the resolution of questions of property rights must take into account actions in each of the following areas:

1. Permissible legal forms of private contracts for ownership and use of property
2. Mechanisms for public (generally judicial) enforcement of private, personal, and public rights
3. Taxation of various forms of property, and taxation of various forms of interest in (ownership of) property
4. Protections of (and limitations on) rights of personal use of property, including regulation of eviction
5. Subsidies for various forms of preferred uses
6. Provisions for governmental, generally local, control of land uses in urban areas, including planning and zoning mechanisms
7. Environmental regulations
8. Provision for public decision-making regarding changes in any of the above

These points do not, of course, limit the range of actions that can be considered. A re-examination of tenure relationships and property rights, imaginatively defined and implemented, can open a range of possibilities for housing policy. A careful analysis of what was done and what was attempted in the implementation of socialist theories in East Europe can be of help in such an endeavor. Flexible use of property rights can be an effective means of achieving a wide range of public policy goals. Re-examination of the meaning and possible new definitions of rental housing would be a good place to start. Accepting a conventional and restricted view of property rights, equating them with the unlimited private exercise of all of the bundle of rights that ‘ownership’ often is taken to mean, is throwing away a major tool for the governance of society according to the goals and desires of its members.

It is completely inconsistent with customary US legal usage to consider taxes a form of payment for the use of land, as apparently the Soviet legal system does. See Olga Kaganova, pp. 2-3 (note 22). Where the state is both the owner of title to land and the taxing authority, the differences may not appear significant; but where land is owned by non-state entities, payment for the use of land is generally considered rent and taxes are paid on the value of land by its owner, not its user. Theoretically a tax might be considered a payment for the use of the right to profit from land (its value), but that seems a convoluted formulation.
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THE SOCIAL CONSTRUCTION OF SOCIAL HOUSING

Michael Harloe, University of Sussex

Introduction - Housing in the 1990s

In a recently published study of housing in the EC countries, Roger Quilliot, the French socialist former Minister of Housing, refers to the high level of poverty and housing need in Europe (Ghékiere, 1991). Fifty million of the EC’s 337 million population are poor and mainly badly housed; between three and five million are actually homeless. Clearly, recent years have seen the re-emergence of a major shortage of affordable housing. In many countries, some housing issues are again appearing on the political agenda. Concerns include the social, political, and racial turmoil which surrounds some peripheral grands ensembles in France; the crisis of mortgage foreclosures and repossessions in the UK; the racially tinged conflict over access to and ownership of housing in reunified Germany; and, most common of all, perhaps, the rising tide of homelessness.

And yet, in the 1970s, after 30 years of heavily subsidized large-scale building-activity, the belief was common that the long struggle to provide decent and affordable housing for the majority of citizens had been finally won. True, limited and localized problems remained; ‘special needs’ groups still had to be catered to. But in many countries, these years seemed to herald the emergence of what George Sternlieb called the ‘post-shelter’ society: housing economies and policies firmly focused on the expansion of home ownership and driven by financial concerns -- profits for housing producers and financiers and capital gains for housing consumers -- rather than by housing needs.

The reasons for the collapse of this scenario in the last decade or so are complex. A key factor is the economic transition, as some describe it from a fordist to a post-fordist system: the collapse of old industries and the rise, frequently albeit on shaky foundations, of new consumer and financial services sectors. These changes polarized income distributions, with more highly paid and low-paid jobs and fewer middle incomes. In addition, the ending of full employment has created a new poverty stratum, which some label the underclass. Demographic and social changes -- such as aging populations, increased marriage breakdown, and single parenthood -- have also swelled the numbers of the poor. Political turmoil has added to the low-income housing demand, as remarkably high numbers of
migrants, from the ex-socialist countries and further afield, have entered the housing markets of Western Europe. Finally, there are developments in the financial system -- deregulation and the shift from an era of low to one of high real interest rates -- which have destabilized private housing markets.

In some ways, the contemporary situation is similar to that which existed in much of Western Europe after 1945, certainly with respect to poverty and migration. Yet a very important difference between then and now was the relatively unpolarized distribution of housing needs at that time. In 1945, the housing shortage was widespread, affecting an extensive spectrum of income and socioeconomic groupings. Now, the main burden of housing deprivation is concentrated among a more limited if growing population: those who are outside the labor market or who are in low-paid and/or insecure employment.

After 1945, despite the fragility of their economies, low levels of production and income, and severe constraints on public expenditure, most governments placed a high priority on the expansion of house building. Subsidies for social and private rented construction, and in some cases for home ownership, were virtually universal. Although the balance of assistance to each of these sectors, and the means by which it was provided, varied considerably, mass programs of social rented housing normally played a central role. Indeed, the lack of functioning private housing markets and low levels of disposable incomes meant that social rented housing became the key element in the national housing policies of left, center, and right-wing parties.

In 1992, in societies which, whatever their current difficulties, are far richer than they were in 1945, there are no signs of a similar concerted response to the new housing crisis. Instead, individual governments make limited responses to the housing crisis. One example is the recent German decision to provide a new shallow subsidy for a form of temporary social housing to meet the growing housing shortage among middle-income groups in that country’s big cities; another is the failed recent attempt by the British government to stem mortgage repossessions. Meanwhile, the survey of EC housing policies, mentioned above, concludes that the last decade has seen a convergence in national housing policies around a model which is inadequate as a response to the growth of mass low-income housing needs.

This model has three main elements. The first is an attempt to disengage the state from housing; more accurately, it is a redefinition of the respective roles of state and market. The second is reduced support for housing investment, targeting the remaining state support on the poor through means-tested consumption

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1 The term 'social rented housing', let alone 'social housing', has a variety of meanings. But social rented housing can be very broadly defined as having three major characteristics. First, it is provided by landlords at a price which is not primarily determined by considerations of profit. Second, it is administratively allocated according to some conception of 'need'. Third, government control over social rented housing is extensive and has become more so over time.
subsidies. The third is the continued promotion of home ownership, with high levels of mainly indirect, regressive tax subsidies.

The defects of this model, as a means of meeting moderate and low-income housing needs, are legion. Perhaps it is not necessary to rehearse them here, as the growth of unmet housing needs in the 1990s indicates their lack of effectiveness. Rather, the question to be pursued here is why the option of a social rented housing-led model of housing policy, as it was conceived in earlier years or in a new version, is an unlikely prospect.

First, however, it is important to clarify what is being asserted when one refers to a private market-led model of housing policy and the dim prospects for a social rented housing-led alternative. As Murie and Lindberg have observed, in a paper which refers to the ending of the post-war golden age of social rented housing, the declining fortunes of this housing are more advanced in some countries than in others (Murie and Lindberg, 1991). It seems unlikely, for example, that the large-scale privatization of social rented housing occurring in Britain and Germany will be repeated, whatever some politicians might desire, in the Netherlands, Denmark, France, or Sweden. In some cases, national social rented housing stocks may become, like public housing in the USA, a residual sector, housing economically, politically, and socially marginalized populations. In other cases, there is more likely to be an internal division between residualized projects and those which continue to accommodate a more mixed population. So the prospect is not for a uniform, pristine private sector-led system of housing provision and the reduction of all social rented housing to US-style welfare housing. Instead, there is a less well defined but clearly evident and varyingly constituted tendency in many national housing systems towards privatization, higher rents, subject subsidies, lower investment, and a wish to rely on the private market to supply mainstream housing needs.

The immediate reasons why a social housing-led approach has little appeal to so many governments and political parties are well known. The advancing disintegration, from the mid-1970s, of the economic, political, and ideological systems which sustained the post-war welfare states has put pressure on the public resources for social rented housing. The process has weakened the political support for this sector and strengthened the position of those who oppose a collectively owned, semi-socialized service. The historical origins of such hostility lie in the golden years of liberal capitalism before 1914, when social housing first emerged (Harloe, 1991). For 30 years after 1945, this viewpoint was largely ignored; however, it was never eliminated.

The re-emergence of such views has been aided by the many management, design, and physical problems which now exist, notably among the large-scale, frequently high-rise, industrialized social rented housing projects of the sixties and early seventies. Rhetorical claims concerning choice and self-determination in

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2 These national variations are explored in detail in my book on social rented housing in Europe and the USA, on which this chapter is based (Harloe, 1994).
private housing have been aided by well-publicized examples of bureaucracy, inefficiency and degradation in some social rented housing.

Explaining the Changing Fortunes of Social Rented Housing

For an earlier generation of social policy analysts, these immediate factors -- a lack of popular and political will to expand social rented housing in response to growing lower-income housing needs and public expenditure constraints -- might have seemed explanation enough. However, the history of social rented housing shows that there has been no automatic correspondence between, for example, ideological hostility to such housing or constrained public finances, on the one hand, and a failure to support its expansion in practice, on the other hand. In the early 1920s and after 1945, non-socialist center and right-wing parties supported mass social housing when national finances were highly constrained. So we need to explain why such a situation is not now likely to recur.

A useful starting point is to abandon the belief, implicit in many housing studies in the golden age of the post-war welfare state, that provision of social rented housing has been determined, above all, by a recognition of the existence of unmet low and moderate-income housing needs. Instead, it is useful to regard this as no more, at best, than a necessary but not a sufficient condition and ask why and under what circumstances the existence of unmet housing needs has led to this particular response in capitalist societies. In fact, historical studies seem to indicate that, in many such societies, the normal wish is to set severe limits on the decommodification or socialization of housing, more so than in the case of some other elements of social provision, such as income maintenance, education, or perhaps health services. Here we will not explore why this is so. However, one factor may be the failure of most social democratic parties to promote radically decommodified, non-bureaucratized forms of socialized housing. More important, perhaps, is the strategic importance of private land, property ownership, and finance capital in these societies, the deeply embedded interests which benefit from this situation and which defend it in depth. While major capitalist interests are involved in other areas of social need, historically they have been less powerful, entrenched, and central to the capitalist economy as a whole. In this respect, the agents of provision active in housing, and the built environment more generally, may be comparable with those involved in the other main arena of basic provision for human needs, where private land and property ownership is of central importance: namely, food production.

Here, the purpose in analyzing the circumstances in which mass programs of social rented housing emerge is to obtain indications of the circumstances in which these programs do not emerge. In other words, the goal is to explain why the new housing needs of the 1990s have not, as yet, and are unlikely in the foreseeable

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3 For a critique of such approaches, see Harloe and Martens (1984).
future to provoke a significant reversal in the declining fortunes of social rented housing. Detailed work on the history of social rented housing in Britain, West Germany, the Netherlands, France, Denmark, and the USA suggests that there have been two, or perhaps two and a half golden ages of social housing. The first period was brief, lasting from the end of the First World War to the mid-1920s in most cases. The second period, as Lindberg and Murie indicate, the real golden age of social rented housing, lasted from the late 1940s to the mid-1970s. Between these periods there was what might be called a half golden age, because the growth of this housing was far more variable: the Depression years of the 1930s.

Common to these periods was not just the existence of major housing needs, which the private market was patently unable to satisfy, but the fact that these needs were of a wider social, economic, and/or political importance in relation to the maintenance and reproduction of the social systems in which they occurred. In short, the rationale for the programs of mass social rented housing which occurred in these eras was to a very important degree 'externally' determined; that is, it was determined by the role that social housing played in meeting these system needs.

Social Housing Between the World Wars

Immediately after the First World War, these needs were narrowly and unrealistically conceived by governments. States took up and adapted pre-war ideas about social rented housing, and embryo social housing institutions, to fashion the first significant subsidized social housing programs. Most Western capitalist governments aimed to return as soon as possible to 'business as usual', reinstating the apparently smoothly functioning private economies with minimal state intervention that existed up to 1914. The restoration of the icon of liberal economics, the gold standard, symbolized this objective. Most Western nations had returned to a form of the gold standard by the mid to late 1920s, at which point it was believed 'business as usual' had indeed been restored.

The events of 1929-31 and the political and economic chaos that led to the Second World War put paid to this illusion. By then, the first golden age of social housing was over. Enormous shortages of decent and affordable housing remained. The private housing market, which had been gravely afflicted by the war and its aftermath, was unable to replace state-subsidized social rented housing in meeting these needs. However, the existence of unmet housing needs, and the discontent of the needy, no longer seemed (outside Germany at least) to pose a threat to social and political systems which been in a fragile, and some thought terminal, state for first five or so years after the war.

In short, social rented housing was no longer perceived as one means of restabilising society. Moreover, a key element in the return to 'business as usual' was a return to the private housing market. What made the transition possible, within a few years, from a situation of social conflict and tension to one of apparent stability, and thus to a situation where mass social rented housing programs could be terminated, were developments such the widespread defeats of
militant workers’ and trades union movements in the early 1920s, divisions within the socialist bloc, and so on (for a detailed comparative account, see Maier, 1975). In fact, the new social rented housing built in the years of turmoil mainly accommodated particular sub-sections of those who were in housing need after the war: skilled manual workers and the lower middle class, many of whom were engaged in the wave of worker and citizen militancy of these years, or who governments feared might become so engaged. In short, this housing was targeted on sections of the population who were in housing need but who also had, temporarily, some political leverage.

Most pre-1914 housing reform movements, dominated by middle and upper-class elites whose main objective was to defend the social order against socialism, were unwilling to concede more than a very limited role, at best, for state subsidized rental housing (see Harloe, 1991). Most reformers, bound to the tenets of liberal economics, were deeply opposed to state intervention in housing markets. Many saw home ownership, not rental housing, as the best way of ensuring that loyalty to the existing social order was reinforced among the ‘respectable’ working class. Those who did allow for the possibility of some state-subsidized rental housing also imbued it with a wider social purpose. They saw it not just as a means of accommodating but also of disciplining and resocializing what was variously labeled as the ‘undeserving poor’, the ‘residuum’, or, in a phrase which reveals all, the ‘dangerous classes’. This purpose was particularly clear when some state-subsidized housing was seen as the only way to rehouse and control those who lived in the urban slums of the larger cities, and to reclaim these areas for middle and upper-class residence, commerce, and public purposes. Of course, such slum dwellers could not possibly afford even tolerably decent private rental housing.

The proposals which linked social rented housing provision to slum clearance were not implemented in the immediate aftermath of the First World War. This was a model for a small-scale program of residualist housing, focusing on those later labeled ‘problem households’. In contrast, the post-war schemes for social rented housing construction were ‘mass’ programs, targeted on a relatively wide range of somewhat better-off groups. However, the pre-war concern for resocializing the working-class was clearly still evident in post-war policies and plans (Magri and Topalov, 1987).

We can also identify in the early history of social rented housing a third model of provision which could be called the ‘workers’ cooperative’ model. Before, during, and after the First World War, workers grouped together to provide their own housing, through various forms of cooperative organization. There were many links between these cooperatives and the trades unions and social democratic parties, notably in Germany and Denmark (and from the post-war period, in Sweden too). In some cases, they formed part of project to develop a distinctive set of working-class social, economic, and political institutions inside but apart from the dominant social order, a form of negative integration, as some historians describe it. Self-organization and self-management, rather than state or other forms of bureaucratic control -- that is, forms of social and economic organization which
were implicitly or explicitly opposed to those of capitalism and the social housing conceptions of reforming elites -- were what distinguished this model from the 'mass' model. The story of why these efforts failed, and why, in most cases, cooperative social housing became assimilated within the post-Second World War welfare states, is too complex to recount in this paper. However, it can be argued that this model could have provided the basis for the alternative to mass, bureaucratized welfare state-style housing provision after 1945, which social democratic parties failed to deliver.

The need for 'mass' social rented housing declined, in most countries from the mid-1920s, for the essentially non-housing reasons already mentioned. Meanwhile, the trickle of construction which continued was increasingly justified in terms of the residual model of provision. Some countries, such as Britain and the Netherlands, adopted social rented housing programs linked to slum clearance in the 1930s. And, as evidence from these countries shows, there was increased emphasis on a management style which stressed the need to inspect, discipline, re-educate, and control the potentially feckless tenants who were to live in this housing. In contrast, the 'mass' housing built in the 1920s, targeted at the respectable working and middle-class, was frequently managed in a rather more commercial style. This style of management was akin to that in the private rented sector, although elements of perhaps rather more benevolently expressed tutelage remained.

In the Depression years of the 1930s, only a few countries reverted to a 'mass' rationale for social rented housing. The common feature in these cases, which included the USA for the first time, was the use of social rented house building in a public works strategy aimed at relieving unemployment and stimulating the private economy. In Sweden, these macro-economic concerns were linked to the social and political objectives of the social democrats who came to power in this decade, but who were unable to implement their plans until the war was over. Elsewhere, mass social rented housing was only contemplated when private market conditions made this sector incapable of contributing substantially to employment generation, and only then in countries where some state action on unemployment was a political necessity. Thus in Britain, where for various reasons the private house building market boomed in the mid to late 1930s, new social rented housing, as noted above, was ever more closely restricted to a residual role. It was an adjunct to slum clearance and modernization of the urban infrastructure. In America, the pressures which led to public housing (a minor element in the New Deal social reforms) arose from the profound social crisis in the early 1930s and the persistence of high unemployment in later years.

This history suggests that two contrasting models of state-initiated provision can be identified. The first is the 'residual' model, targeted at the urban poor. Its rationale was heavily influenced by the perceived problems of managing this group of the population, containing and perhaps solving the problems which it might pose for the wider society; its rationale was also influenced by the wish to facilitate the profitable reuse of inner city areas. The second, 'mass' model, involved essentially temporary larger-scale programs of housing, targeted at the 'respectable' working class and sections of the growing white-collar labor force. These were groups who
might soon be catered to again by the private market, when there was a return to 'business as usual'. In the inter-war years, the residual model began to be accepted as a necessary supplement to market forms of housing provision in some capitalist countries. The second form of provision, which entailed a more significant impact on the private rental market, only occurred under particular circumstances, when such provision contributed to the resolution or at least the management of crisis conditions. As these conditions faded, the tendency was to revert to the residual form of social rented housing provision and leave the field free for the private sector.

Social Housing in an Age of Modernization and Economic Growth 1945-75

After 1945, the need for mass programs of social rented housing construction, on a scale far beyond that achieved previously, was accepted by governments of many political complexions in Europe. Unlike the period after the First World War, this response was not just a short-term reaction to acute social unrest before a rapid return to business as usual in housing, as in the economy. Of course, the war intensified already acute shortages of housing, and these were a major social and political issue prompting state intervention. However, now a powerful additional reason existed for state-subsidized social rented housing construction: its contribution to economic modernization and urbanization. While such a role was prefigured in the 1930s, notably in the plans of the Swedish and other social democratic parties, it only became accepted by a wider spectrum of political forces and implemented after the war. Social housing investment also became one of the tools of Keynesian-style demand management, being frequently used to help maintain the new commitment to full employment and non-inflationary economic growth.

Economic modernization and growth, together with demographic changes, including the trend to smaller households, sustained major housing shortages and mass programs of social rented housing through the 1950s and 1960s. In the early years, housing investment was tightly restricted because of prioritized investment in industry, infrastructure, and non-housing welfare state programs, but also because of the relatively low levels of domestic income available for spending on housing. However, the picture began to alter as economic modernization and rapid growth resulted in rising private and public sector resources. In the 1960s, state expenditure on social programs rose sharply, and social housing output expanded as governments pledged to finally eliminate housing shortages. However, at the same time, rising personal incomes made possible a major upsurge in private housing output. Towards the end of the decade, some shifts began to be apparent in the situation. There were increasing economic difficulties, as the post-war 'economic miracle' led to endemic inflation and a saturation in effective demand. Growth rates began to fall. Also, as crude housing shortages were eliminated and the urban-industrial transition was more or less completed, many governments again began to link social rented housing construction to modernization of the urban system and thus to
slum clearance. In some respects, therefore, they were reverting to the residualist model of social rented housing provision.

By the mid-1970s, home ownership was expanding rapidly, promoted and aided by governments of many political complexions. While large-scale urban renewal continued, increasing emphasis was placed on the rehabilitation of private housing (and some older social housing) rather than clearance and replacement. Moreover, stagflation and the increasing resort to austerity policies, with deep cuts in public expenditure, reduced the public resources available for social rented housing.

By now, the politics of housing was being transformed. As home ownership came within reach of larger sections of the population, conservative and centrist parties rediscovered their preference for this tenure. They reduced their support for social rented housing, which had been engendered by conditions during the early post-war years. Social democratic parties had not achieved the transition from a private to a socialized housing system. In most cases, this had not even been a serious objective, although Swedish policies seemed for many years to point in this direction. Economic growth and industrial restructuring changed the class structure, eroding the traditional electoral base for these parties. They responded by broadening their appeal, moving from workers’ to peoples’ parties, accepting the main principles of the mixed economy of welfare capitalism. In country, after country they dropped programs which included large-scale state ownership of industry and socialist forms of economic planning, for example. Increasingly, left and right-wing parties were divided by an argument over the extent to which the state should modify the distributive outcomes of the private market.

As they sought to attract votes from white-collar workers, and as the better-off among their working-class electorate began to become homeowners, social democrats, with varying degrees of commitment, embraced the conservative preference for home ownership. Again with some variation, the social democrats began to adopt a conception of social rented housing which scarcely differed in any fundamental respect from that adopted by the non-socialists. Namely, its main rationale was to accommodate the limited sections of the population unable to be housed by the private market. The politics of social housing centered on arguments between left and right over matters such as the size of the construction program and the levels of subsidies and rents, leaving unquestioned the revival and growing dominance of the private market.

These politics of housing reflected a broader acceptance by social democracy of the boundaries between the state and the market (and the acceptable relations between the two) in the system of welfare capitalism which was established after 1945. Even before the policy shifts of the late 1960s and 1970s, these limits were evident, as the degree of socialization of housing production, which had always been severely restricted, declined. This was due, for example, to the removal of land price controls, the revival of private construction firms, and increasing use of private finance. In some cases, notably in Germany and France, the ownership of much of the social rented housing was also in commercial or petty capitalist hands as well.
Ironically, mass social rented housing programs had frequently benefited the private sector, sometimes at the expense of those who occupied it. It provided a useful, controllable instrument for state-led drives to modernize housing production, which favored large-scale construction firms. Developments such as high-rise industrialized building did not occur in private housing markets, where consumers had some degree of choice. But social rented tenants had no choice but to accept whatever the producers, architects and planners, housing managers, and politicians gave them. Although the high-rise ‘revolution’ was a dreadful failure, many of the technical and organizational developments -- together with the productivity gains through the use of standardization, prefabrication, and the substitution of unskilled for skilled labor, which it incorporated -- were later transferred to low-rise construction in the private sector. More generally, social rented house building provided an important basis for the revival of the construction industry after the war. At times when private orders declined, it also provided a means of sustaining activity and profit levels.

A feature of post-war social rented housing, accepted by many social democrats and by non-socialists, was large-scale, professionalized, and bureaucratic housing management. In most countries, those forms of cooperative housing which descended from the workers’ movements became more or less assimilated within the policies and procedures of the bureaucratized welfare state. (Danish social rented housing remained notable for its high degree of management decentralization and tenant influence, however). In Germany, which had experienced the most ambitious example of the social democratic project (along with Vienna) in the first three decades of the century, the social democrats and trade unions consciously turned their backs after 1945 on any wider societal role for social rented housing. They sought to broaden their appeal and to incorporate new sections of the labor force in their electorate. While much post-war social rented housing adopted the cooperative form in Germany, few of these projects retained broad social objectives; many were professionally managed, with tenants having little power. The cooperatives became more inward-looking, concerned to preserve and defend the benefits which state subsidies provided for their middle-income tenants and frequently well-paid managers, rather than pioneer and represent a radical alternative to the mass-produced, large-scale, bureaucratically and professionally managed products of welfare capitalism. Such concerns were, if anything, even more alien to the cooperative housing sector in Sweden, which developed into a form of home ownership under the aegis of a few large-scale, professionally administered organizations.

Of course, this highly generalized, broad-brush description of shifts in Western European housing politics passes over significant national variations in the nature and timing of the changes which occurred. Economic and political circumstances combined to produce distinctive outcomes; therefore, the shift away from socialized provision occurred far earlier in Britain and Germany, for example, than in the Netherlands and Sweden. In addition, some countries -- such as Germany, France, and the Netherlands -- provided assistance to sustain private rental housing. Even so, the long-term decline of this sector accelerated, as first the support for social
housing and later for home ownership left it competing on increasingly unequal terms (Harloe, 1985).

An important variable in the fortunes of social rented housing was the degree to which it had a broad base of political support. In the mainland European countries, social housing organizations exerted a considerable influence on most major political parties for many years. This was because they accommodated many white-collar and skilled manual workers who voted for these parties, but also because of the inclusion of organized labor interests within the leadership of parties such as the Dutch and German Christian Democrats.

Despite these national differences across Europe, it is the broad similarities in the pattern of social rented developments which seem most striking, especially when contrasted with the very different post-war history of US public housing. As in Europe, economic growth, full employment, rapid urbanization and major demographic changes in the US created a high demand for new housing. However, the political and economic conditions which allowed a rapid growth of home ownership occurred in America a generation before they occurred in most European countries. So, when the public housing program was restarted in 1949, it was defined as a residual form of provision. It was very largely (in the big cities at least) used as an adjunct to private sector, state-assisted urban renewal operations for rehousing the urban poor. Moreover, the generalized political hostility to public housing, whipped up by the real estate industries, ensured that the accommodation was provided in a form and with a financial structure that was almost pre-programmed to fail and to amplify the stigmatization of its tenants. The crisis which public housing faced from the late 1960s was an all too predictable outcome of the way in which it had been re-established in 1949.

Social Housing in Decline: 1975-92

Reference has already been made to some of the consequences from the 1970s of the break-up of the post-war economic order upon social rented housing, such as the pressures to restrain public expenditure. This finally led governments to make changes in the financing of this housing. A shift in this direction had been advocated in expert reports from the late 1950s, and it entailed raising rents, reducing subsidies, and targeting assistance through housing allowances on lower income households (see, for example, UN Economic Commission for Europe, 1958). The higher rents combined with other factors, such as high subsidies for home ownership, escalating capital gains and low real interest rates on mortgages, to encourage an increasing flow of middle-income households into home ownership. A paradoxical consequence of this was that new and costly social rented housing which had been constructed in the 1960s and early 1970s began to be occupied by low-income households, aided by housing allowances, rather than by the better-off tenants at whom it had been targeted originally.

In many cases, the existing stock of social rented housing has continued to accommodate a fairly wide range of income and social groups. Yet an outcome of
these changes in that the principal remaining new demand for this rented housing has narrowed. The demand become concentrated among lower-income households, including many who are outside the labor market. This change has been slower in some countries than in others. On the whole, it is not welcomed by the social landlords and their existing tenants, who frequently resist government attempts to redefine and limit the role of social rented housing as housing for the poor.

However, the shift is reinforced by changing perceptions, on the part of some housing consumers, about the relative physical and environmental qualities of social rented housing vis-à-vis private housing. Negative evaluations of social rented housing have been amplified -- for example, through the media and by politicians -- by the highly publicized failures of some of the expensive social rented housing built in the 1960s and early 1970s. This housing, while it achieves high standards of space and internal amenities, is located in developments which are rejected by households who can pay for the private sector alternatives. For such households, the choice between paying high rents and rapidly rising heating and other costs for this type of social rented housing, on the one hand, and buying a preferred form of housing which, throughout much of the past two decades, has also been an appreciating capital asset, on the other hand, has not been a difficult one. They have opted increasingly for the latter. Moreover, such households are no longer prepared to accept the bureaucratic and management regimes which have accompanied the growth of large-scale social housing organizations. Such regimes contrast poorly with what is frequently seen as the realm of freedom and self-determination in the private sector.

However, the changing nature of the demand for social rented housing has not just occurred as a by-product of the loss from the sector of many middle-income households. There has also been a growing replacement low-income demand. Beginning in the 1960s in some cases, later in others, urban renewal and gentrification has sharply reduced the stock of poor-quality private rental housing, which had been the major source of accommodation, rather than social rented housing, for many poor households. In addition, various demographic and social changes, such as the growth of the aged population and of single-parent households, have added to low-income housing demand. Moreover, the ending of full employment and economic restructuring, with the development of polarized urban labor markets in last fifteen years, have added to this low-income demand. In many countries, a significant proportion of this economically marginalized population, concentrating in social rented housing, consists of those ethnic minority households and ‘guest workers’ and their descendants. These groups were welcomed by governments in the 1960s as their growing economies demanded a fresh supply of labor. But they are now locked into low-income jobs or kept out of the labor market altogether. Moreover, they have frequently become the victims of racially motivated violence in recent years.

It is important to emphasize yet again that this transition has been, and continues to be, a gradual process. In none of the European countries discussed in this chapter has social rented housing become purely the preserve of very low-income households, as it became many years ago in the USA. In many cases, the
longer established social housing tenants have a much wider range of incomes and occupational backgrounds. Many of them have not been tempted into home ownership, in part at least because they frequently benefit from relatively low historic cost-related rents. These tenants frequently concentrate in low-rise, attractive developments built before and since the high-rise era. They leave the latter, unpopular stock to the new low-income tenants, who now form a high proportion of the new demand for social rented housing. The original expectation that this latter stock would enable a process of internal filtering to occur, with lower-income households able to occupy housing with low historic cost rents, has failed to materialize.

As many of the high-rise projects have become increasingly problematic, the tendency has grown to house there those who had little alternative choice but to accept such units and locations. Today, the conditions in and problems of some social rented estates -- which combine poor environmental quality, deteriorating structures, and high concentrations of multiply disadvantaged households -- are producing a situation comparable with that which typifies much of the public housing sector in the USA. There are some interesting parallels to be drawn between the tutelary style of housing management, which accompanied residual forms of social rented housing in the inter-war period, and the social service and crime control elements built into many of the rash of special programs which have sprung up across Europe in the last fifteen years to deal with 'problem estates'. Once again, the issue is not just the provision of lower-income accommodation; it is also the management and containment of the marginalized urban poor.

This reconstitution of social rented housing as residual housing for economically marginal groups varies in its current level of development, both within national stocks and, as already indicated, cross-nationally. In countries such as Sweden and the Netherlands, where mass social rented housing became most strongly established and where it remains most strongly resistant to this transition, the changes are still at a much earlier stage than in France or Britain, for example. Nevertheless, both countries have developed a residualized segment of social housing. With the changes in housing policy following the recent loss of power by the social democrats in Sweden, and in view of the Heerma memorandum which aims to set Dutch housing policy on a distinctively new direction in the 1990s, it is hard to argue that they are exceptions to the general processes of change described above. In Germany, the change is occurring as a large part of the social rented stock is freed from the requirement to house lower-income groups. This leaves a residual

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4 See for example Lundqvist, Elander, and Danermark (1990) for a discussion of the breakdown, since the mid-seventies, of Swedish social democratic housing policies and the emergence of polarization, between tenures and within the social rented sector. On the significance of the Heerma memorandum for Dutch housing policy, see Boelhouwer and Priemus (1990). It should be added that these authors believe that the residualising tendencies which this memorandum seem to presage will be more or less successfully resisted, although the growth of a residualised sub-sector of Dutch social housing is not in doubt.
low-income stock, mostly controlled by the local authorities. In Denmark, the social housing organizations are trying to find a way of both preserving a more mixed population in socio-economic terms while accommodating government pressures to target their new letting on lower-income groups.

Conclusion

By the early 1990s, following the breakdown over the previous fifteen or so years of the economic system and the compact between labor, capital, and the state which had underpinned the ‘long boom’ and the policy regime of welfare capitalism, it seems that obituaries can truly be written to note the passing of the post-war golden age of social rented housing. The social and economic forces which led after 1945 to the adoption of the ‘mass’ model of social rented housing in various advanced capitalist societies have been dissipated. The reversion — in detailed forms which suit the distinctive circumstances of the times, of course — to the more restricted residual model of provision is now well in train.

If this analysis is correct, we should not expect to see any return in the 1990s to some form of more extensive and broadly targeted social housing provision simply because of the contemporary growth of unmet housing needs. Not unless such needs have a wider strategic significance for the functioning of the societies in which they occur will the residualizing tendency be reversed. One scenario might be that the continuing fragility of the advanced capitalist economies would lead to a disastrous collapse in the functioning of private housing markets and hence their ability to accommodate politically and economically key sections of the population. In various countries, at various times in the past fifteen years, this has seemed a real possibility. It might even have provoked a generalized crisis in the banking and financial systems of these countries, and internationally. Finally, while this chapter focuses on the two main models of social rented housing provision which have been dominant in different periods in some of the major advanced capitalist societies, there are two further models which a wider ranging analysis would also have to encompass. The first concerns the form of state housing provision developed in the former socialist countries. This is now in dissolution, with large-scale privatization of the existing stock and a shift in the main emphasis of new urban housing production to the private sector. Whether this seems likely to result in a (one-sided) convergence between patterns of housing provision in Western and Eastern Europe, or some new Eastern variant, is a matter for debate (Hegedüs and Tosics, 1991).

The second model, already touched on in this chapter, is that which can trace its origins back to early manual and white-collar workers’ cooperative housing projects. As noted above, this form of provision was assimilated within the mass model in the post-war welfare states. Nevertheless, over the past few years there has been in many countries a growth of small-scale and localized innovatory forms of low to moderate-income housing provision. These are frequently characterized by some of the features which existed in many early workers’ cooperatives, such as
genuine tenant control of management and a strictly non-profit format (for a study of such projects in three countries, see Harloe and Martens, 1990). However, this revival of the cooperative model may face a cruel dilemma. On the one hand, it is unlikely to become a major alternative form of social housing provision, unless it can move beyond its purely local basis and become incorporated in the program of one or another major political party, presumably the social democrats. On the other hand, the incorporation within mainstream state housing policies might well lead to the destruction of the very features of autonomy and self determination which characterize this model and distinguish it from statist programs of mass social rented housing. However, not even this prospect seems likely at present, for there is little sign of any reorientation of the housing policies of social democracy along such lines.

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References

Introduction

When democracy was first established in Germany in 1918, this milestone marked the beginning of ‘social housing’. As an instrument of local government’s housing and urban development policy, it reached its first peak during the Weimar Republic. After the Second World War, social housing provided the basis for rapid reconstruction and expansion of the housing supply in Western Germany. Up to the end of the sixties the bulk of residential construction was erected within the framework of subsidized housing. The period during which the entire output of housing construction was qualitatively as well as quantitatively largely determined by the Social Housing Program is called the ‘golden age of social housing’ (cf. Harloe in this volume).

In 1988, the federal government announced the end of public subsidies for construction of rented housing. Though a new program was initiated in 1990, the newly established third type of sponsorship differed greatly in social and temporal scope from ‘traditional’ forms of subsidized housing. This shift was so dramatic that the year 1988 may be considered as a decisive turning point in housing policy. At that time, an era of housing policy came to a close. The state is not withdrawing entirely from subsidizing rented housing, as it intended to do. Nonetheless, the time is past when state assistance exerted a far-reaching influence upon type, volume, and price level of rented housing construction. At least with regard to quantity, we may declare the end of the ‘golden age’ of social housing. Whether it was ‘golden’ in a qualitative and social respect as well remains subject to discussion.

The following analysis of the development of subsidized housing aims at
- outlining the change in housing policy in this period,
- presenting theses to explain why subsidized housing should and could come to an end right now, and
- assessing the socio-spatial consequences of this change.

In the course of a 70-year history, the proportion of publicly assisted housing in relation to the total amount of new housing construction has varied considerably. The 1920s was the decade of its greatest significance in quantitative terms: between 1925
and 1930, 80% of the housing construction was subsidized with public funds (Ruck, 1988:165ff). The period after the Second World War up to the end of the sixties was the second ‘golden age’ of subsidized housing. However -- and this is our central thesis -- public assistance of housing construction was not primarily a reaction to the housing shortage. It is only comprehensible in the light of more general socio-political goals. Only in this way can we explain why, in a period when the housing shortage in the big cities was beginning to increase again, the federal government considered a continuation of its support to be superfluous.

‘Social housing’, as will be argued in the following, is not the most correct term for that sector of housing provision in Germany which is publicly subsidized. ‘Social housing’ is the official term, and it includes all forms of sponsorship of new construction for which there are ceilings on the occupant’s income for eligibility - renters as well as owner-occupiers. The term ‘social housing’ suggests an orientation toward social policy; but this orientation is, as will be shown, relatively weak. Unlike other European countries, Germany does not include public support for housing (except rental allowances) as part of the ‘social policy’ system, either in the federal budget or in social theory. At first glance, this difference seems to be peripheral. But as we shall see, it is not accidental, and it reveals something about the socio-political construction of ‘social housing’. More precisely, we should speak of ‘publicly subsidized housing’, because aims and instruments of housing policy are broader, being ‘social’ only in a very general sense.

The Quantitative Significance of Subsidized Housing

The term ‘subsidized housing’, as mentioned above, encompasses rented as well as owner-occupied dwellings. If we want to assess its significance for lower-income households, this is an important differentiation. According to the 1987 housing census, the housing stock in the (former) Federal Republic was organized in the following way.

The proportion of ‘subsidized housing’ in relation to the total number of units in the former Federal Republic of Germany in 1986 was roughly 20% (absolute number: 5.2 million). The term ‘subsidized housing’ encompasses all units which were subsidized according to the laws for sponsoring housing with grants that were tied to ceilings on the income of the occupants (contractual provision of social housing). These units may be rented dwellings provided by large housing corporations or small individual developers; the units may be owner-occupied apartments or detached houses. In 1986, approximately 40% of all publicly assisted dwellings were owner-occupied apartments; thus, only 60% were rented apartments. Of the publicly assisted dwellings, 45% were in the possession of private households, 37% were owned by non-profit housing corporations, and 18% by miscellaneous owners.

This classification shows that in quantitative terms, subsidized housing plays a relatively modest part in the housing supply. However, it is of great importance for the rent level in general and, in particular, for supplying those households unable to provide for themselves adequately on the ‘free’ housing market. But there always
have been many more households eligible for ‘social housing’ than there has been support for it, and ‘social housing’ has always fallen far short of covering the housing needs of the poor. Along with state intervention in the form of support for new construction, rent regulation of the total housing stock has been just as important. The absolute rents are controlled by a law which is intended to restrict rent hikes on new leases within a certain range of a ‘locally comparative rent level’. In the same vein, the increase of rent on occupied units is also regulated by law (not more than 30% within 3 years). So nearly the total housing market is regulated. Within this context, ‘social housing’ is only one of the instruments of housing policy. In ‘social housing’, the owners have to document the costs; then the state (or the municipality) decides upon subvention and sets the rent. In contrast, the ‘free segment’ of housing does not get any direct support; the rent level is set within the framework of legal regulation in accordance with market changes.

Modifications of State Intervention

Public financial intervention in the housing supply in Germany today is characterized by three ‘pillars’; a) subsidized housing, b) promotion of capital formation for homeowners and c) rental allowance.

A classification of the three most important instruments of public housing policy shows that sponsorship of subsidized apartments has steadily declined since 1970 (from 60.9% in 1970 to 30.2% in 1992; Table 4.1). Concurrently, the percentage of public subsidies spent on owner-occupied dwellings and rental allowances has increased continuously. In 1992, an approximate balance between these three pillars of housing policy was reached. Each of the instruments comprised about one-third of the total public expenditure for housing policy.

Table 4.1 Proportion of Different Types of State Assistance for Housing (in billions DM)

<table>
<thead>
<tr>
<th>Year</th>
<th>Subsidized housing</th>
<th>Tax privileges for owner-occupiers</th>
<th>Rental allowances</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1970</td>
<td>3.30</td>
<td>60.9</td>
<td>1.52</td>
<td>28.0</td>
</tr>
<tr>
<td>1980</td>
<td>5.28</td>
<td>41.8</td>
<td>5.52</td>
<td>43.7</td>
</tr>
<tr>
<td>1989</td>
<td>5.44</td>
<td>35.7</td>
<td>6.13</td>
<td>40.2</td>
</tr>
<tr>
<td>1990</td>
<td>5.81</td>
<td>38.0</td>
<td>5.76</td>
<td>37.7</td>
</tr>
<tr>
<td>1992</td>
<td>6.17</td>
<td>30.2</td>
<td>6.83</td>
<td>33.4</td>
</tr>
</tbody>
</table>

Source: Ulbricht 1992:11 (These three types cover about 75% of all state assistance for housing.)

55
What Is ‘Subsidized Housing’?

When public support for housing construction began after 1918, it could take advantage of an existing model for ‘subsidized housing’, developed by social theorists and conservative as well as ‘reform’ politicians and grounded in prior experience (Bullock and Read, 1985). This model can be characterized by its three main features.

1) In exchange for subsidies, the central government required that apartments to be built with these funds comply with certain standards: minimum and maximum size, specific technical amenities and standardized floor plans. Since then, an apartment meeting these requirements has always been referred to as a ‘separate single-family unit’. The central government thus assumed the role of the benevolent and supervisory patron of housing, which until then had been the preserve of the propertied classes on the basis of the bourgeois housing reform of the 19th century. At the same time, government intervention in the housing supply was, a socio-cultural program. From the outset, it helped enforce ‘familism from the top’.

2) A second feature was characteristic of subsidized housing right from the start. In exchange for the contractual dedication of the apartments to the social rented sector for a limited time (usually about 30 years), the government assists in making the financial arrangements for new construction by providing credits or support for operating expenses (e.g. interest rates). The amount of assistance depends upon the rent level. Government subsidies do reduce the rents which would result from market-determined costs, but they do not really create cheap apartments. Unskilled workers, who made up the mass of the needy, never lived in the model estates of the twenties that later became famous (for example, in Frankfurt/M. or Berlin). Rather, the residents were skilled workers, white-collar workers, or civil servants all of whom undoubtedly also suffered from the housing shortage. These groups differed from the ‘proletarians’ in that they could afford to pay the rents in the new government-subsidized housing units because of their higher income.

3) Assistance was always structured in such a way that the instruments remained flexible and reversible. It was never intended to make the housing system, or parts of it, into a government activity. The central government itself never became an initiator of construction work, and the cities only did so in a few cases before 1930. Construction was left to semi-public builders. The free-enterprise economy was not supposed to be replaced but merely supplemented — though only temporarily, as long as the imbalances in the market remained (politically) intolerable. Because construction remained completely in the market sector, and at the same time the rental of apartments was guaranteed by lower rents, construction costs rose constantly. In fact, they very often exceeded the calculations made by private investors not applying for public support.
Table 4.2 Housing in the Federal Republic 1950-1989

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of completed dwellings</th>
<th>Per 10,000 inhabitants</th>
<th>Publicly assisted units per 10,000 inhabitants</th>
<th>Proportion of owner-occupiers of publicly assisted housing in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>362,300</td>
<td>72</td>
<td>67</td>
<td>-</td>
</tr>
<tr>
<td>1955</td>
<td>562,610</td>
<td>107</td>
<td>66</td>
<td>29</td>
</tr>
<tr>
<td>1960</td>
<td>574,402</td>
<td>103</td>
<td>59</td>
<td>31</td>
</tr>
<tr>
<td>1965</td>
<td>591,916</td>
<td>100</td>
<td>35</td>
<td>31</td>
</tr>
<tr>
<td>1970</td>
<td>478,050</td>
<td>78</td>
<td>27</td>
<td>47</td>
</tr>
<tr>
<td>1975</td>
<td>436,829</td>
<td>71</td>
<td>25</td>
<td>47</td>
</tr>
<tr>
<td>1980</td>
<td>388,904</td>
<td>63</td>
<td>16</td>
<td>59</td>
</tr>
<tr>
<td>1985</td>
<td>312,124</td>
<td>51</td>
<td>11</td>
<td>56</td>
</tr>
<tr>
<td>1986</td>
<td>251,940</td>
<td>41</td>
<td>11</td>
<td>46</td>
</tr>
<tr>
<td>1987</td>
<td>217,343</td>
<td>36</td>
<td>9</td>
<td>58</td>
</tr>
<tr>
<td>1988</td>
<td>208,621</td>
<td>34</td>
<td>7</td>
<td>58</td>
</tr>
<tr>
<td>1989</td>
<td>238,617</td>
<td>30</td>
<td>6</td>
<td>57</td>
</tr>
</tbody>
</table>

Sources: IWU: Grunddaten zur Förderpolitik 7, 1989, Table 8; Statistisches Bundesamt, different series, own calculations.

The right to an adequate dwelling was not to be introduced in the housing sector via government intervention. In its rationale, the system corresponded to welfare for the poor; but in practice, it primarily benefited the better-paid classes.

Redistributive Effects

Giving priority to assistance for privately owned dwellings (see Table 4.2) results in a redistribution from the bottom to the top, with respect to both indirect (tax relief) and direct (subsidies) assistance.

In 1989, the tax burden of each individual taxpayer was increased by DM 380 in order to finance the shortfalls in tax revenue. This tax increase benefited the owners of new residential buildings (Stimpel, 1990:64).

Beginning in 1950, the policy of subsidized housing was aimed at supplying dwellings for the 'broad strata of the population'. Therefore, the income ceilings that determined eligibility for publicly assisted dwellings were always relatively broadly defined. During the sixties, this group consisted of roughly two-thirds, of all households; at the beginning of the seventies as much as 80%; and today, approx. 50% (Häring, 1974: 72; Stimpel, 1990:90). This instrument was thus not aimed at a single group of especially 'needy' people. It would be more accurate to call it a subsidization of housing construction which excludes only the highest income-groups. The distributional effects of supporting rental housing were thus nearly neutral. The proportion of households of different income groups is as equal in social housing as in general (Ulbrich, 1992:39ff), but it does not produce a favorable effect for the most needy.
Tax relief for owners shows a very different distributive effect: 45% of the total in 1978 and about 48% in 1983 went to households in the highest income quintile.

With regard to the objectives of social policy, rental allowance is clearly the most precise instrument of housing policy. In 1990, 6% of all households or 11% of all tenants received a rental allowance. According to the distributional analysis made by Ulbrich, the lowest income quintile received about 65% of the entire amount of rental allowance in 1982, though only 40% of all eligible households actually apply for it (Ulbrich, 1992).

Promotion of capital formation among owner-occupiers thus unmistakably supports the highest income groups, while rental allowance subsidizes the lowest income groups. Nonetheless, subsidized housing is to the benefit of a broad stratum with medium income levels.

Rental Allowance

The central instrument of a housing policy aimed at low-income households is rental allowance, which is paid to tenants as a rent subsidy and to owners as a relief on their financial burden. Rental allowance eligibility is tied to income ceilings, while the amount of the rental allowance depends on characteristics of the apartment and of the household. For various types of dwellings (classified in accordance with location, amenities, age), fictitious maximum amounts are used as the basis for a reasonable rent, up to which amount the rent actually paid is entered in the calculation of the rental allowance one is entitled to. On the basis of a table, the allowance amount is derived from the relation between income and ‘chargeable’ rent, which varies according to size of the household. These tables are reviewed by the Bundestag at regular intervals, at which time the individual factors are adjusted. In the past, the income and rent ceilings were raised. Restrictions for eligibility that were directed, in particular, at retired and not gainfully employed persons were also affected.

Since the stipulated ceilings are always effective for several years, the number of eligible households decreases until the next adjustment is made. The total number of rental allowance recipients fluctuates around 7% of all households. Although receipt of rental allowance is a vested right, it is only granted upon application. The number of households that are entitled to rental allowance but do not apply for it is not known. In an empirical study in the Düsseldorf region, it was ascertained that only 17% of the eligible households actually filed an application (Buchheim, 1984:161). This would mean that over 80% of the households do not exercise their rights in this connection. It is not possible to say to what extent this result can be generalized.

Among the rental allowance recipients, there is a disproportionately large number of single-person households; in 1978 they made up 51% of the total, in 1981 60.7% (Bielefeld, 1983:96), whereas the proportion dropped back down to 51.3% in 1986. The proportion of heads of household over 65 years of age had climbed to 62% by 1981, which clearly illustrates that the rental allowance payments had predominantly become a supplement to pensions. In 1981, over 80% of the rental allowance
recipients were not gainfully employed; this percentage had decreased to 77% by 1986. The proportion of gainfully employed persons, on the other hand, increased from 18.9% to 23.1% (Deutscher Bundestag, 1987). Despite this increase, only 2.8% of all households, the heads of which were gainfully employed, received a rental allowance. This instrument is thus slowly losing its distinct character as supplementary welfare. It is increasingly taking on the function of ensuring rent payment capability for gainfully employed households.

On the average, rental allowance covered 38% of the rent, exclusive of heating, among subsidized households in 1986. The average rent burden for all households in 1985 was about 18.6%; for recipients of rental allowance, however, it was 40.2%. By virtue of rental allowance payments, this figure was reduced to 24%. Low-income households, therefore, still have to spend a disproportionately large part of their income on housing costs. Only the rent, exclusive of heating, is subsidized; the other costs for maintaining an apartment have to be paid for from the meager household budget.

The same regulations apply to homeowners as to tenants. The proportion of the total amount of rental allowance which is paid to owners has, in fact, increased in recent years, but it still accounts for less than 8%. The estimated number of households that are entitled to receive rental allowance but do not apply for it is higher than in the case of tenants, according to the federal government. The rental allowance payments to landlords have not been able to prevent the number of households with financial difficulties from growing substantially over the last 10 years. Empirical studies of this problem have shown, however, that it is not the reduction in income but rather the lack of expected income growth that is primarily responsible for the payment difficulties of owners. This can be attributed to the fact that during the past 20 years, private commercial banks have increasingly offered extremely risky financing arrangements to households with a relatively low financial capacity for home ownership. Stagnating income and rising mortgage payment then lead to financial collapse (Potter and Drewermann, 1987). The effects of the subsidies to relieve the financial burden were marginal in all cases. Most of the households concerned had an income above the ceilings and thus did not belong to the target groups of rental allowance. This can be explained by the fact that publicly assisted home ownership in the Federal Republic of Germany, which is also subsidized via tax relief, does not reach the low-income households at all. The rate of home ownership is still growing most among high-income groups.

In terms of social policy, rental allowance is actually more selective, widely having the function of supplementary welfare. Rental allowance must be applied for prior to welfare. Thus, to some extent, the allowance provides relief for municipal budgets; rental allowance is paid from the federal budget, while welfare comes from local government budgets. It is easy to adjust the scope and amount of the rental allowance. In contrast to subsidized housing, however, rental allowance has a more negative influence on rent levels; if households can pay more, the rents can be raised more easily. Although rental allowance can be utilized in a socially more purposeful way, it represents, in the end, a subsidy for landlords without improving the position of low-income households on a permanent basis.
Housing the Neediest

The fact that the circle of those eligible for low-cost housing was and is drawn so large has an unfavorable effect on the lowest-income households looking for an apartment. This is because the landlords of subsidized housing do not select their tenants according to fundamentally different criteria than other landlords: socially conformist, reliable tenants with a stable income are preferred. All ‘problem groups’ (large families, permanent welfare recipients, addicts, migrants from abroad, foreign workers) involve additional administrative expenditures and costs. The extra expense results from the fact that arrears of rent tend to occur, for example; or social workers may have to be assigned to mediate conflicts, to avoid damage, ‘to instruct people how to live’, or to supervise them.

Since municipalities in the Federal Republic of Germany are obliged to provide accommodation for the homeless, they have more or less drawn a second line of need in subsidized housing. The people in question are designated as cases of ‘greatest urgency’, because they live in over crowded units or are in danger of losing their apartment. In exchange for subsidization, municipalities have secured for themselves ‘allocation rights’ for a certain portion of the publicly assisted dwellings, to which they can assign the ‘urgent case’. In 1989, municipalities had such allocation rights for 1.6 million units, i.e. 6.1% of all apartments. The remaining 3 million publicly assisted dwellings are given to eligible persons of the owners’ own choice. This creates a ‘second’ sector within ‘social housing’, available for housing the neediest: the homeless, the poor, and households of immigrants.

The End of Social Housing and the ‘New Housing Need’

The number of publicly assisted dwellings has decreased, relatively and absolutely, over the last few years, although the number of those eligible has not. This is the result of a specific policy of the federal government since the beginning of the eighties. That policy has cut back on construction of new publicly assisted housing and promoted a reduction in the number of such dwellings. Table 4.2 shows that up to 1960, almost two-thirds of the construction of new housing was carried out with public assistance in accordance with the Housing Act. It also shows that this proportion has decreased continuously and sharply since then. At the same time, the percentage of publicly assisted owner-occupied dwellings has continuously increased within the framework of subsidized housing. Since 1976, more funds have flowed into sponsoring owner-occupied housing than into the construction of rented housing. This development was, fittingly, initiated by the social-liberal government coalition in power at that time.

Assistance for the construction of new rental units within the scope of subsidized housing had been reduced to a minimum when the federal government declared that this assistance was to be completely terminated in 1988. The reasons given for ending this measure were:
- that the ratio between households and dwellings had now balanced out,
that average incomes had increased to such an extent that public assistance could be completely concentrated on home ownership, and
- that the really needy could be more selectively and effectively supported through rental allowances.

In this way, an attempt was made to implement an old political option, which held that government intervention in the area of housing supply should, in principle, remain limited to temporarily dealing with crisis situations. However, the 'new housing need' in the big cities -- which has attracted great public attention since 1988 and is expressed, above all, in a shortage of low-cost rented housing -- forced the federal government to set up new programs for subsidized rented housing after several state parliament elections in 1990.

The causes of the 'new housing need' are manifold.

1. The housing census in 1987 showed that the number of existing units had been overestimated. Information on the number of dwellings that are lost due to demolition, misuse, or amalgamation in the course of renewal and modernization is extremely scarce. Official statistics, which compare the building permits for new construction with the registered withdrawals from the market, thus regularly overestimate the number of available apartments. The assumption that the number of dwellings roughly corresponds to the number of households -- which the federal government had taken since the mid-eighties as the basis for its planning through extrapolation of the 1978 building statistics -- proved to be false.

2. Moreover, the development of supply and demand had been wrongly assessed. In light of the predictions regarding long-term population development, a speedy decrease in demand was anticipated. The actual decline of the indigenous population, however, was overcompensated by the rapidly growing numbers of immigrants from the GDR and from other East European countries. Consequently, the demand for low-cost housing rose sharply. In addition, the demand for housing has been growing disproportionately in relation to population growth for many years. This is because households are becoming smaller and smaller on the average; the number of single-person households, particularly in big cities, has increased dramatically (for instance, in 1987, approx. 500,000 apartments with five or more rooms had only one occupant!). In accordance with the predictions of a decrease in population, however, investments in new construction declined greatly. This trend was reinforced by the withdrawal of the federal government from public assistance.

3. The picture of declining new construction, increase in the number of households as a result of immigration, and the decrease in the average number of persons per household (leading in turn to increased housing demand, even with constant population figures) is only one side of the coin, however. The other side is the use of more floor space per person along with increasing incomes and polarization of demand, accompanied by growing distinctions in income level.
The income elasticity of housing demand is approx. 0.21; i.e., 21% of the increase in income is spent on additional living space. Due to mass unemployment and, at the same time, economic growth in the Federal Republic of Germany in the eighties, household incomes tend to differ to a greater degree. If that is the case, the demand for low-cost housing will grow extremely rapidly, while the increase in new buildings will be completely absorbed by the higher-income groups. Thus, unequal growth in income reduces the housing supply for the low-income groups if rent-controlled housing is not expanded.

On the basis of their current income, 9.5 million households would be eligible for publicly assisted housing. Subtracting those who have left the rented housing market to become homeowners, there are still 6.5 million households remaining, as compared to approx. 3 million rented dwellings in 1990. Since eligibility for occupation of a publicly assisted apartment is only checked upon application, roughly a third of all households living in publicly assisted housing are not actually eligible to do so according to their current income. If their income rises above the eligibility ceiling, they have to pay a ‘non-entitled occupancy charge’; even so, the apartment is not available to a household that actually needs it. This ‘non-entitled occupancy’ aggravates the situation, particularly for households that are new on the housing market - mostly young people or immigrants.

Immigration is one of the unexpected causes of the current housing need. Since 1988, more than a million ‘Germans’, until then living outside of Germany, have moved from East European states to Germany. Entering Germany, they are granted citizenship and thus become eligible for ‘social housing’ without delay. Because they are classified as homeless, their applications for housing are given highest priority by the local authorities. In many cases, these people do not speak German and have grown up in a very different culture. Yet they have more rights to social benefits (e.g., credits for purchase of household equipment, cars) than, say, unemployed people who have been living in the same dwelling for years. An additional housing problem is created by the increasing number of refugees who seek political asylum in Germany. But they are not eligible for ‘social housing’. They usually have to live in transitional accommodation until a decision is made on their application for the right to stay.

Before this recent phase of immigration, which started in 1989, housing provision in Germany had improved continuously and remarkably. The average amount of living space increased by 50% from 1970 to 1987 (from 24 to 36 sq. m). The ‘new housing need’ is thus a need on a generally high level of supply. It is caused by the increasing consumption of living space on the part of high-income households, by decreasing new construction of rent-controlled housing, as well as by the decline in the number of rent-controlled dwellings. In sum, it is largely the result of an increasingly polarized housing provision.

The end of subsidized housing was also made possible because criticism of its aesthetics, the design of the buildings, and the authoritarian management style had weakened the political support for this type of housing policy. With respect to quality, there was no positive difference from the other housing construction - it was rather a negative one. In addition, the scandal involving the Neue Heimat corpora-
tion did much to discredit the conception of a social economy sector as a whole. The end of subsidized housing drew only weak protest, the trade unions had already left the arena of housing policy, due to a fault of their own. Undoubtedly, the traditional orientation toward the role of the state in shaping everyday living conditions had eroded within society. In the meantime, there was a rise in ‘postmodern’ values, to which the standardized apartments and collective forms characterizing large housing estates did not correspond.

The Development of the Subsidized Housing Stock

Since the beginning of the eighties, the federal government has aimed at reducing the new construction of publicly assisted apartments as well as the number of existing apartments with social restrictions (cf. Jaedicke and Wollmann, 1990).

On the basis of the assessment that there is enough housing and that the public assistance for rented housing construction has thus become superfluous, the federal government initiated a comprehensive deregulation of housing supply (Novy, 1991). This shift has far-reaching consequences for the supply of rent-controlled apartments. One consequence is that the number of publicly assisted dwellings has decreased. Through legislation in 1980 and 1982, early repayment of public subsidies was made possible. As a result, the dwellings were transferred to the ‘private’ sector after expiration of the rent control period; i.e., they could be rented or sold without imposing ceilings on rent or income. A total of 760,000 apartments were discharged from the contractual obligation to rent control in this way, in all of West Germany, between 1981 and 1986, amounting to roughly 10% of the total (Autzen 1988:164). Between 1987 and 1989 alone, the number of publicly assisted dwellings in the entire Federal Republic of Germany declined by 10% (for individual cities, see Table 4.3).

As a result of the scheduled termination of contractual rent control obligations, the number of publicly assisted dwellings will continue to decline, dropping to roughly 1 million by the year 2000 (cf. Stimpel, 1990:88). Moreover, the tax advantages for non-profit housing corporations were done away with by federal law in 1988, thus also eliminating the rent control obligation for their 3.4 million apartments. Up to then, these non-profit housing corporations enjoyed tax advantages; because the amount of their rents was tied to the actual costs, the return was not allowed to exceed 4% and had to be reinvested in housing construction. These long-term contracts to provide rent-controlled dwellings were given up by the liberal-conservative majority in the Bundestag without leading to any advantage, since the higher expenditures due to rental allowance exceed the additional tax revenues.
The only segment in the rented housing market where the amount of the rent reflects actual costs on a long-term basis is that encompassing the 1 million apartments in the possession of cooperatives. Those who are members of a cooperative have a permanent right to occupancy; they can even bequeath that right to others. The cooperative is not allowed to make a profit, and the members take part in the management. Because of their internal structure, however, cooperatives are socially very selective. Moreover, they require a commitment of personal capital and social competence, which the weakest groups on the housing market usually do not possess.

Since 1976, more public funds have been flowing into private home ownership than into assistance for rented housing construction. Through the reduction in the number of publicly assisted dwellings, a segment of the housing market in which price determination was directly controlled is gradually vanishing. The rent level was generally influenced by the regulation of rents and rent hikes, though not very effectively. The deregulation measures will result in prices determined more by the market. While, rental allowance is supposed to compensate the economically weakest groups for the consequences of market control, according to classic social policy.

The proportion of subsidized housing in relation to the total housing stock ranges from 40% (West Berlin) and 37% (Hamburg) at the high end to 18% (München) and 13% (Stuttgart) at the low end (see Table 4.4). Correspondingly, the scheduled termination of social restrictions will have different effects specific to the cities. As early as 1995, one-third of all restricted apartments will be relieved of this contractual obligation to provide social housing.

By the end of the 1980s, the population of the cities was beginning to rise again, mostly due to immigration from East European countries. Since then, the decrease in
Table 4.4 Proportion of Publicly Assisted Housing in Big Cities

<table>
<thead>
<tr>
<th>Cities</th>
<th>Units total</th>
<th>Publicly assisted units</th>
<th>Proportion of publicly assisted units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berlin-W.</td>
<td>1,088,641</td>
<td>436,332</td>
<td>40.1%</td>
</tr>
<tr>
<td>Hamburg</td>
<td>801,095</td>
<td>301,585</td>
<td>37.6%</td>
</tr>
<tr>
<td>München</td>
<td>652,314</td>
<td>117,176</td>
<td>18.0%</td>
</tr>
<tr>
<td>Köln</td>
<td>475,183</td>
<td>105,387</td>
<td>22.2%</td>
</tr>
<tr>
<td>Frankfurt a.M.</td>
<td>320,701</td>
<td>102,131</td>
<td>31.8%</td>
</tr>
<tr>
<td>Dortmund</td>
<td>281,686</td>
<td>101,353</td>
<td>22.4%</td>
</tr>
<tr>
<td>Stuttgart</td>
<td>281,506</td>
<td>37,242</td>
<td>13.2%</td>
</tr>
<tr>
<td>Bremen</td>
<td>264,765</td>
<td>85,097</td>
<td>32.1%</td>
</tr>
<tr>
<td>Duisberg</td>
<td>243,711</td>
<td>95,491</td>
<td>39.2%</td>
</tr>
<tr>
<td>Hannover</td>
<td>266,789</td>
<td>52,071</td>
<td>19.5%</td>
</tr>
<tr>
<td>Nürnberg</td>
<td>237,148</td>
<td>61,250</td>
<td>25.8%</td>
</tr>
<tr>
<td>Bochum</td>
<td>183,207</td>
<td>63,246</td>
<td>34.5%</td>
</tr>
<tr>
<td>Wuppertal</td>
<td>179,489</td>
<td>51,507</td>
<td>28.7%</td>
</tr>
</tbody>
</table>

Source: same as Table 4.3

the number of apartments with social restrictions. Along with the concurrent reduction in the supply of low-cost old buildings as a result of modernization and gentrification, have led to an extremely tight housing supply.

A New Start for Subsidized Housing?

In 1990, the federal government -- that only two years before had declared subsidized rented housing construction unnecessary -- gave in to public pressure and introduced new programs for the construction of rented housing. Thus, the third type of sponsorship was created.

The first type of sponsorship consists of loans to cover the construction costs of a new building as well as support for operating expenses (mainly interest payments). This type of sponsorship requires homeowners to raise 25% through self-help, which was fitting for its original target group of refugees after World War II.

The second type of sponsorship is predominantly aimed at capital formation by homeowners. The income ceilings that determine entitlement to public subsidies are 40% higher than those that determine eligibility to occupy publicly assisted rented housing. Allowances for operating expenses will be granted for 15 years at diminishing amounts. After 15 years, these allowances must gradually be repaid, at 6% interest.

The third type of sponsorship, introduced in 1989, offers loans for new rented housing construction. Neither interest nor repayment is required for 10 years. At that time, the loan is transformed into an allowance. In return, the owner has to accept the tenants assigned to him by the municipal Housing Office for a period of 10 years. He also has to accept a rent level set in negotiations between the owner and the Housing Office. This type of sponsorship might also be called ‘leasing’ or
leased housing', because it does not create a new housing supply with social restrictions. It is characterized by short terms and high flexibility.

The fact that the federal government resumed public assistance for rented housing construction in 1989 does not by any means imply a renaissance of the 'golden age of subsidized housing'. Rather, it represents a relatively short-term strategy to gain allocation rights to dwellings with subsidized rents for very urgent cases. The continuous reduction in the supply of subsidized housing, stabilized by both the termination of restrictions and the small quantities of new construction, will be merely delayed for a while but not revised. The third type of promotion was introduced only because the particular housing needs of the baby boom generation and the immigration from Eastern Germany and Eastern Europe created extreme housing shortages, mainly in big cities. But this situation is considered transitory; therefore, no basic revision was made of the objective, which is to leave the housing supply up to market control as soon as possible.

Socio-Spatial Effects

Subsidized housing in the Federal Republic of Germany has led to less social segregation in the cities than found in other Western countries. The percentage of subsidized units in relation to total housing construction was still very high in the first decades after the Second World War (over 50% up to 1960), and construction could be carried out particularly in the inner-city areas during this period. Consequently, social downgrading and structural decay of whole areas is rare in the Federal Republic of Germany. 'Non-entitled occupancy', which may hinder a just distribution, also proved to prevent social segregation. Relatively well-paid households were able to remain in the publicly assisted dwellings, even though they were not really entitled to live there on the basis of their current income. Accordingly a sharply contrasting social profile of the occupants of subsidized housing did not develop.

Inner-city 'problem areas' only came into being where large areas of old housing remained unscathed by war damage but were not attractive enough for gentrification because of their location. Social segregation on a larger scale first took place during the sixties and seventies, when housing estates were built in suburban areas. They consisted almost exclusively of subsidized dwellings, which higher-income households shunned; the housing supply had expanded by that time, so other alternatives were available to them.

The above development, during which contractual rent control obligations -- primarily for units in the oldest buildings -- run out or are prematurely paid off, will lead to greater segregation as well as quantitative reduction of the subsidized housing areas. The dwellings which the Housing Offices can fall back on will be concentrated in suburban areas. Those households that cannot obtain an apartment on the market by their own initiative will then be segregated in these areas -- either because they are economically too weak or because they are socially discriminated against. In this way, ghettos, as we know them from the USA or Great Britain, and which
were only rarely encountered in the Federal Republic of Germany up to now, will be produced by housing policy.

The cumulative effect of all this is a socially explosive situation which cannot even be defused with money. Stimpel (1990:93) quotes the general manager of a housing corporation that manages 3000 subsidized apartments: "Every house with a good mix saves us a social worker." This assessment is not unrealistic, recalling that intensified spatial segregation of poor or socially deviant persons does not only undermine social control but increases discrimination. The high proportion of votes for radical right-wing parties in such quarters in the elections of 1989 has moved the federal government to resume, for the time being, the appropriation of funds for subsidized housing. But measures to ensure the availability of a permanent supply of low-cost housing are not even being considered.

How Can the Rise and Fall of Subsidized Housing Be Explained?

State intervention in the housing supply, which peaked at the end of the two World Wars, is often considered a reaction to the actual pressure brought about by severe housing shortage. But its periods of either strength or weakness cannot be explained by the extent of housing shortage suffered by the most needy groups, either in the twenties nor in the sixties, because they were not at all the primary recipients of subsidized housing. Above all, this ‘theory’ does not explain why the federal government intended to put an end to the ‘age of subsidized housing’ by the end of the 1980s. The fact that the peaks of housing shortage do not necessarily correspond to the peaks of subsidized housing construction has been pointed out by Harloe for other European countries as well.

The following brief outline of the history of subsidized housing in Germany presents evidence for the thesis that, from the beginning of industrialization, public housing policy was not primarily intended to provide for the most needy. Rather, public housing was an expression of an underlying socio-cultural program, which was closely linked to the evolving concept of social security (national insurance).

Housing policy since the mid-19th century can be divided into five phases. In the first, the miserable living conditions of the poor were addressed through building regulations. In the second phase, housing supply models were applied to experiment with the development of an industrial labor force. In the third phase, self-organization models were promoted through tax incentives. And it was not until the fourth phase, beginning in 1918, that government intervention took place in the financing of housing construction. In the fifth phase (1945 to 1970), publicly assisted housing construction occupied a dominant position, though since then its quantitative importance has continuously declined. This politically controlled ‘retreat’ leads to a change in its socio-political significance.

After the migration from rural to urban areas started, prior to the take-off of industrialization, cities were flooded with people unable to earn an income through regular employment that would allow them to rent a normal apartment. This poverty-stricken population lived in inner-city slum dwellings under abominable
conditions that were a constant source of epidemics and occasional crime. Cities and
the central government reacted by imposing regulations for minimum housing quality
and declaring dwellings not meeting those standards to be uninhabitable. Other,
affordable apartments were not available, however. So this initial housing policy
phase could also be designated as an expulsion of the poor. Later, regulations for the
building of new housing were passed, on technical and public health grounds. But
though they made housing healthier, they also made it more expensive. At that time,
there were no initiatives to expand the supply of cheap housing.

From the mid-19th century, the ‘housing question’ began to be discussed in a
different way. It became important to determine how healthy and low-cost urban
housing could be provided of the workers. The housing problem of the poor turned
into the ‘housing question for workers’. Under the financing conditions of that time,
good apartments that were affordable to the workers could not be supplied. Their
incomes were too low to pay the rent necessary to cover the costs. In a paper very
popular at that time, Engels drew the conclusion that the housing problem could not
be solved in a capitalist system. The ‘housing reformers’, on the other hand, came
up with a housing supply model. According to that model, the propertied bourgeoisie
should make capital available at a low interest rate so that housing could be built for
workers’ families. In these buildings, the latter were then expected to learn how to
‘live correctly’ under the supervision of bourgeois social reformers; i.e., they were
to adopt the virtues of order, self-discipline, and household economy which corres­
ponded to the bourgeois way of life. The core of the housing reform was the single­
family unit, which was to be provided by patrons from the propertied class. This
model, strongly advocated by the Society for Social Policy and by Christian
propagandists for people to have their own homes, was aimed to supplant the class
culture of the newly created proletariat. Its express goal was integration of the latter
into bourgeois society. Several company housing estates were built by plant owners
according to this model, but, on the whole, the quantitative effect was minimal. The
bourgeoisie wanted to earn money on the housing, and charitable or educational
motives were obviously weaker.

Toward the end of the 19th century, the class comprising office workers and civil
servants developed, along with the expansion of bureaucracy in the private and
public sectors. Members of this new class also suffered under the great housing
need, in view of the rapid urbanization of the population. In contrast to the masses
of workers, however, they had at their disposal higher and, most importantly, stable
incomes; thus, they were able to accumulate their own savings. They, too, strove to
adopt a bourgeois lifestyle - for the very purpose of distinguishing themselves from
the lower classes. In addition, they were capable of organizing themselves and
putting pressure on local and central government for a reform policy. The working
class-movement of that time behaved, according to Friedrich Engels’ analysis, ab­
stinently with respect to housing policy and restricted itself to describing and
condemning the miserable conditions. Clerical and civil servant organizations
founded cooperatives and housing corporations, which were supported by the central
government through tax relief. In some cases, favorable loans were even granted
from the capital accumulating in the social security funds!
The working-class movement thus concentrated on the struggle against the capitalist state, while the housing reformers and the middle classes sought its support. In the writings of the socialist theoreticians, the concept for the organization of housing in the future was linked to the goal of equality of the sexes. The latter depended on freeing women from housework and equating them to men with respect to gainful employment. This required a socialization of housework, which was to be achieved by the elimination of family households and by creating a professional organization on collective housing estates. Thus, at the same time, a more efficient and low-cost performance of housework was to be made possible.

The 'bourgeois' housing reform, on the other hand, held to the more expensive solution by making the single-family unit the highest goal of all housing reform. In the dispute over the direction to be taken in attempting to solve the housing problems, contrary concepts of society clashed in the end. Of course, the 'family domicile' -- in which the basic element of patriarchal social policy, the nuclear family, was supposed to develop -- corresponded to the view of the bourgeois central government.

But apart from social formation, it also served the spatial management of urbanization; subsidized housing was concentrated predominantly in the cities. For a long time, the private-sector expansion of the housing supply did not keep pace with the growing demand exerted by the immigrating population. On the one hand, this shortfall caused the 'housing shortage', on the other hand, it created an impediment to economic development, if the workers had to cover great distances to get to their workplace. The 'financing gap' arising from the discrepancy between costs and highest possible rent receipts would have impeded the growth of the industrial agglomerations if state intervention had not supported urbanization. This was especially crucial after the Second World War, when 'modernization' of the economic structure and the 'economic miracle' had to be linked to rapid urbanization (cf. Lutz, 1984).

Public housing policy has now fulfilled its most important function: namely, the establishment of a family model and the integration of the middle classes into bourgeois society. It has done so by means of subsidized housing and a parallel promotion of capital formation for homeowners. Problems related to the housing supply do still occur, and they mainly affect the low-income population strata. Meanwhile and recurrently, apart from the immigrants, even medium-income households in rapidly growing big cities encounter great housing-supply problems. Therefore, the long-term goal to give up state support entirely has had to be postponed once more.

About half the population is living in owner-occupied dwellings now. It is to be expected that on a medium-term basis, the housing shortage will only affect a comparatively marginal segment of the overall population. Apart from the poor, those affected will mainly be the spatially mobile. With regard to the immigrants in particular, the present state intervention resembles the beginnings of housing policy, which may be characterized as 'management of urbanization'. The self-interpretation of state intervention, having always insisted on temporal limitation, corroborates this view. It was intended to organize the massive spatial and social changes brought about in the course of industrialization. Now that urbanization and industrialization,
as well as the social integration of the societal majority, may on the whole be considered as completed, the ‘golden age of subsidized housing’ may likewise come to a close (Häußermann, 1988).

The Situation in East Germany

Despite a numerical balance of households and housing units in East Germany, and despite a decreasing population (because of ongoing migration to West Germany), housing provision in the East is not relaxed. Many buildings are in very bad condition, even many of the newly constructed ones. In particular, there is a lack of apartments of a good standard for medium or high-income groups. The renewal of old houses was neglected in the GDR. More than 50% of the stock in cities is either in very bad condition or not habitable. The dwellings show the highest waste of energy of anywhere in Europe.

Distribution and construction of housing in the German Democratic Republic was under strict control of the state. So ‘social housing’ in West Germany and ‘state housing’ in East Germany cannot easily be compared. As we have seen above, ‘social housing’ in West Germany is a special mixture of private and public finance, of state interventionism and market principles. But it is strictly a non-state sector. Therefore, the transformation of provision, administration, and finance of housing in the former GDR will mean a profound change in all of its aspects. As we have seen also, one basic aim of current housing policy in West Germany (and since 1990 also in Germany as a whole) is to abolish ‘social housing’, or at least to change its character fundamentally. For this reason, the transformation will not lead to a revitalization of ‘social housing’ or to a new ‘golden age of social housing’. On the contrary, it seems as if the East German transformation will be used by the federal government to experiment with a new structure for housing provision, based on home ownership and private renting. The big state sector, which could provide a good base for a real ‘social’ sector, is new subject to rapid transformation.

The Situation

Housing construction in the GDR meant above all construction of standardized units in big estates, mostly in six-level buildings. The positive effect of this policy is that today the inner cities are normally not subject to any sort of renewal. It is true that their condition has changed since 1945, though in a negative direction. Out of 643 (sometimes very small) cities, the inner areas of 54% of them fall under historic preservation regulations. About 25% of all these core cities are in urgent need of renovation.

Housing construction in the former GDR was industrialized consistently. Private builders have been liquidated almost entirely. In 1989, only 7.7% of total construction capacity was still privately owned. The size structure of the building industry was just the opposite to that of West Germany: more than 60% of all were employed construction workers by big firms (compared to West Germany: only 7%). So there were no small local builders who could be engaged for repair, renewal, or modern-
The whole construction sector was dominated by a central dirigisme, which led to what is now known as *Plattenbauweise* (industrialized production of standardized mass construction). But productivity remained half as high as in the West German construction industry.

The structure of ownership has changed radically in 40 years. In 1950, 91% of total housing was still privately owned. By 1990, this proportion had been reduced to 41%. About 41% (including nearly all new construction) was owned by the state, about 18% by local cooperative societies.

Many old dwellings were still privately owned in 1989. Out of 4,710,000 multifamily houses, about 20% were owned by private persons. Because rents were regulated by law at the level of 1936, and because no credits or grants were given to private owners, the old housing stock decayed. In 1981, ca. 200,000 units were empty, including 80,000 declared uninhabitable by local authorities. The decay of the old housing stock was not only the result of dogmatic decisions in favor of new construction. It was also an element of the planned social change: private owners should be discouraged and induced to give up their property. The effect was that dwellings deteriorated several, so the owners could be expropriated because of neglecting the properties.

Most of the housing stock requires extensive renewal. In contrast to West Germany, where 70% of the stock was built after 1948, in the former GDR only 41% has been newly erected since the end of World War II (Jokl, 1990:83). The old housing stock was seriously neglected by the housing policy of the GDR. Most of it was owned by private persons, mostly located in the inner cities. They could not afford to keep these houses in good condition, because rents were frozen by law at the level of 1936. So most of the houses fell into decay. And today, still 30% of all housing units do not have an indoor WC.

About one-third of all the 3 million apartments built after 1948 are located in circa 125 new construction areas, each consisting of at least 2,500 units. Such areas house 20-25% of the total population; in East Berlin, nearly 50%. The apartments have 60 sq. m floor space on average, usually accommodating one person per room (incl. kitchen). Most of the new dwellings already need renovation and reconstructi-

**Changes**

It is not yet clear how the former government-owned housing will be managed in the future. In accordance with the unification treaty, the dwellings have initially been turned over to the municipalities. But this process is taking a lot of time. Each plot of land must be registered and transferred from state ownership to the municipalities. And because former property lines were ignored when the housing estates were built, now the parcels of land must be redrawn, the expense of surveying and mapping must be paid by the new owners!

Income from rents does not cover the costs of renovation and modernization, nor operating expenses. Rents have been raised twice since 1990; the average rent is now 4 DM/sq. m.
The existing housing is nominally encumbered with high debts. New construction in the former GDR was mainly financed by credits from the state bank, and these credits have now been taken over by publicly owned Western banks. Figures on debts, as given by official institutions, vary from 32 billion to 50 million DM. This is about 10-15,000 DM per apartment.

The federal Minister of Finance intends to force the municipalities and the states to pay back the debts. Until the end of 1993, there is a moratorium on repayment. But interest accrues to the debt, and it is expected that this ballooning loan will add another 17 billion DM (on top of a debt of 32 billion) by then. The East German Minister of Housing proposed postponing repayment until 1997. By then, the amount of interest due would be as great as the debt itself. Negotiations between municipalities, states, and the federal government on how to deal with this complicated issue are continuing. The most crucial point is that the Minister of Finance wants to use the rising rents to pay off the debts as soon as possible, whereas the Minister of Housing and the new owners insist on using this money for rehabilitation and modernization. The new owners -- being municipalities or public housing corporations -- have no credit-worthiness; they are overburdened by debts, and profitability of new investments cannot be guaranteed.

Following the federal government’s privatization policy, some municipalities have already begun to sell the apartments to the tenants. In any case, cost-covering rents are to be introduced in the medium term. This measure is intended to stimulate private investment in the housing sector, which will most likely be directed at the areas with old buildings in the city centers. The new housing areas scarcely offer attractive living conditions, and they are just as in need of modernization as the old inner-city buildings. If the present occupants are not given security through the laws regulating rent or through purchase of the apartment, a gigantic social segregation process will ensue. This is especially likely since income growth will remain highly selective for the next several years. Therefore, the ‘social problems’ in the former GDR will also be concentrated in the new suburban housing areas.

For two years, the federal government has been funding model projects of privatization. In 1991, only 7000 units could be sold, because there were many problems with privatization: unclear property rights, high debts, bad condition, inexperienced administrations unable to cope with calculations and new laws, uncertain perspectives of consumer purchasing power, etc. The municipalities are eager to sell off most of the inherited housing stock, not only as a way to earn some money, but predominantly to diminish the continuing losses caused by urgent repairs, which are not covered by income from rents (Köhli, 1992).

At the end of 1991, more than 2 million applications for restitution of former ownership were submitted to local administrations (Piazolo, 1992:487). At the beginning of 1992, only 3% had been acted upon (BMF-Finanznachrichten 40/92). It is now estimated that this process will not be finished within 10 or 15 years. But without clarification of property rights, no investment will be made and no privatization is possible.

Since only legally regulated rents existed in the former East Germany, and because the apartments were allocated by the local authorities, there was, in fact, no
social segregation in the areas with new buildings. Disposable income did not play a role in housing supply. Overall differences in income were very small, too. Now income differentiation is developing under market conditions, and this will have major effects on the social structure of cities. The socio-spatial changes will be even more sharply defined in the cities of the former GDR than in West Germany, because differences in income and differences in quality between various housing areas will develop very quickly and very sharply.

Facing a deep economic crisis, a structural one deepened by a cyclical one in 1993, the situation of housing in East Germany will create very serious political problems.

Conclusion

A basic change in housing policy has been evident elsewhere. In Britain, for instance, the change occurred because the Labour policy, aiming at the establishment of a public housing sector (housing supply not subject to market control), was replaced by a market-oriented policy - including massive regrouping within the owner structure (cf. the contributions in Norton and Novy 1991). Yet the ‘end of the golden age of subsidized housing’ in West Germany has to be considered as the completion (that is to say, termination of intervention, which was always regarded as limited and contrary to the system) of a long-term political perspective. Imbalances that had to be managed have either been eliminated or marginalized to the extent that the rest may largely be left to the realm of socio-political welfare (rental allowance and assistance for the homeless).

The transition from a ‘mass model’ (strong public support for the broad strata) to a ‘residual model’ (political intervention in the housing sector only for ‘problem groups’) that has taken place in the field of subsidized housing is the logical consequence of a long-term perspective. A revival, a ‘renaissance of subsidized housing’, is therefore not to be expected. Hope of reform can no longer take the shape of appeals to the government. Rather, this endeavor should find its way into the forms of self-help, of cooperatives, and promotion of individual capital formation.

The history of subsidized housing in Germany shows that this instrument of government intervention in housing supply served for a long time to satisfy the lower middle classes and integrate them into society. In any case, there are no indications of poverty.

An increasing concentration of housing policy on two new instruments can be observed over the last decade: sponsorship of privately owned dwellings, and rental allowance. Sponsorship of privately owned dwellings here assumes the function of supporting the housing supply for the middle classes. Rental allowance is intended to selectively support the position of the low-income households on the rented housing market. Overall, the financial expenditure for the government is not cut as a result of this change in policy, but the potential for spatial control of housing diminishes. As a consequence, social differences become more pronounced in urban areas,
probably leading to an increase in social problems. Careful note should be taken of the forms of social inequality and social segregation produced by the transformation of the public housing sector in the former GDR into a free enterprise system.

It is very difficult to perceive distinct political fronts in the development of housing policy over a long period of time. Fundamentally different positions between the parties cannot be distinguished, if one disregards the FDP, which most consistently advocates a completely market-controlled supply. The CSU, on the other hand, is one of the most vehement defenders of subsidized housing. The SPD-led state governments initiated the reduction of subsidized housing and expanded sponsorship of privately owned dwellings. Housing policy is an example of 'self-referential policy', where a group of experts, composed of people from all parties, comes to an agreement on gradual modification of the instruments from case to case. The extensive deregulation decisions at the end of the eighties were an exception to this assessment; they were pushed through by a CSU minister but subsequently, in part, retracted after the elections of 1990 (by a new FDP minister). This fact indicates that the housing policy decisions of today depend very much on current problem areas and less on a permanent political clientele. Housing policy's clientele now consists of the approx. 40% of homeowners and tenants who have to assert themselves in very different markets due to great regional differences. The fragmentation and differing concerns of the voters makes it unlikely that they could organize themselves into groups that could decide an election. This is a prerequisite for the continuity of a self-referential policy.

In 1989 there was hope among both leftists and reformers that the housing system in East Germany would influence housing policy in Germany toward more state regulation. But it seems that the contrary will emerge. The problematic inheritance of a substandard housing stock, the austere financial situation, and the weak credibility of all collective ideas in East Germany will probably lead to a change in the opposite direction. But this will create new and more acute problems.

References

5
PUBLIC RENTED HOUSING IN BRITAIN

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Introduction

The decline of social rented housing provision, alongside rising homelessness and increasing social polarization, is a new feature of the housing situation. It is a coincidence that can only occur in countries which have developed significant social rented housing provision (mainly in Europe). And it is a phenomenon which has only become marked with the ending of the period of full employment which characterized post-war Western Europe. The most extreme example of this situation is, arguably, Britain. The public rented sector in Britain rose at its peak to provide almost one in three dwellings in the housing stock. And these mainly consisted of high-quality traditional single-family houses. While at this stage the British public housing tradition was presented as a model for other countries, it was never without its critics within Britain. And the framework in which it developed consistently represented compromises and embodied contradictory elements rather than a coherent and comprehensive planned response to meeting housing needs. This reality has also meant that the sector has not been the same in all regions, cities and areas and has changed periodically. The characteristics of the sector and the evaluation of its strengths and weaknesses must consequently be carefully located in time and place. There is a danger of confusion arising, because it is not clear which public rented housing sector is being referred to. The most recent phase of policy in Britain involving a virtual cessation of new public sector house building, substantial transfers of public rented housing through sitting tenant purchase, and a fundamental change in the basis of financing highlight the extent of change in the sector. These changes, and especially privatization, are sometimes presented as a new model for other countries. However, again, the sector at this stage and the process of restructuring do not represent unproblematic responses to improve the performance of the sector. Indeed, the changes introduced and the general restructuring of the housing market have coincided with an increased concern about housing, homelessness, and the failures of housing policy.

This paper is concerned to clarify the experience of public rented housing in Britain. It identifies three different ‘models’ associated with British public housing and its restructuring. In evaluating this experience and its relevance to other
countries, reference is made to issues which go beyond what housing legislation was and what was built. The underlying argument in the paper is that the different models presented and the pace of restructuring relate to distinctive features of the British system. These differences do not relate just to the internal management of the system but to wider aspects of the partitioning of housing finance, inequalities in income, and the nature of the British welfare state. The distinctive features of the British system mean that rather than assuming some convergence with public rented sectors elsewhere in Europe, the nature and rapid rate of restructuring are widening the gap between these systems. The conclusions drawn from this account can highlight positive and negative aspects of the British system and enable some evaluation of factors which increase the viability of public sector housing.

While the social rented sectors in all countries are affected by similar pressures there are particular aspects of the British system which have affected the nature and more rapid pace of change. A key element in this is what Kemeny (1993) has referred to as the ‘Anglo-Saxon model’ in which public renting is segregated from the private sector and its growth has been suppressed in order to prevent it competing with private renting and home ownership. The introduction of the Right to Buy in 1980 increased financial segregation and this is a central element in contemporary problems in public housing and housing provision more generally.

This paper initially refers to the origins and key characteristics of public housing in Britain. It goes on to outline emerging critiques of council housing and social and policy changes which contributed to the changing role of council housing in recent years. The paper then argues that the consequences of recent changes and the future prospects of public housing in Britain are of a declining, residual sector operating in increasingly unequal towns and cities. Finally, some conclusions are drawn about the implications of the British experience for general debates about public and social rented housing.

The Formation of Public Housing to the 1970s

Public sector housing in Britain has been provided by a variety of organizations which are fully described elsewhere (Malpass and Murie, 1990). The dominant role has been taken by local authorities which have powers and duties conferred upon them through legislation. New Town Development Corporations established under post-war legislation have had an additional significant role. Finally, independent voluntary (charitable and non-charitable) housing associations have had a long-running role which expanded in the 1970s. These organizations have often been regarded as forming part of the public sector because of their considerable dependence on public sector funds, including subsidies. Since 1988 government has sought to redefine the place of these organizations as in the private (or independent) sector. The terminology can be confusing. Council housing forms the largest element in public housing but excludes other agencies. Public housing, as a term, could leave confusions about whether it embraces the voluntary sector. As a result the term social rented sector is widely used to include all housing which is outside the market
sector in consumption and to mark a distinction from home ownership and rented housing owned by private companies and individuals.

There are a number of accounts of the origins and development of social rented housing in Britain (see, e.g., Merrett, 1979; Malpass and Murie, 1990; Lowe and Hughes, 1991). The origins were not exclusively or primarily in meeting housing need but developed from a wider political agenda and fears of social conflict. The introduction of exchequer subsidies in 1919 was the essential element which enabled substantial investment in council housing. The subsequent adoption of rent pooling enabled the sector to grow while subsidies were continued (see Malpass, 1990). The period from 1919 to 1979 was one of consistent but not even growth. The war years 1939-45 halted activity, and some periods were marked by more generous subsidies and greater volumes of activity. There were also different phases in which policy was focused on reconditioning the slums, clearing older housing, or providing for general housing needs. The degree of consensus over the need for investment in council housing should not be exaggerated, but the view that the need was temporary did not mature (to one that the need was over) until after 1979. Not all the housing built was of the same type and quality. Most council housing was houses with gardens, and most was built to higher standards than applied in the private sector. Some of this housing was model housing in every sense. The new towns and the new estates built in the 1920s and 1940s were regarded as models in other countries and were highly regarded by their occupiers. These were large, spacious, traditionally built houses for families. There was a strong antipathy to building flats and multi-family housing. The houses had large gardens in planned residential areas and were in striking contrast to what was generally available in the ageing, deteriorating private rented sector. The high reputation of council housing prior to the 1960s related to its generally superior quality and its role in housing the affluent working class, while the poorest lived in the private rented sector. Allocation of housing was based on locally determined policies and practice which focused on family housing. Initially high rents deterred low-income applicants, and the high standards encouraged the more affluent. Few local authorities referred to income in making allocations, and there were no pressures on higher-income households to leave the sector in contrast to the USA. Consequently, a considerable proportion of tenants in general were affluent blue- and white-collar workers, and the sector was marked by social mix. At this stage, council housing in Britain was closest to operating as a redistributive social service. It still fell far short of such a model (see, e.g., Townsend, 1975, Ch.6) but did not conform to a residual or welfare model.

Even at this stage, British public housing was far from uniform. There were periods (often coinciding with residual slum clearance phases of policy) when council dwellings were characterized by poor design, poor construction, or peripheral locations (or all three) and rehoused the less affluent and respectable poor. The flats and maisonettes of the 1960s are the most notorious examples, but their role should not be exaggerated. All flats and maisonettes accounted for less than one in three council dwellings in England and one in two in Scotland. A much smaller proportion of council dwellings were high-rise flats. The council stock also included dwellings acquired from the private sector for clearance, improvement, or simply to
add to the stock. At its peak in 1978, the public sector (council and new towns) housed 32% of households in Great Britain. The housing it provided was mixed in size and quality and included substantial numbers of dwellings built for special-needs groups (mainly elderly persons). As a result both of the changing importance of slum clearance and the general operation of allocation policies, there was a marked social differentiation within the council sector. The worst housing housed disproportionate numbers of the poorest, the undeserving (rather than deserving) poor, and those with least bargaining power in the labour and housing markets (Wilmott and Murie, 1988). The very large public sector was, at the same time, a significant element in a redistributive welfare state enabling links between poor housing and low income to be broken and an element contributing to the concentration of the most disadvantaged in particular estates and areas.

The public sector which had been established was not uniform in quality or in the benefits it provided. Its critics emphasized its failings and its increasing monopoly of the rented sector as private renting steadily declined. This monopoly role was most marked in new towns and areas where major slum clearance or other new investment was carried out. The limited role of the housing association movement was remedied to a degree after legislation in 1974 increased subsidy provision for this sector, but the dominance of council landlords was well established by then.

In the light of later developments and the experience of other countries, it now appears that, even in its most effective phase, the public sector in Britain lacked other key features. There was no effective legal code establishing tenants’ rights, little development of effective tenants’ organizations, and an absence of an effective or independent lobby on behalf of social renting. Municipal control which had merits in terms of democratic accountability, was paternalistic and regarded other forms of accountability to tenants as unnecessary. The nature of municipal politics and bureaucracy and the nature of relations between central and local government inhibited developments which could have produced a more robust sector. Although the framework produced high-quality housing, it was also prone to discriminate against the undeserving poor and against minority ethnic groups and restricted its vision to long-term family housing. It also failed to build the political structure and long-term electoral support which could have sustained it. In addition to these factors, two key elements were basic to the operation and subsequent development of the sector.

First, the British tradition involved separate subsidy and accounting systems for different tenures, never involved any attempt at achieving tenure neutrality, and increasingly favoured home ownership. The home ownership industry was well organized in other respects to emphasize the advantages of this financial treatment. The financial segregation of the public sector does not only relate to subsidy systems. Since the mid-1970s, the accounting conventions adopted in relation to public expenditure have proved major restrictions on the growth of the sector. The conventions on which British national accounts are based discriminate against local housing investment in a way that does not occur in other OECD countries. In Britain, capital investment which produces income is treated as part of the Public Sector Borrowing Requirement, even though, according to OECD conventions, it
does not contribute to the budget deficit. Thus, all housing capital investment by local authorities, although it generates rents, is controlled by central government. The alternative approach of only counting the annual subsidy bill against the PSBR has not been adopted. This would mean treating investment as outside the PSBR, where it is financed from rental income, receipts, or loans raised against the asset base.

The second factor, relating to financial segregation, involves rents. In the public sector, rents were a matter for local determination, and a tradition of low rents is generally regarded as having held back management and maintenance of the stock. What tends to be neglected in this discussion is how housing and council rents related to social security benefits. The post-war national insurance and assistance systems resulted in benefits which were low relative to earnings. The impact of this on housing policy options deserves more attention. Low rents were a necessity in view of benefit levels. In this sense, the council housing sector has been crucially formed by the rest of the welfare state. Insurance-based social security benefits are low in Britain compared with other Northern European countries. This has consequences for housing and rents which have not been acknowledged.

In summary, the public housing sector developed in Britain had both strengths and weaknesses. It had not developed as an uncomplicated attempt to meet housing need and, not surprisingly, had not achieved this. Most substantial academic studies identified failings and weaknesses in the system of council housing but also identified strengths in the system of rent pooling, the quality of most of the housing built, and in the social mix and redistribution achieved (see, e.g., Harloe, Issacharoff, and Minns, 1975; Murie, Niner, and Watson, 1976; Lansley, 1979). The principal agenda for reform did not centre on the continuing role of the local authority in housing. Nor did it focus on the need for financial and other reforms related to arguments about the equity and efficiency of subsidy and creating a genuine choice between tenures by developing a tenure-neutral financial system.

Public Housing in Transition: Municipal Housing in Decline

Public housing in the long formative period referred to above is marked by diversity and change. It is more appropriate to break down this formative period into distinct phases (see, e.g., Malpass and Murie, 1990). However this is done, a major break with policy would be evident by the early 1980s. A number of elements contributed to this:
- a harsher public expenditure regime with cash limits and less local autonomy in determining levels of investment
- the view that the post-war housing problem had largely been solved
- the continuing encouragement of home ownership and its general presentation as a preferable form of housing provision and badge of success and responsible citizenship
- the continuing decline of private renting
the changing role of council housing associated with other aspects of housing market restructuring and with increasing social polarization
- changes in the housing subsidy system to move from object subsidies (general exchequer and rate fund subsidies to local authority aggregated Housing Revenue Accounts) to subject subsidies (payments of housing benefit to individual householders based on individual tests of means and need).

These changes and much of the general vilification of council housing did not generate great opposition and defence of council housing, although the Labour Party opposed the policy package which centred on the Right to Buy until 1983.

The key break between the 1980s and the earlier period since 1918 is in the decline of the council housing sector. Under the Right to Buy, introduced in the Housing Act 1980, sales of council dwellings have exceeded additions through new building. The council sector has declined by some 25%; what remains is ageing and includes a higher proportion of flats, of less popular dwellings, and of dwellings in less popular areas. The public sector which remains is, then, less easy to defend. Much of the rationale for the attack on council housing in the 1980s related to a view that council housing, rather than representing a solution to housing problems, was the key element in the housing problem. Problems were seen to stem from council housing itself and its design, control, and management. These critiques identified many of the same problems as other studies but concluded that their causes lay in the extended role of the state, the inefficiencies and political motives of local authority bureaucrats and councillors, and the absence of market disciplines and consumer choice. Thus, the problems of social rented housing were intrinsic and inherent in the structure of municipal control. This inevitably generated inefficient and unresponsive development and investment, inadequate targeting, wasteful management marked by empty housing and high rent arrears, and lack of consumer control and satisfaction. Much of this critique also involved presenting unfavourable comparisons with private provision through both home ownership and rentier landlords. While the former tenure was presented as offering the monopoly of choice, satisfaction, accumulation, and ontological security, the latter was seen as having particular advantages in responsiveness and facilitating mobility.

There is a different emphasis, both in the focus of these negative critiques and in the causal explanations involved. For example some emphasize the role of state and municipal control (Henney, 1984; Berry, 1974; Coleman, 1985), some the large scale of landlordism and management approaches (Power, 1984), some the professional/technical preoccupations (Dunleavy, 1981), and some combinations of these (Black and Stafford, 1988).

What is common to many of these explanations and prescriptions is a tendency to look inwards and see problems and solutions within the social rented sector rather than in the social and economic environment or the legal and financial framework in which it operates. It is these managerial critiques rather than those related to production, finance, or social change which have been acted upon. And in some cases the consequent actions have exacerbated the problems identified in critiques which go beyond managerial concerns.
The development of policy towards the social rented sector in Britain has been strongly influenced by these inward-looking critiques. A new conventional wisdom with a negative view of council housing has emerged. Other elements have been important in this conventional wisdom:

- the delegitimation of council housing as a result of its association with high-rise and unpopular housing and its role in housing the weakest sections of the community
- a general antagonism to local government
- a rejection of ideas of a social wage and redistribution towards individualized consumption
- an acceptance of causal connections between dependency on the state and attitudes to wealth creation and motivation and between council housing and labour mobility
- a concern to strengthen rights and to adopt electorally popular approaches to enable movement out of council tenancy.

This new conventional wisdom is based on highly contentious views which have never been well supported by empirical evidence. The presentations of council housing and its management, of home ownership, the causal role of housing in labour mobility, and other areas has been partial and generally used to justify previously established policy preferences. Aspects of council housing which did not fit the policy predilections of government, such as its general popularity and high levels of satisfaction (Forrest and Murie, 1990), and the potential associated with its financial maturation (Kemeny, 1981) have been ignored. The curious feature of the British case may be in how easy it has been to attack council housing. In this context, the absence of a tenants lobby, an effective social landlords lobby, and an established authoritative forum for housing debate are all important. Ultimately, this translates into lack of electoral and parliamentary push. The role of the Right to Buy in dividing the interests of public-sector tenants has contributed to this, but underneath this has been the lack of commitment to tenure neutrality in housing finance. The right to buy would not have had the same impact without persuasive discounts and the access to privileged taxation treatment which was an attribute of home ownership.

What has been outlined above is a preamble to the policy changes of the 1980s. However, the role of council housing was changing and would have changed without new policies. Existing discussions of the residualization of council housing in Britain emphasize that the major contributory factors were the long-established decline of private renting and the preferential tax treatment of home ownership. As private renting declined, those on the lowest incomes had no choice but to rent from the council. And as the advantages of home ownership became more pronounced, those who could afford to buy did so. The increasing concentration of lower-income households in council housing, increased social polarization between tenures, and reduced social mix in council housing were established well before 1979 (Murie, 1983). Demographic changes (more elderly persons, lone parents, single-person households), rising unemployment, and a widening gap between the incomes of those
in work and those out of work accelerated the process of residualization. All of this is to say that residualization is the product of underlying demographic, economic, and social changes occurring alongside housing-market restructuring. Any countries with fragmented tenure systems where there are clear financial advantages associated with particular tenures are likely to experience the same process. However, the pace of change will depend upon the extent of social polarization and of financial advantages. In the British case, these had grown with rising unemployment, reductions in welfare benefits, taxation changes, and house-price increases. It is also important to note that the trend towards a residual, welfare role has not been regarded as a source of concern by leading British politicians and have been seen as representing improved targeting of subsidy.

If residualization did not start with the policy changes of the 1980s, these changes have added a new element. The reductions in council housing subsidy, switch to means-tested housing benefit, and pressure to increase rents have reduced the advantages of renting for those who do not qualify for housing benefit. At the same time, the introduction of the Right to Buy with extraordinarily generous discounts (up to 70% of market value) have offered a new subsidized route to home ownership and to accompanying subsidies through tax reliefs. For affluent tenants who liked their council home, the Right to Buy offered the best of both worlds the house the council built and the subsidies and accumulation provided for home ownership. The right to buy does not remove council houses from the nation’s housing stock, but it does reshape the social rented sector, leaving it smaller with a different portfolio of properties (more flats, maisonettes, one-bedroom dwellings, less popular dwellings). The social composition is changed with the affluent more likely to buy. The effects of this change have not yet worked their way through the system, and two important elements should be noted. Firstly, the Right to Buy only represents a stage in privatization. The real privatization occurs when properties are sold on the open market. The evidence currently available suggests that at this stage, former council homes are not within the reach of the kinds of households, who become council tenants. They are bought by employed households, including existing homeowners and multiple-earning households. Secondly, the Right to Buy has a malign influence on some policy options. Ministers have argued that there is little point in building new houses to rent when they can be sold later at a discount. At the same time, attempts to charge more realistic rents to finance higher standards of management and maintenance are likely instead, to speed up sales and further reduce social mix.

On these grounds, the policies of the 1980s, in which the Right to Buy is so central, represent a curious response to the critiques of the council housing system. The Right to Buy does not help to improve management or reform council housing. Instead, it reduces the size of the stock, and leaves a residual sector more prone to problems of ghettoization, an unpopular stock and declining social mix. Other policy changes in the 1980s have had a mixed impact. Restrictions on public investment have resulted in a steady decline in new building to historically low peacetime levels. The new towns programme has been terminated, and strategic needs-based approaches to housing planning have been abandoned. With so little new investment,
the public-sector housing stock is ageing. While many local authorities have actively pursued policies to modernise their stocks the largest urban authorities have generally had insufficient resources to carry out the programmes they deem necessary. Some have chosen to dispose of stock as the only way to ensure it is refurbished.

The New Model Public Sector

The housing legislation of 1988 (and 1989 in England) is generally regarded as marking a new phase of policy in Britain. Government no longer regarded housing policy as exclusively about extending home ownership. The new policy orientation was designed to sustain growth in that sector but also to encourage private investment in the provision of rented housing. Government also acknowledged the need for provision of rented housing by other agencies. However, the leading agencies for new housing provision were to be housing associations rather than local authorities. Indeed, the new strategy was to increase the rate of decline of council housing through Tenants Choice (tenants' rights to move to a different landlord), Housing Action Trusts (government-initiated schemes taking control of selected estates away from councils), and continued constraints on local authority housing investment operating alongside the Right to Buy promised a continuing rapid decline of council housing and some growth of other rented provision. These changes have operated against the background of a new financial regime for council housing and for housing associations. Greater exposure of housing associations to private finance and new, less secure forms of tenancy which do not have the Right to Buy (assured tenancies) mean that the leading agencies in the provision of new rented housing provide less secure housing at higher rents. Households on low incomes can move to these tenancies and qualify for housing benefit. They are not attractive to other households and may increasingly form benefit ghettos. Alongside this, the rights of council tenants have been preserved or even enhanced with new rights in respect of choice of landlord, a rent-to-mortgage scheme, a tenants charter, and requirements for local authorities to produce performance measures. A secure tenancy with the local authority as landlord is clearly preferable, but local authorities have few resources to respond directly to housing need, and their role is one of enabling or facilitating other agencies. They are also under pressure to dispose of stock. Tenants Choice and Housing Action Trusts have had little impact by 1993. However, by the end of 1992, some 18 out of 365 local housing authorities in England have completed transfers of their whole stock to housing associations. These were mainly small authorities, and the total stock transferred was 94,198 dwellings. Transfers were initiated by the council and partly designed to preserve a rented stock in areas where it was being eroded through the Right to Buy. New tenants in transferred properties will not have the Right to Buy or other rights developed for council housing.

New policies forcing review of management practice are welcome but are no substitute for a coherent policy for the rented sector. Some of the elements involved, including provisions to enable tenants to choose an alternative landlord, compulsory
competitive tendering, and the transfer of management from new towns and Scottish Homes, have also created an insecurity among tenants (and contributed to decisions to exercise the Right to Buy). The reformed public sector is then one in which central government takes a more significant role and local authorities cannot easily develop a coherent strategy to provide rented housing. The system which has followed the golden age of British council housing is one in which various interests, including some tenants, are encouraged to participate in dismantling the structure. But in this there is no coherent plan for what the residue will be like. The policies establish mechanisms for dismantling, but how far this will go is uncertain. In the meantime, the effect is to destabilize the sector and to inhibit strategic investment and local policy making. The most constructive element, emerging since 1987, has been government's increased support of housing associations. One scenario would be of a new model social housing sector based on housing associations. But the irony is that new tenants of this sector would be assured tenants with neither the Right to Buy nor the same tenancy rights as council tenants. They would benefit from the self-regulation of the housing association movement and the scrutiny of government-appointed agencies (Housing Corporation, Scottish Homes, Housing for Wales). The new model public sector will be smaller, will nominally have more diversity of landlords, and will be less accountable through normal democratic processes.

The policies pursued in the 1980s have been preoccupied with minimizing the direct role of the state (and especially local government) in housing and encouraging home ownership. There has been no clear perception of what the social rented sector which emerged would be like. In the early 1980s, it appears that Ministers believed no such sector was needed and the market would provide. Although this position no longer holds, the dominant element in policy has been the encouragement of home ownership, largely constructed on a particular representation of the attributes of home ownership.

By the early 1990s, it is widely accepted that the government’s housing policy was in disarray. The first indications of market and policy failure were rising levels of official homelessness. Increasing concern at the numbers of households housed (for lengthy periods) in bed and breakfast hotels, in hostels, and in caravans was supplemented by concern at the increasing numbers of rough sleepers in London and elsewhere. But the issue which has dominated debate for the last two years is the volatility and failure of the private market. A period of rapid house-price inflation (1986-89) has been followed by a long period of falling prices, low levels of activity in the second-hand market, declining levels of new building, mortgage arrears and dramatic increases in repossessions, and an increase in households with negative equity. The consequences for the construction and associated industries, for exchange professionals, for insurance companies and building societies, and for the economy as a whole have been extremely damaging.
Future Prospects

The future of social renting in Britain will be affected by political, demographic, economic and housing-policy factors. Various scenarios for the development of the sector are possible but the following presents a realistic framework:

- the absence of any substantial political base to support the regeneration of social housing
- a preoccupation either with financing recession or cutting taxes in both cases leaving limited funds for public expenditure on housing. The demand for funds to finance transfers of ownership rather than investment in housing production will also be important
- the continuing partitioning of subsidy and finance with preferential treatment for home ownership
- the continuing operation of the Right to Buy and other policies destabilising municipal housing
- increasing social polarization related to patterns of demographic change and economic restructuring
- the working through of changes in residential patterns as the process of privatization works through
- a continuing view of the superiority of home ownership and, in the provision of rented housing, of the independent sector (private landlords, housing associations) and continuing restrictions on municipal authorities preventing them from operating on the same basis as the independent sector
- the failure of the home ownership market to recover its pre-1990 buoyancy and confidence. A long, slow recovery will mean a long period of low investment in new housebuilding.

This combination is not the same as in other countries. No other West European country has such a centralized, partitioned system with a social rented sector destabilized through a Right to Buy and a lack of autonomy. The scenario outlined above would result in a continuing erosion of the public and social rented sector, with sales exceeding building. Processes of residualization will continue. While the Right to Buy may modify the spatial pattern of social segregation, some areas are likely to be more strikingly segregated.

For households in rural areas, declining opportunities to rent will increase migration to towns and cities. In this it is the lower-paid and unemployed who will be unable to find housing in their home areas. The consequences for age and social mix in rural areas are important as well as those for urban areas.

The low levels of investment in new housing have an impact on housing quality and condition and the flow of housing opportunities. Britain is likely to have less equal cities as the impact of council housing on patterns of residence is weakened and as social mix in council housing is reduced. The redistributive impact of social rented housing will be reduced, while social inequality grows with higher unemployment and dependency on declining welfare benefits. Those in the smaller social rented sector will have fewer rights as tenants, and the systems of accountability are
not the conventional ones of the ballot box or reference to legally enforceable rights. Without new developments, tenants will have no rights in relation to rents and will not always have adequate advocacy or representative organizations. Alongside this, there will be continuing homelessness and exclusion from the housing market. There is little prospect of a revival of social renting sufficient to meet the needs of homeless families, let alone single persons. The limited capacity of the social rented sector will further expose certain groups of homeowners. The problems apparent in home ownership will lead to more selective policies (quality lending) and a harsher regime for those in low-paid and insecure work. The absence of opportunities to rent will force these households into home ownership on less favourable terms, and changing economic fortunes and the volatility of home ownership will continue to generate movement out of home ownership. Without a substantial social rented sector to ease transitions, periodic and extended homelessness will continue to be part of the experience of some homeowners as well as others. In all of this, British cities are set to become less equal cities, moving closer to a US model and away from that of the Netherlands or Sweden.

The consequences of this pattern of change may not be limited to housing conditions, social inequality, life chances, and spatial segregation. They also relate to the broader economy, to the functioning of the labour market, and through these to aspects of poverty and exclusion. The relationship between housing and the labour market or housing and the economy is interactive and not one-directional. Most of the accounts of the origins of the present recession in Britain place considerable emphasis on the role of the housing sector in fuelling inflation and in the excessive expansion of consumer credit. Most of the commentaries on how to recover from the recession also give prominence to kick-starting the housing market. In both cases, it is the growth of the home ownership sector which is seen to have increased the importance of housing for the economy generally.

Some of the most recent critiques of the housing market have begun to present the over-extension of home ownership as a key problem. This is partly because of concern about repairs and arrears and repossessions. However, more fundamentally, it relates to the impact of home ownership (and the enormous credit overhang associated with it) on the economy. Areas of concern are the level of consumer debt and its impact on general interest rates, as well as the volatility of house prices and market activity since the affects both employment and demand, particularly for building materials, white goods, and other manufacturing output. In addition, the new conventional wisdom presents home ownership rather than public-sector housing as the barrier to labour mobility.

Conclusions

Critiques of public-sector housing in Britain have had a considerable impact. They have contributed to a widely held negative view of the tenure. In parallel, a view of home ownership as universally advantageous gained wide currency. Neither of these views is justified by the empirical evidence available and the studies which have pur-
ported to buttress them have major shortcomings. The more recent experience of home ownership seriously undermines the perspectives presented by Saunders (1990) and others (see Forrest and Murie, 1994).

In this paper, it has been argued that the main features of the public rented sector in Britain have changed. A fuller picture would refer to other periods, especially in the foundation phase of the sector. In evaluating the British experience, it is important to specify what stage of development is being referred to. Again, a fuller picture would refer to spatial variations. The key organizations and activities affecting the public sector operate at a local level. Local politics and planning are also key factors in the development of other tenures. Nonetheless, the verdict on the strengths and weaknesses of the British system are very different in the three phases referred to. The organizations dominating the sector have changed, as have the rights of tenants, rents, financial arrangements, stock characteristics, and the tenants themselves. One key feature of the British experience is the pace of change and the significance of marked policy shifts. It has been argued that these relate to the politics of municipal housing and central - local government relations (see also Duclaud-Williams, 1978).

The policy changes which have emerged since the 1970s have been more concerned with encouraging home ownership and dismantling council housing than with any clear vision of what a social rented sector should be. By the early 1990s, a new generation of housing problems had emerged which casts doubt on the general policy package. These emerging problems and the pattern of change which present arrangements are likely to produce will mean that British cities and the social rented sector in Britain will change more rapidly than in other European countries. There are similar underlying pressures affecting the direction of change in these countries. However, the pace of change in Britain is greater and the position reached in 1993 has altered its position relative to its 'nearest neighbours' of 10 years earlier. The residualization of public housing in Britain is likely to continue. A greater concentration of those with the least bargaining power will not strengthen the political base for the sector. Declining housing quality and continuing use of bed and breakfast and other temporary accommodation will further delegitimate the public sector. These factors become both cause and consequence of current problems in British public housing.

The contemporary debate about the social rented sector no longer doubts the need for such a sector. There is, however, a difference between government's principal preoccupation with policies to dismantle municipal housing and further expand home ownership (the rents-to-mortgage scheme is the most recent approach) and calls for a coherent policy to create a robust social rented sector. These latter approaches emphasize a number of elements which exist in other countries. For example, the Institute of Housing, the leading professional body in housing, has called for a National Housing Assessment, reform of housing finance, increased public investment, and a level playing field allowing municipal and voluntary organizations the same opportunities to borrow and invest (IoH, 1992). The opportunities created by maturation and the asset value of the social rented stock could then be realized with no adverse consequences for the economy.
This kind of agenda shifts the attention away from ownership and control towards finance. What it indicates is the scope for different interpretations of the nature of the housing problem and the limitations of council housing in responding to problems. Three very different perspectives exist:

- that the central weaknesses of public housing relate to the design of the stock and to how it is managed. The policy implications of this perspective relate particularly to estate-based management initiatives
- that the central weaknesses of public housing relate to size of the sector and its ownership and control. The policy implications of this perspective relate particularly to changes of ownership
- that the central weaknesses of public housing relate to the financial framework and the context of the welfare state within which it operates. The policy implications of this perspective relate to an agenda which moves beyond housing finance to the broad structure of taxation and benefits and the environment of employment and social rights.

The emphasis in policy debate and initiative in Britain has been firmly based on the first two of these perspectives. While these should not be neglected, it is unlikely that the nature of the public sector can be fundamentally changed without attention being placed on the third. The new problems in home ownership and homelessness emphasize the need to readdress issues of access to housing and the role of the public sector. There is no prospect of returning to the flawed golden age prior to the 1980s, while there is every reason to build on diversity of ownership and develop cooperatives and tenants' control. However, unless the broader context is sympathetic to the development of a robust public or social rented sector the new model sector will reproduce the problems of the old and they will appear increasingly starkly with more segregated benefit ghettos and run-down neighbourhoods, where housing situation exacerbates low income, unemployment, poor educational and training opportunities, and social exclusion.

Too many of the critiques of British public housing have been preoccupied with surface problems related to housing management and housing policy. The more fundamental issues do not only relate to political support but to other elements of the context within which the sector operates. In particular, these relate to inequality and poverty and to high unemployment and a low-wage economy; to the structure of the British Welfare State with its high dependency on means-tested benefits and low rates of benefit relative to average earnings; and to the role and operation of other tenures and the partitioning of housing finance. This partitioning now has three key elements in Britain: subsidy, Right to Buy arrangements, and public expenditure rules.

Public housing does not function in a vacuum. Its viability and characteristics are affected by these elements much more fundamentally than by whether it is municipally owned or by other characteristics which are unique to the British case. Without some changes in these contextual elements, attempts to create a viable social rented sector in Britain would still be frustrated. Rather than the British system providing a model for a viable system, it illustrated the problem of developing a viable system in
the absence of certain factors. Four specific conclusions are suggested by this discussion.

Firstly, a prerequisite for an effective high-quality redistributive public rented system is a well-developed Welfare State. Full employment, high incomes, and an income-maintenance system providing benefits which are well above a poverty level are crucial. This latter factor is particularly important in Britain. Because the coverage and level of pensions, unemployment, sickness, and other insurance benefits is limited, very high proportions of households qualify for housing benefit. Thus, housing benefit is more expensive because of the deficiencies of the social security system. The politics of housing finance are significantly affected.

Secondly, a viable public rented sector is difficult to sustain in an environment of subsidy partitioning and unequal subsidy treatment of different tenures. Such partitioning influences tenure choices, contributes to socio-tenurial polarization, and undermines both social mix and political support for public housing. In addition the, ability to borrow on asset values or accumulate reserves are important in realizing the advantages of maturation.

Thirdly, a viable public rented sector is more likely where it has sufficient autonomy from government to prevent 'raids' on its assets and enable some continuity of production and some flow of new investment to meet changing housing needs and ensure that the sector does not suffer a decline in its position relative to other tenures. In this, a viable public rented sector is also a stabilizing influence in housing and the economy, offsetting the volatility of the private sector.

Fourthly, a viable public rented sector is likely to have a broad social and political base in terms of age, household structure, economic activity, ethnicity, and other factors. This provides a stronger potential base than exists where tenures relate to other key social divisions.

Without these elements the task of resolving 'management' problems or preventing a downward spiral of public support and reputation is much more difficult. In this perspective, changes in aspirations and expectations are assumed to be socially constructed.

One final observation on the British experience relates to recent privatization. The Right to Buy and the uptake of the Right to Buy have opposite messages. The uptake partly demonstrates the success of the public sector in building houses which people want to live in. However, the mechanism of the Right to Buy is incompatible with the continuing operation of an effective public rented sector. It represents an abdication of strategic planning and restricts certain policy options. This particularly relates to rents. Some recent commentaries in Britain (Duke of Edinburgh, 1991; Donnison and MacLennan, 1991) argue for rents related to capital value or social market rents which would reflect demand. Neither commentary addresses the problems posed if such policies are developed alongside the Right to Buy. In practice, the higher rents involved in these proposals would merely make purchase at discounted prices under the Right to Buy more attractive. Rather than putting the sector on a viable basis, it would speed the decline of the sector. It could also encourage transfers to housing associations with a long-term loss of rights to tenants.
The consequence of the wider context in which social rented housing operates in Britain, the specific arrangements for financing the sector, and the negative attitudes which have come to dominate debate have changed the sector dramatically and are likely to continue to do so. The direction of change is no doubt the same as in other countries, and underlying elements are similar. But the pace of change is greater because of specific circumstances, and notions of convergence do not match the reality of a widening difference in the means of access and structure of the housing market between Britain and at least some of its European neighbours.

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PARADISE LOST? DESUBSIDIZATION AND SOCIAL HOUSING IN SWEDEN

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Introduction

In September 1992, Sweden’s Conservative Prime Minister Carl Bildt signed an agreement with the leader of the Social Democratic opposition, Ingvar Carlsson, on an emergency program to combat the country’s financial crisis. Two months later, after a series of ‘crisis packages’, the government had to give up its attempt to defend the Swedish krona against speculation. It was decided to let the krona float in relation to other currencies. This incident marks the end of an epoch in modern Swedish history, widely referred to as a success story of unprecedented economic growth and Welfare State politics. In economic terms, there were already undisputable signs in the mid-1980s that this period was drawing to a close. Indeed, the joint Conservative–Social Democratic crisis program signifies the political acknowledgement that a new era had begun.

Focusing on housing, the end of the post-war ‘success story’ (an expression first used by Headey, 1978) was politically acknowledged even before the Bildt–Carlsson agreement, namely by the Social Democrats. Around 1990, the Social Democratic minority government joined forces with the Liberals to enact a tax reform "which hit hard on the 60 percent of the households with ‘marketable’ dwellings. And the ensuing reform of housing finance implies a defocusing of housing production which will subsequently hit housing consumers regardless of tenure position or strength in the market" (Lundqvist, 1992b:120). The new government chose to stick to the beaten path already taken by it predecessors. It continued to substantially reduce state subsidies on housing, in hopes of increasing the leeway for general economic growth (Carlsson, 1991). Having peaked at almost 50 billion Swedish kronor in 1989, the state subsidies to housing began to decrease after years of steady growth (see Table 6.2 below).

The above sketch makes it clear that housing policy in Sweden is in line with two of the three general tendencies prevailing in most West European countries (cf. Harloe in this volume). The difference is that the two tendencies have appeared a little later in Sweden and are proceeding at a slower pace than elsewhere. First, the respective roles of the state and the market are being adjusted in favor of the latter. Second, state support for housing production is being cut back. However, the third
tendency mentioned by Harloe -- a continued promotion of home ownership, including the sale of social housing -- does not apply to the Swedish case so far.

All types of tenure are currently experiencing a drop in production. At the same time, housing has become much more expensive to the residents, irrespective of tenure position. Nevertheless, there are signs that home ownership is coming out ahead of rental and cooperative housing. This is surprising, in view of the non-socialist government’s ascent to power in October 1991. The government has given highest priority to reducing state subsidies on housing in general. And unlike governments in many other countries, it has not favored home ownership over other tenures.

In an international comparison, Swedish housing policy has been depicted as being relatively harsh towards homeowners. Owners and users of rented and cooperative housing have been favored, while owner-occupiers have "increasingly found their 'rights' to consumption subsidies circumscribed." Contrary to the first-war period in which a non-socialist government was in power (1979-82), there have not yet been any initiatives to introduce owner-occupied condominium flats, a sector that represents one-third of the housing stock in the neighboring country of Finland (Lundqvist, 1992a:125, 130-131). Thus, in Sweden, people are still not allowed to own a ‘castle in the sky’ (Siksiö, 1993).

Comparing the general patterns of privatization in the housing sectors of four West European countries, Lundqvist turned up some revealing differences. He found that Sweden was the only one to direct defunding strategies against the owner-occupied and cooperative sectors, and to do so without diminishing the public rental sector through dispossession (1992b:114). However, it is also true that the municipal housing companies recently lost their privileged position as recipients of state loans more advantageous than those available to other landlords. Not only does the government advocate conversion of public to cooperative housing. It also recommends that municipal housing companies should sell as much of their stock as possible to private landlords.

Outright privatization of social rented housing does not seem to be a viable alternative in Sweden. But public housing companies are facing a number of challenges that will probably result in the introduction of new ownership forms. This chapter makes a cursory inventory of these challenges and discusses their likely outcomes. Before looking at the developments in social rented housing, however, some general trends in Swedish housing are identified and related to the wider context. Some attention is also given to the image of social housing as a 'success story', a term frequently used by international researchers when studying housing policy in Sweden. A few general trends characterizing the system of housing provision in Sweden are then identified. It is analyzed how these trends are reflected in the housing policy strategy currently pursued by the new non-socialist government. The government's policy towards social rented housing is then highlighted, throwing into relief the reforms that are being discussed, and partly implemented, by the municipal housing companies themselves. Finally, the chapter assesses the prospects for social rented housing in Sweden.
Social Housing, Neutrality, and Diversity of Tenure

According to international housing experts, Swedish housing policy has been one of the best in the world, producing good dwellings for everyone. Even low-income, working-class, and unemployed people have been able to rent dwellings satisfying the requirements set on size, quality, and cost. In fact, public as well as private rented housing in Sweden meets broadly defined social needs and demands. To give just a few rough indications: every individual in Sweden has an average of 47 square meters of living space at his or her disposal; only one percent of the dwellings are not modern; only two percent of the households are overcrowded. Of course, these statistics mask a more complex reality. To take one example, one- and two-person households generally have much more living space per person than most families with children at home (Hedman, 1992:87).

This success story has been recounted by so many observers that there is little reason to question its validity (cf. the references given in Lundqvist et al., 1990; see also Ambrose, 1992; Cars and Härman, 1991:52; Duncan and Barlow, 1991). Yet there is no consensus on the underlying mechanisms. Several factors have been named: the Social Democratic welfare policy (Headey, 1978); the virtual absence of land speculation (Dickens et al., 1985); and the unitary rental system (Kemeny, 1993). In addition, Nesslein (1988) argues that general economic growth and rising living standards of the population at large are more important than any specific policy measures as determinants of housing market performance. All of these views identify factors that are crucial to understanding the mechanisms behind housing success. However, a comprehensive explanation remains to be formulated.

But now, all these factors are either no longer in operation or are being called into question. The Social Democrats are out of power, having been replaced by a government that wants to roll back the Welfare State; the instruments of municipal land control have been weakened; the rental system has become more or less marketized; and the Swedish economy is stagnating. No wonder the dark side of the success story is attracting more attention. All political parties concur that the cost of housing has become an unbearable burden on the taxpayers. This standpoint is highlighted in the next section of the paper. But first, we elucidate the concept of social housing, as generally defined and in its Swedish context. That concept is used in a discussion of tenure neutrality and tenure diversity. These notions are ideologically crucial to grasping the essence of social housing in Sweden.

1 More than two residents per room, kitchen and one room excluded. The norm applies to households with at least two persons. One-person households are never considered overcrowded.
Depending on the national context, social housing has been called public, council, non-profit, or social rented housing. In this chapter, 'social housing' is used as an umbrella term, covering the strategy pursued by the Social Democrats in Sweden in the post-war era. The term 'social rented housing' is reserved for a crucial element of this strategy, namely housing built and managed by the municipal housing companies.

According to the Swedish Constitution adopted in 1974, all citizens have a right to a dwelling, just as they have a right to employment and education. The official housing policy developed by the Social Democrats after the war requires policy to be generic and not biased in favor of any one tenure or group. Thus, Social Democratic housing policy takes a generalist approach. It is not 'social' in the sense of being targeted at specific groups with special needs, which seems to be a common use of the term. In fact, Social Democratic policy deviates from the latter usage, whereby social housing is "primarily provided for ordinary wage earners and groups with special needs of support for housing" (Cronberg, 1986:65).

Reviewing the 1946-1947 housing policy adopted by the Swedish parliament, one of its political architects (Nyström, 1989:83) comments:

Through these decisions the state set the norms for the new housing policy. We always talked about the new housing policy contrary to the housing policy of the 1930s. The latter was labeled social housing policy, as it was targeted at especially vulnerable groups: families with many children, farm-workers, etc. But in 1946, the goal was: good dwellings for all.

Consequently, the municipal housing companies -- which have been crucial vehicles for the implementation of Social Democratic housing policy -- define their goal as to offer "good dwellings for all ... large households and small, elderly, young and middle-aged, poor and rich" (SABO-boken, 1987-1988:8).

In the 1974 housing policy decision, the social dimension was accentuated to achieve 'tenure neutrality'. The objective was to create a situation that would not "steer people toward any particular type of housing" (Cabinet Proposal, 1974:347). There should be equality between different tenures in terms of standards, costs, and control. Lundqvist (1987:131) concludes that with this decision, Swedish housing policy "took a much more comprehensive view of policy neutrality towards tenures than is generally recognized". And the goal of tenure neutrality has not been abandoned, despite the discrepancy between ideal and reality. Thus, in the Cabinet Proposal 1986/87, the Minister of Housing stated that "The ideals behind the formation of the social housing policy during the post-war era stand firm." The present non-socialist government would not express itself in such terms. Yet there is little reason to believe that it has abandoned the ideal of 'tenure neutrality', defined as the ambition not to subsidize any one tenure to the detriment of the others.

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2 The next few paragraphs draw upon Elander (1991).
Indeed, current reforms of housing policy suggest a shift towards a more tenure-neutral housing policy. However, the shift implies a higher level of housing cost for most households in all tenures.

**Social Rented Housing**

Representing 40% of the housing stock, rented housing is one of three main tenures in Sweden. The other two are home ownership and, an intermediate type, cooperative ownership. Homeowned single-family houses account for 40% of the stock, while 18% are co-op dwellings. Less than 10% of the rentals and co-op dwellings are single-family houses. Rented housing, in turn, can be divided into two main types: private renting and public renting. Half of all rental units are owned by municipal housing companies (Table 6.1).

The use of this terminology has given rise to many misunderstandings. Public renting has often been defined as social housing, whereas, at least in its Swedish context, the latter concept is much wider and more complex. In Sweden, at least three definitions of the concept of social housing are in use:

1. In its widest sense, social housing refers to ‘non-speculative’ construction, including all dwellings built with state loans. Thus defined, less than 10% of all housing built after the war has been ‘speculative’, and there has been almost no construction without state loans (Duncan, 1986:20; Ministry of Housing and Physical Planning, 1988; Hedman, 1993: 128).

However, little has been done to prevent owner-occupied and cooperative dwellings from being bought and sold speculatively at market prices once they have been built. The cooperative sector has undergone several changes, never codified in the Cooperative Housing Act, giving it a much more speculative character than was ever foreseen (Bengtsson, 1992). It has even become possible for tenants in city centers to use their rental contracts as ‘tickets’ to enter the owner-occupied and cooperative sectors. Thus, a buyer with a rental unit in central Stockholm or Gothenburg could, at least until lately, expect a price cut of several hundred thousand kronor on a nice suburban house in exchange for the contract for the flat.

**Table 6.1 Tenure by Share of Housing Stock in Sweden, 1945-1990**

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Rented</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private owners</td>
<td>51</td>
<td>40</td>
<td>30</td>
<td>21</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Public housing</td>
<td>2</td>
<td>9</td>
<td>17</td>
<td>20</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>companies</td>
<td>51</td>
<td>40</td>
<td>30</td>
<td>21</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Cooperative</td>
<td>4</td>
<td>11</td>
<td>14</td>
<td>14</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Owner-occupied</td>
<td>38</td>
<td>36</td>
<td>35</td>
<td>41</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Strömberg 1993: 263.
Although much debated, such transactions are not illegal (Lundqvist, Elander, and Danermark, 1990).

2. In a more specific sense, social housing has been defined as public and cooperative housing (Cronberg, 1986). According to this definition, 38% of the total stock had become non-profit by 1985. Indeed, there is a historical link between public and cooperative housing in Sweden, in the sense that the HSB cooperative movement was spawned by the tenants' movement. A reminiscence of this link is the widely disseminated journal Vår Bostad, published jointly by the National Federation of Tenants' Cooperatives (HSB) and the National Federation of Tenants' Associations (Hyresgästernas Riksförbund). Considering the marketization of co-op housing mentioned under the first definition, however, the inclusion of this tenure in the concept of social housing is dubious. Strikingly, until the end of the 1960s, the sale of a cooperative flat on the market was not permitted. Instead, it had to be sold back to the cooperative at an indexed price, thus excluding the possibility of speculative gain (Bengtsson, 1992:96).

3. In the narrowest sense, finally, social housing is equated with public housing, i.e. dwellings built and managed by municipal housing companies. In the international literature, this is often called council, non-profit, or social rented housing. By 1975, one-fifth of the total stock had become 'social' in this sense, and that figure has remained about the same ever since. Today, there are 320 public housing companies, managing more than 900,000 dwellings. This amounts to about 22% of the total housing stock and nearly 40% of all multi-family dwellings in Sweden (Vårt boende, 1992).

The ownership structure of the private rented sector is heterogeneous. About one-third of the private rental stock is in the hands of landlords who own only one block of flats each. At the other extreme, another third of the stock is owned by only one % of the landlords. In other words, there is a large number of small owners and a small number of large owners (Lundström, 1985). The private rental stock is geographically concentrated in the inner cities. On average, it is older than the public stock. However, private renting is regulated in much the same way as its public counterpart. Thus, the rights and duties of landlords and tenants, the rent-setting principles, and the negotiation rules are essentially the same (Lundqvist, 1988:93). In this light, one might even include private renting in the 'social' sector, as proposed by Kemeny (1993).

Nevertheless, the differences between the public and the private rental sectors were quite distinct until recently. Public housing was used to implement a more comprehensive social policy regarding access to flats and social composition of housing estates. These demands had never been enforced among private landlords, who have always been free to decide who they want to accept as tenants. Moreover, state financing of new production was less favorable to private than to public rentals, and tenant control of property was much more developed in the public than in the private sector. Housing policy in Sweden may have aimed at "a unitary social rental market" (Kemeny, 1993:4). Yet we should be aware of the undisputable differences that have, until recently, distinguished private from public renting (cf. the debate at the Tenants' Union congress in June 1992, as reported in Vår Bostad, 1992, no. 8).
Today, the two kinds of rented housing are converging in the framework of a more market-oriented policy strategy. Rather than a "unitary social rented housing market", we are facing something like a "unitary private-rented housing market". To a large extent, the historical costs of rented housing still determine the level of the rents. Nonetheless, the National Association of Municipal Housing Companies (SABO) has agreed with the Tenants' Union that rents should be negotiated, taking into account local variations in standards, location (läget), environmental quality, and public and commercial services (Nya villkor för kommunala bostadsföretag, 1992:20). In fact, such considerations have been increasingly taken into account over the last few years, as indicated by this quotation from the SABO journal:

Today it is very difficult to find a flat that could be regarded as ‘normal’, and as having a ‘normal’ rent. The utility value system has become too crude (Bofast. Bo år 2000. Special issue on the SABO program for the 90s, June 1991, p. 24).

Accordingly, the Ministry of Justice recently proposed to remove the rent-setting privilege traditionally held by the public housing companies (Ändringar i hyresförhandlingslagen, 1993).

As shown by Harloe in this volume ‘social housing’ has appeared in the shape of various ‘models’: (i) a residualist, private-led model, where state-subsidized ‘social’ housing is targeted at people with special needs, such as the elderly, the infirm, and the handicapped; (ii) a more general social rented housing model targeted at a wide range of income and socioeconomic groups; (iii) a cooperative model, where housing is produced and managed through various forms of cooperative organizations, often in conjunction with trade unions and Social Democratic parties; (iv) the state socialist model that developed in the Soviet Union and Eastern Europe under Communist-led regimes.

Sweden’s approach roughly corresponds to the second, broadly defined social housing model. Taking into account the Social Democratic goal of ‘tenure neutrality’, however, perhaps social housing in Sweden forms a distinct case. Its political implications go even further than the broad social model proposed by Harloe, and it includes some elements of the cooperative model, albeit in a diluted form. Although the cooperative model has played an insignificant role in most countries, Sweden’s Riksbyggen and HSB cooperatives are two examples of social housing originally intended to comply with this model, though the correspondence may be less straightforward in practice (Bengtsson, 1992).

Perhaps in the future the cooperative model will find more fertile ground in countries seeking to solve new kinds of housing problems. The personal savings needed to enter this sector may be tapped to counteract waning investments in housing. The development toward cooperative housing and the formal structure of tenant control, which is inherent in this tenure, combine to make this model a real alternative outside Sweden and Norway, two countries where 15% of the housing stock is cooperative (Lundqvist, 1992a:125). At present, however, the prospects of cooperative housing do not seem encouraging, not even in Sweden. Thus, by the end of 1992 6,600 flats remained unsold in the HSB and the Riksbyggen member cooperatives. To cover the foregone rents, the HSB and the Riksbyggen are charging
their joint guarantee fund 33 million kronor each month. Provided the number of unsold flats does not rise, the capacity of the fund will last for six years (Bofast, 1993, no. 4).

Neutrality and Diversity of Tenure

'Tenure neutrality', declared a major housing policy goal in 1974, implies that all tenures are equal in terms of standards, costs, and control (Lundqvist, 1987). Briefly, this means that no tenure should receive more state subsidies than any other. Indeed, during the post-war period, the gulf between ideal and reality has deepened in this respect. Generally, home ownership has been the privileged tenure, although not favored as strongly as in many other countries. Nevertheless, by the mid-1980s, there had been a leveling process among tenures. This involved a reduction of tax benefits for homeowners; the availability of rented single-family houses, helping redress the bias toward large dwellings in the owner-occupier sector; and increased opportunities for tenants' control, collectively as well as individually (Lundqvist, 1987).

In a wider perspective, however, Lundqvist found that: homeownership still seems to provide certain opportunities not available to renters. This is especially true for possibilities to influence running and maintenance costs, and for profiting from the exchange value of the dwelling. Such opportunities are to a large extent available also to cooperative right-holders. A household wanting to enjoy these opportunities is in practice 'steered away' from renting. Neutrality in the sense of equality in final economic outcome of housing is thus still not achieved among tenures (p. 132).

The somewhat paradoxical conclusion drawn by Lundqvist is that tenure neutrality could not be achieved without a policy treating the different tenures "even more unequally, i.e. more non-neutrally, than has been the case since 1974" (Lundqvist, 1987:132). Of course, following Lundqvist's analysis 'unequal' and 'non-neutral' should benefit renting rather than home ownership.

Over the last decade or so, there seems to have been a continued, marginal leveling process among tenures in terms of standards and control. It is more complicated to evaluate the development of costs. On the one hand, there has been a more equal distribution of state subsidies on production, meaning that public and co-op rentals are no longer privileged in this respect. On the other hand, home ownership has become less attractive due to the decreasing tax benefits allowed to homeowners. Home ownership has recently also been discouraged by the low rate of inflation combined with rising interest rates. The current recession in the Swedish economy, exacerbated by the dramatic rise in interest rates in the autumn of 1992, severely affects many homeowners. The number of personal bankruptcies is a direct
consequence. In practice, the recession is jeopardizing the security of this tenure, a threat previously unknown. Indeed, security of tenure has often been regarded as an advantage inherent in home ownership compared with renting (cf. Marcuse in this volume).

Thus, it seems that the non-socialist government also regards tenure neutrality as a political goal that should not be abandoned. Even so, the administration is pursuing a more market-oriented strategy, giving less generous subsidies to all types of tenure, as will be demonstrated in the next section. In line with both Social Democratic and non-socialist housing ambitions, ‘tenure neutrality’ should be extended to embrace another dimension, namely ‘tenure diversity’, to capture the spirit of the Swedish housing model. Defined as ‘the legal rights and duties of occupancy vis-à-vis ownership and the way payment is made in this situation,’ tenure could be analyzed along a number of dimensions. Tenure diversity could then be classified in terms of entry costs, current expenditure, access route, security of tenure, choice of location, type of dwelling, tenant’s control, property ownership, and capital gains, among other dimensions. The comparison of various tenures -- social renting, private renting, cooperative tenant-ownership, purchased owner-occupation, and self-financed owner-occupation -- along these dimensions in different systems constitutes an analytical instrument with a great potential (Duncan, 1992:18).

Comparing housing provision in four European high-growth regions, Duncan and Barlow (1991) found that the Swedish system exhibited a greater tenure diversity than the British or French system. Loans and subsidies on production as well as consumption in Sweden did not favor any one tenure. The greater autonomy of local government in the Swedish system promoted greater variation in relative strength of the various tenures on local markets. Paradoxically “the most marketised housing provision system [i.e. Britain's] showed least diversity while that with most state intervention showed most [i.e. Sweden's]” (Duncan, 1992:24). Furthermore, the most interventionist and diversified system scored better than the two compared in terms of market efficiency: “markets are opened up by state action and producing rented housing is a major means of achieving this” (Duncan, 1992:40). Indeed, it is a challenge to housing researchers to test the tenure diversity thesis in further comparative analysis.

Finally, the way the concept of social housing is commonly used in the Swedish political debate, it does not refer to one specific tenure, for instance, public or social rented housing. Rather, it is used as a concept embracing housing policy in general. The goal of social housing is to provide diversity and neutrality of tenure whereby various tenures are equally attractive in terms of costs, standards, and control.

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3 Cf. the following headlines from a Swedish daily: "Thousands of houses abandoned. Many people think they can escape from their debts and leave their homes in panic when they get economic problems." "The purchase of a house became our ruin. Enormous debts are the only thing that is left." (Dagens Nyheter, April 13, 1993)
The Non-Socialist Government and Desubsidization of Housing

This section looks at housing from a point of view quite different from the one referred to so far. From the perspective of the neo-classic economist, housing in Sweden has been a disaster, ever since the implementation of the Social Democratic housing policy. As an underdone to the development of post-war social housing, the policy has been criticized by a choir of liberal economists. They blamed it for distorting the balance between supply and demand, for building dwellings that people would never move into by 'free choice', and for having created 'overconsumption' of housing. The neo-classic critique of Bentzel, Lindbeck, and Stähl (1963) echoes loudly in Meyerson, Stähl, and Wickman (1990), for instance. In a recent book, two of the latter authors are even more outspoken in their criticism, tellingly expressed in the title *Demolish Housing Policy!* (Stähl and Wickman, 1992). Accelerating rates of state subsidy have provided fertile ground for spreading such a message.

A Market-Oriented Strategy

Elections in September 1991 brought to power a non-socialist coalition government, which was completely responsive to liberal economic proposals. Just one vivid expression of this leaning is the remark by Birgit Friggebo, the Liberal Party's Minister of Housing until December 1, 1991, when the Ministry was partitioned:

Partitioning the Ministry of Housing is one step towards the abandonment of the special treatment given to the housing market. The liquidation is one stage in the development of the market economy even as regards housing (Planera, Bygga, Bo, 1991, 6:10-11).

Thus, radical changes in housing provision form a crucial element in the new government's overall strategy. According to the government's Declaration of Intent, as of October 4, 1991, four goals have the highest priority (Från riksdag och

Table 6.2 State Housing Subsidies in Sweden 1987-1992 in Billion SEK (1991 prices)

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<tbody>
<tr>
<td>Investment subsidies</td>
<td>18.1</td>
<td>19.5</td>
<td>24.8</td>
<td>25.1</td>
<td>28.9</td>
<td>31.6</td>
</tr>
<tr>
<td>Housing allowances</td>
<td>10.2</td>
<td>10.4</td>
<td>10.0</td>
<td>10.2</td>
<td>12.6</td>
<td>10.8</td>
</tr>
<tr>
<td>Tax benefits for homeowners</td>
<td>18.0</td>
<td>21.2</td>
<td>20.8</td>
<td>17.7</td>
<td>13.9</td>
<td>*</td>
</tr>
<tr>
<td>Real estate taxes</td>
<td>-7.6</td>
<td>7.7</td>
<td>-7.1</td>
<td>-9.3</td>
<td>-15.6</td>
<td>-8.5</td>
</tr>
<tr>
<td>Total</td>
<td>38.7</td>
<td>43.4</td>
<td>48.5</td>
<td>43.7</td>
<td>39.8</td>
<td>*</td>
</tr>
</tbody>
</table>

Source: Carlsson, 1992b:15; Boverket, 1993; * data not available.
departement, 1991, no. 30:17-22): to integrate Sweden into the European Community; to put an end to economic stagnation; to increase welfare and social care by a ‘revolution of free choice’; and to lay the foundations of a long-term sustainable society.

Considering the enormous state budget deficit (130 billion Swedish kronor in 1992, expected to reach 170 billion in 1993) and the liberal orientation of the government, it is no wonder that housing subsidies, which represent about eight % of total state expenditure, are a tempting target for the government’s austerity strategy. Indeed, the proportion of state subsidies given to housing in 1992/93 is about as much as the share allotted to the labor market or to the defence sector (Colleen, 1992:16). It should be noted that even the Social Democrats and the Left Party agree that housing subsidies have to be cut.

At present, the cuts in ‘social housing’ have not been as radical as the above quotation would suggest. Yet decisions taken by parliament during 1992 point in the direction of a more market-oriented approach to housing policy, which will probably change housing in Sweden dramatically in the future. State subsidies to housing were to be reduced by 3.4 billion Swedish kronor in 1993 and by 3 billion kronor over the period 1994-1996. Decisions already enforced or to be implemented in the near future include the following:

- State subsidies to cover part of the costs of interest on housing built after 1992 will gradually diminish, to be completely abandoned by the year 2000 or soon afterwards.
- Interest subsidies to buyers will be gradually abolished for all dwellings produced in the period 1978-1992.
- A number of ear-marked subsidies on housing production will be reduced or cancelled, e.g., subsidies on construction of housing for the youth.
- The role of the municipal housing exchange offices (bostadsförmedlingarna) will be weakened.
- The instruments of municipal land control will be weakened; these include the municipal land condition (det kommunala markvillkoret), the competition condition (konkurrensvillkoret), and the production cost control (Carlsson, 1992a:11).
- Procedural as well as substantial norms in housing and building will be deregulated.5

4 Municipal housing exchange offices no longer monopolize allocation. Landlords are free to distribute their own dwellings or delegate the task to private exchange offices. A government bill presented to parliament in April 1993 proposed that people could be charged a fee to be wait-listed for a flat, even at a municipal exchange office (Från riksdag och departement, 1993, no. 13:18).

5 Perhaps re-regulation is a better word than deregulation, considering the intention of adapting Swedish building norms to the EC norms (Planera, Bygga, Bo, 1993, no. 1:14-16).
Table 6.3 Housing Construction: Dwellings in Completed Buildings 1980-1993

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Public housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>51438</td>
<td>11121</td>
</tr>
<tr>
<td>1985</td>
<td>32932</td>
<td>7027</td>
</tr>
<tr>
<td>1986</td>
<td>28791</td>
<td>8003</td>
</tr>
<tr>
<td>1987</td>
<td>30084</td>
<td>8203</td>
</tr>
<tr>
<td>1988</td>
<td>40575</td>
<td>10842</td>
</tr>
<tr>
<td>1989</td>
<td>50402</td>
<td>11327</td>
</tr>
<tr>
<td>1990</td>
<td>58426</td>
<td>12922</td>
</tr>
<tr>
<td>1991</td>
<td>66886</td>
<td>13092</td>
</tr>
<tr>
<td>1992</td>
<td>57300</td>
<td>13795 *</td>
</tr>
<tr>
<td>1993</td>
<td>40000 *</td>
<td>8824 *</td>
</tr>
</tbody>
</table>

* Figures based on prognoses.

One effect of the housing and tax reforms that are currently being implemented is already visible: the cost of housing is rising dramatically. On the production side, this is manifest in a drop in housing completions (see Table 6.3 below). In 1992, as many as 57,300 flats were still built. Yet over the next few years, there will be a substantial reduction in housing investment. During 1993, only 13,000 multi-family dwellings were to be started, way below the 41,000 starts in 1990 (Andersson, 1993:11). Similar reductions are occurring in other parts of the building industry. Consequently, unemployment among construction workers will increase substantially. Indeed, by December 1992, one-fourth of all construction workers were already out of work (Bofast, 1992, no. 21:14).

The economic effects on the households will also be substantial. So far, while households with low incomes have had to allocate an increasing proportion of their budgets to housing, people with high incomes have experienced the opposite (Carlsson, 1992b:5).

In terms of standards and quality, there may be a development towards "extremely simple flats, miniature bedrooms, reduced space for washing and storing, rooms without windows inside thick bodies of buildings, in short less all-round flats, housing for specific categories" (Agneta Tham Modigh, head of the housing market unit of the Board of Housing, Planning and Building, as quoted in the daily Nerikes-Allehandan, December 28, 1992).

Is Social Housing on the Wane?

Taken together, the measures mentioned above would undoubtedly erode the post-war Social Democratic housing policy in Sweden. Depending on one's political orientation, one may blame or praise the non-socialist government for abandoning 'social housing policy'. However, before taking sides, four things should be borne in mind:
First, the gradual decrease in tax-financed subsidies to housing combined with a general reduction of income taxes, was also an explicit goal of the former Social Democratic government. Only the speed of implementing such a policy might have been slower if they had remained in power. Actually, the Social Democratic parliamentary opposition agrees that state housing subsidies should decrease. However, while the government wants housing built after 1978 to bear the brunt of desubsidization, the Social Democrats want to spread the costs over the housing stock.

Second, the present non-socialist government is not entirely right-wing. In fact, responsibility for housing is currently divided among seven (!) ministries and four parties. One of these, the Center Party, has historically been reluctant to walk as far down the liberal path as the Conservative Party and the Liberal Party would like them to go. Thus, it remains to be seen whether the marketization of traditional Social Democratic housing policy will be implemented according to the signals given by the conservative -- liberal majority of the government. Indeed, representatives of the Tenants’ Union conclude that the liberal road has been traveled once and for all. As the retiring chairman of the Tenants’ Union lamented at the Union’s congress in June 1992:

Little by little welfare policy is being dismantled. The housing policy instruments are being demolished and thrown on the rubbish heap by the market forces (Vår Bostad, 1992, no. 8:71).

Third, paradoxically Sweden may already be closer than any other country to the free choice ideal in housing, which is eagerly propagated by liberal economists and non-socialist politicians. Sweden has already reached a point where each of a few basic tenures account for substantial proportions of the housing stock (see Table 6.1 above). Of course, this ‘tenure diversity’ (Duncan, 1992) does not mean that any household has the freedom to choose whatever dwelling they wish. The reason for this spread of tenures over the housing stock has more to do with class and income than with the actual output of dwellings.

Fourth, the legitimacy of ‘social housing’ as defined by the Social Democrats in Sweden is strong. In fact, in a parliamentary debate, the Conservative Party spokesman declared that "all democratic parties in the parliament stand for a social housing policy. What’s on the agenda is to quit the socialist housing policy" (Knut Billing, as quoted in Dagens Nyheter, June 10, 1992). The declaration in favor of a social housing policy should not just be regarded as a play with words, although various members of the non-socialist government may interpret the concept quite differently.

Further, several other points should be borne in mind. So as not to overrate the current reorientation of Swedish housing policy, one should note that it is extremely difficult to forecast the effects of the policy changes. In view of the fact that the government is a coalition of four political parties, lacking a majority in parliament,

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6 However, only one year after the burial of the Ministry of Housing, it reappeared as an inter-ministerial delegation with the objective of coordinating the government’s housing policy (Bofast, 1992, no. 20).
any political forecast is very insecure. On the top of that, housing policy is ‘a piece of patchwork... so complex that it is difficult to get an overview of it and almost impossible to trace out the full effects of a specific policy instrument’ (Cars and Härsman, 1991:57). Perhaps most importantly, the general condition of the Swedish economy and state finances may undermine any particular housing policy measures.

Indeed, the government’s housing policy strategy seems to rest on the assumption that an extremely successful economic policy will cause a stable low-inflation economy with low interest rates. This assumption has been labeled ‘Danell’s dream’, in dubious honor of Georg Danell, the government’s number-one housing ideologist (Schéele, 1992). The criticism of this assumption is clear in the words of ‘Carl Z’, columnist for the journal of the Board of Housing, Building, and Planning: "Then we just have to decide on an eternal low-inflation economy with eternally low interests. What is simpler than to settle the world economy?" (Planera, Bygga, Bo, 1992, no. 6, p. 21). On a more serious note, Gösta Blücher, the Director of the Board, recently concluded:

The new system was worked out in a boom but is being implemented in a deep recession. The effects on house building may be dramatic and large parts of the building industry run the risk of being closed down. Therefore it is very unlikely that there will be any state savings. Lower subsidies may be surpassed by the costs caused by higher unemployment and elimination of capacity that would be needed when the recession gives way (Gösta Blücher, as quoted in the daily Nerikes-Allehanda, December 28, 1992).

To summarize the general trends in Sweden’s housing system, one may take ‘the housing provision chain’ developed by Ambrose (1991; 1992) as a point of departure. In terms of this model, no drastic changes between various kinds of owners are to be expected regarding the promotion of housing, at least in the short run. Although municipal planning instruments are being used in less regulated ways than before, the municipalities will probably exercise some general control over who will be allowed to build what, where, and when. Indeed, the strong non-socialist vote in the municipal elections of September 1991 might be favorable to landlords other than the public ones. Looking at the investment stage of the chain, the gradual withdrawal of the state leads to a more privatized situation. No special favors are given to the municipal housing companies previously ‘beneficial to the public’ (allmännyttiga). Therefore, one may expect a development towards a more centralized ownership structure among landlords. Indeed, centralization had already gone far as regards the builders in the construction stage of the chain (Dickens et al., 1985:100-106). Finally, the allocation of housing is becoming more privatized, as indicated by the decreasing role of the municipal housing exchange offices (bostadsförmedlingarna). Likewise, the subsequent management will also become more privatized. In the latter case, opportunities to play a more active role will also be given to the residents themselves.

Consequently, the net effect of current changes is a shift in the direction of a more privatized or marketized housing system. Of course, looking at Sweden within a broader comparative framework, this is not a very sensational conclusion. Howe-
ver, compared to the German and British cases analyzed in this volume, social housing in Sweden has a much stronger foundation in a number of respects. Its historical development has grounded the Swedish system firmly in terms of political legitimacy, giving the municipal housing companies organizational strength and relative autonomy.

Challenges to Social Rented Housing

In general, housing in Sweden, currently has to face new issues and problems. A few of these challenges seem to be specific to social rented housing. The rest of this section elaborates upon these issues.

End of Privileged Position

During 1992/1993 municipal housing companies lost their privileged position as recipients of state housing loans and interest subsidies. Now, state credit guarantees are formulated in relation to the various tenures. At least temporarily, the state will follow the old rules pertaining to housing produced before 1993 (Nya villkor för kommunala bostadsföretag, 1992:18-19). Other instruments are also used to create equal financial conditions for the various tenures. It should be mentioned that the financial situation of the municipalities no longer allows them to support their housing companies significantly (Elander and Montin, 1990). In fact, rising municipal fees and charges for water, sewage, and other amenities will increase the costs the companies have to bear, raising the rent level. Taken together, these decisions and trends will gradually change the role of the municipal housing companies. Eventually, they will become market-oriented, competing with each other and with other housing providers on the market. Indeed, now the municipal companies are not only permitted to make a profit but they must do so!

This tenure has traditionally enjoyed economic security. On that basis, the new situation may cause various companies to diverge widely, reflecting their ability to adapt to a market-oriented housing system. In a speech to the SABO congress in November 1992, the Director of the National Mortgage Bank (Stadshypotek) forecast a reduction in the number of municipal housing companies from the current 320 to 40 or 50 by the end of this century (Bofast, 1992, no. 20).

Conversion to Cooperatives

Backed up by changes in legislation, a number of municipalities with non-socialist majorities propagate the conversion of public rentals to new cooperatives. As of July 1, 1992 tenants in social rented as well as private rented dwellings have the opportunity to buy their own flats. A majority of the residents of an estate must participate in order for conversion to take place. Even then, those residents who prefer to remain there renters are allowed to do so. Conversions have been planned by the municipal councils with non-socialist majorities in Stockholm, Gothenburg, Malmö,
Uppsala, Västerås, Örebro, and other municipalities. But so far, most of the tenants have been very hesitant to convert their rentals to cooperatively owned flats.\(^7\)

The main argument given by the non-socialist parties for conversion emanates from the core of liberal economic thought. Everyone has the right to own his/her dwelling; ownership in itself is the main road to happiness.\(^8\) However, a number of other arguments are also raised in support of the main one: it is argued that the financial basis of the landlords will expand, that the municipalities will get additional income, that the households will increase their savings, that the buyers will make a good investment, that the residents will gain more control, that segregation will decline, and that occupancy will be more stable (Johnson and Kjellman, 1992).

The plans have met with fierce opposition from the Tenants’ Union as well as from the local tenants’ associations. Contradicting the proponents’ main ideological argument, the opponents argue that all people have the right to a dwelling without paying an entrance fee (\textit{insats}). However, in the debate they have used other arguments more forcefully. They predict that the remaining renters would see their control decline, segregation would increase, more people would become homeless, market forces would gain a wider arena, housing speculation would flourish, and many residents would run into debt (ibid.).

In the foreseeable future, it is unlikely that the conversion strategy will be successful on a broader scale. However, conversion may take place on a limited scale, whereby traditional rentals are turned into cooperative-owned flats. Such conversions would probably be independent of the National Housing Cooperatives (HSB and \textit{Svenska Riksbyggen}), with their traditional linkages to Social Democratic housing policy. The estates where these co-op conversions may take place will become mixed ones, with traditional renters and co-op owners living side. The mix of tenures would probably cause substantial problems for rational management. Over the last few years, some municipal companies have sold off minor holdings; in one case (the Valdemarsvik municipality), the whole stock was sold. Yet paradoxically, there are also cases where public housing companies have \textit{bought up} estates from by cooperatives and private landlords (Bofast, 1992, no. 17:12-13). Indeed, some of these companies may be the only ones with enough assets to become successful capitalist landlords!

\textit{Rising Rent Level}

Changes in the housing policy made under the Social Democrats, in combination with subsequent crises packages -- negotiated by the same party in opposition and

\(^7\) By the end of 1992 conversion of public rentals to new cooperatives had been proposed in 59 out of 286 municipalities. However, conversion took place in only six municipalities, comprising 1,000 flats (SABO-nytt, April 29, 1993).

\(^8\) "This is an ideological question. Ownership has advantages that outweigh higher costs" (Erik Johansson, Conservative chairman of the Board of the Örebro Bostäder municipal housing company, as quoted in Nerikes Allehanda, April 29, 1993).
the non-socialist government at the end of 1992 -- have led to a substantial rise in rent level. Rents will probably continue to rise rapidly in the years to come (Bofast, 1992, no. 15). Drawing upon a study of future housing costs, the economist Bengt Turner concludes that:

The households will have to spend an ever increasing proportion of their income on housing. In the year 2002 many low-income households will have to spend half of their salary on housing (Dagens Nyheter, 24 April 1993).

However, the rising costs of housing are plaguing all kinds of tenures. The burden may weigh more heavily on homeowners and co-op residents than on the big municipal landlords and some of the private landlords. In contrast to owner-occupiers, landlords can spread the rising costs over dwellings that were produced throughout the post-war era.9

Lowering of Housing Standards
Another challenge pertains to the inducements to lower housing standards in terms of size and quality. Many experts believe this will be an effect of the conservative/liberal housing policy. Recent experiences from Norway suggest deregulated housing policy leads to lower housing standards (Vår Bostad, 1993, no. 4, p. 38-40). However, smaller size does not need necessarily imply lesser quality. Considering the increasing number of one-person households, there are good financial reasons for the state, as well as the landlord and the renter, to develop a strategy of compact housing. This would allow a more efficient use of dwelling space. Further, such a strategy may go hand in hand with the imperative of ‘sustainable housing’ (Priemus, 1992). Strikingly, the invitation to the 1993 Swedish Housing Fair in Karlskrona mentioned three key words: recycling (återvinning), caring (varsamhet), and economizing (resurshushållning) (Expro, 1993).

Social Polarization
Finally, there is a challenge posed by increasing social polarization. This is found between social renting and other tenures, but also within the social rented stock. On the one hand, especially in places with high unemployment, the worst part of the rental housing stock runs the risk of being deserted. It may become housing of last resort for people with social problems or turn into barracks for immigrants (as far as this has not already happened; cf. Olsson Hort, 1992; Heinstedt, 1993). On the other hand, rental housing at central locations in more prosperous areas is attracting high-income people with a modern, footloose life-style who have no desire to have a garden of their own. These ‘new urbanites’ include young singles, childless couples, and dual-earner families. These groups will even find modern high-rise rentals attractive, due to their location and to the fact that the buildings are often equipped

9 In March 1993 23,660 flats were vacant in the municipal housing companies’ stock compared to 17,000 in September 1992 (Bofast, 1993, no.5).
with various luxuries (cf. the chapter by Van Kempen in this volume). It remains to be seen if the non-socialist government strategy of privatizing, or rather cooperativizing, social rented housing will be a success. If so, we will witness the residualization of social rented housing, i.e. a development towards what Harloe calls a "private-led model of social housing."

Responses

Five Scenarios

To meet the challenges just mentioned, the public as well as the larger private landlords have developed counter-strategies. Let us consider just a few examples, concentrating on the municipal housing companies (Elander, 1991): diversification of the stock in order to make it attractive to high-income groups, not only to those with a low or moderate income; decentralization of management; increasing tenants' control, individually as well as collectively; and ambitious renewal programs. In addition to these measures, we should consider the rather sophisticated discussion of five scenarios presented in the 1991 program of the National Association of Municipal Housing Companies (SABO). Not favoring any one of the scenarios, various forms of ownership are discussed according to their perceived effects on the financial basis of the company, on tenants' control, social segregation, and household savings.

Underlying the five scenarios and a number of other issues discussed at the congresses 1991-92, we can trace a dual ambition: to broaden the financial basis of the companies and to increase the household savings allotted to housing. Bengt Owe Birgersson, the Managing Director of SABO, stated that "By the year 2000 we should have the market share we deserve when competing with others on the same conditions!" (Bofast, June 1991). Drawing upon the presentation made in the SABO journal Bofast (June 1991) the main elements of each scenario are as follows.

According to scenario number one, the municipal housing companies would continue as before. This status quo alternative gives little opportunity to broaden the financial basis; social segregation will probably increase; and even though there is no room for household savings, tenant control may be developed.

The second scenario foresees a transformation of public renting into co-op renting. This implies that the SABO companies would be divided into housing associations, with 50-100 flats in each. This alternative might lead to a somewhat larger capital basis of the companies, a marked increase of tenants' control, and a marginal growth in household savings. Segregation may decrease, whereas socioeconomic segmentation will probably increase.10

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10 Segregation refers to the socioeconomic distribution of residents in geographical terms, while segmentation refers to the socioeconomic distribution of residents in different segments of the housing market, e.g. in different tenures. (Olsson Hort, 1992:52-53).
In the third scenario, rentals would be transformed into co-op tenancy for the residents who prefer this choice. The conversion is not compulsory, and the remaining renters will not have to leave their flats. This scenario is also the de facto strategy recommended by the non-socialist government. It might lead to some growth in the capital basis of the companies, a greater amount of control through the co-op association, increasing social segregation, and higher household savings.

Scenario number four comprises two alternatives. According to one of these, the municipal housing company would sell its stock to private landlords, while keeping the majority of shares. In this alternative, the capital basis would increase, tenants’ control might be questioned, and there might be a risk of increased social segregation, while household savings would not be affected. In the second alternative of this scenario, the municipal company would sell shares to the tenants and to the employees in the company. This alternative might produce a stronger capital basis, leave social segregation as is, and augment household savings.

According to the fifth scenario, the municipal housing companies themselves would create “social” co-ops. This alternative might create a somewhat stronger capital basis and give tenants more control. There is a certain risk of increased segregation. Finally, household savings would increase substantially.

The scenarios discussed in the program show that the public housing companies are currently prepared to develop and even reinterpret their traditional role. The program is not mandatory for the 322 member companies. Thus, one could expect to see a greater variation in forms of ownership and management of municipal housing companies, including some mixtures of rental and co-op tenures.

Considering the leading role the public housing companies have played on the rental market, the SABO program may also have indirect repercussions on the private part of this market. We are probably going to witness even greater tenure diversity. A number of intermediate forms will emerge between social rented housing in its classic sense at one pole and co-op ownership at the other. One intermediate form, for example, has already appeared in about 20 cases of cooperative tenancy (kooperativ hyresrätt). This tenure is closer to ordinary renting than to cooperative ownership. It differs from renting in that the tenants have more control over the management of housing, and they contribute financially by investing their own savings (Nya villkor för kommunala bostadsföretag, 1992:239-248).

The third scenario is the one currently preferred by the non-socialist government and many municipal councils with a non-socialist majority. According to this scenario, conversion of traditional ‘social’ rentals into cooperatively tenant-owned flats would reduce the proportion of social rented housing in Sweden in favor of a tenure that has become increasingly market-oriented (Bengtsson, 1992). This would give further support to Harloe’s thesis about the residualization of social rented housing, although in a more sophisticated way than in the British case. Before drawing conclusions, however, one should consider the reactions of the tenants and their associations.
Tenants Against Market Rents and the Sale of Public Housing

Several months before the elections of September 1991, the Tenants' Union launched an intensive campaign against the introduction of 'market rents'. This measure had been advocated by prominent economists and non-socialist politicians over the years, and now most vigorously promoted as planning systems in the former real-socialist states. Bearing in mind the fact that the Union's journal Vår Bostad is more widely spread than any other journal in Sweden, it is striking that, prior to the elections, the Liberal Party (Folkpartiet) and the Conservative Party (Moderata Samlingspartiet) denied their intention - expressed in their party platforms - to introduce market rents. Yet at the same time, they claimed that the location (läget) of dwellings should be allowed to influence the individual rents more than before.

To accept the influence of location on the rent level may be interpreted as a way to partially accept market rents. Nevertheless, this principle is also underwritten by Social Democrats, the multi-family housing companies themselves, and even by the Tenants' Union. Generally, however, Tenants' Union is the one member of the Social Democratic family that most vigorously combats the liberal trend currently infiltrating this party, even in the field of housing.

Now that some of the proposed modifications of the utility rent system, have been accepted and local variations are explicitly recognized when determining the rent level, it is fair to say that the Tenants' Union has taken a step towards a more market-oriented housing policy. The same interpretation may also be valid for the multi-scenario strategy adopted by the 1991 SABO congress. Of course, these shifts towards the market pole of the state -- market continuum have occurred in the shadow of severe problems in the Swedish economy and a strong liberal trend in Swedish society. These trends culminated in the creation of a non-socialist government that was determined to change the housing system radically.

The Tenants' Union and its local associations are also vigorously opposed to the strategy to sell off much of the public housing stock. That strategy is currently favored by the government and most municipalities with a non-socialist majority. So far, the tenants' opposition has been quite successful. Their standpoint is supported by the economic recession, which has had a discouraging effect upon most residents' interest in buying their dwellings.

Rent Yourself Free

Historically, there is a close partnership between the Tenants' Union and the National Association of Municipal Housing Companies (SABO). They have since closed ranks to fend off the non-socialist actors' attempts to privatize, or rather cooperativize, social rented housing. In 1991/92, the tenants' Union continuously carried out activities in support of social rented housing. In addition, at the end of 1992, SABO conducted an intensive campaign to popularize social renting. Posters, exhibitions, and advertisements were mass-produced under the slogan 'Hyr dig fri'
(Rent yourself free). To get an impression of the arguments used, it is instructive to cite the text on one of the posters.

It is a special feeling to be the owner of your own house or flat. No one can deny this. Neither can anyone deny that it costs a lot. We are not only thinking here of interest, amortization, and all the other expenditures. Insecurity and anxiety also have a price; you can never be quite sure when something unexpected will occur. Instead, you would do better to rent a flat and make yourself free, both from debts and problems. You need not pay one krona as a fee. You know exactly what housing will cost you every month. When there are problems, you only have to make a phone call. It is as simple as that if you want to move. Moreover, if you decide to rent from a SABO company, you will have a reliable landlord. Together we are the biggest landlord in the country. Almost two million people already stay with us (Hyr dig fri, poster produced by SABO, October 25, 1992).

The campaign to promote renting caused lively debate within the SABO board, which had just got a non-socialist majority for the first time in its 40-year history. The message of the campaign was planned by the previous Social Democratic majority. Indeed, that message ran counter to the non-socialist strategy of transforming renters of public dwellings into co-op owners (see Bofast, 1992, no. 17, p. 5).

Conclusions

Sweden is now coming to resemble mainstream countries, despite the ‘social’ character ascribed to its internationally renowned model of housing. Even Sweden is shifting towards the market pole of the state -- market continuum. In 1990, government subsidies to the housing sector started to fall for the first time after the war. Then a number of administrative and financial regulations began to disappear. In 1992, market rents were programatically accepted, even by the National Federation of Municipal Housing Companies itself. In fact, during 1992/93, these companies lost their privileged position as ‘companies beneficial to the public’ (allmännyttiga bostadsföretag).

The number of unsold or vacant houses, cooperative flats, and rental dwellings has been growing, and the number of executive auctions as regards housing property has quadrupled over the last two years (Dagens Nyheter, January 29, 1993). Thus, the dramatic drop in the production of new housing should come as no surprise. The building contractors are now trying to retool, rushing to shift to infrastructure rehabilitation, and small infill projects. They are reorienting their production toward flats that are more ‘compact’, i.e. smaller and with fewer regulations on norms and standards. Several construction firms have gone bankrupt. By November 1992, the unemployment of construction workers had risen to more than 25% (Dagens Nyheter, January 9, 1993).
The state has announced a drastic reduction of its support to housing, especially on the production side. Yet it still gives lip service to the goal of tenure neutrality, traditionally pursued by the Social Democrats. And the state does not give homeowners special favors, which they get in many other countries. Instead of an ever-increasing share of owner-occupied dwellings in the housing stock, diversity among tenures has been the hallmark of Swedish housing during the post-war era. It looks like this tradition is going to weather the onslaught of the current non-socialist government.

Public renting, private renting, and co-op renting/ownership will probably defend their relatively equal shares in the housing stock. Yet there may be room for some new, mixed forms of tenure in the margins. For example, we will probably see a growing tendency to rent row houses and detached houses. At the same time, multi-family housing will become increasingly cooperativized, i.e. semiprivatized. Parts of the municipal housing stock might be sold off to private landlords or groups of renters, while management stays in the old owners’ hands. Nonetheless, some landlords may remain owners, while leaving management to special companies or to the residents themselves. Greater diversity may also become a trademark of physical construction and design. One example is the newly built Ladugårdsängen estate, comprising about 900 flats, which hosted the Bo92 Housing Fair in Örebro. This estate can be regarded as exemplary in yet another respect: it has been impossible to sell any of its 27 single-family houses. Eventually, these were offered for rent in April 1993. Immediately, there was a queue of 60 potential renters. One week later, preliminary contracts were drawn up for 24 of the 27 houses (Nerikes Allehanda, April 26 and May 5, 1993).

What ‘social’ dimensions of the Swedish housing model will remain? In attempting to answer that question, we must specify what should be meant by ‘social’.

Following Bengtsson (1992), at least two crucial dimensions stand out. Social housing should provide housing "particularly [for] those with limited resources". Furthermore, social housing should prevent housing speculation. However, considering the Swedish context, a third dimension should be added: the criterion of tenure neutrality. This goal states that all forms of tenure should be equal in terms of standards, costs, and control. One important implication of this is that segmentation and segregation should be insignificant (see Note 10 above). A fourth dimension of social housing that might also be taken into account is the effort to achieve a unitary social rental market (Kemeny, 1993).

How does Swedish housing score on these four social dimensions? It is clear that housing of fairly good standards is still provided for most people. Homelessness is still a marginal phenomenon in Swedish society. Nonetheless, young people have to remain with their families longer than they really want to, because they lack the economic means to find their own place to live (Dagens Nyheter, January 18, 1993). Increasingly, many families with children cannot afford the larger flats they want, due to the composition of the social rented stock. This sector has failed, to provide enough flats with 4-5 rooms (Heinstedt, 1993).

Housing speculation, i.e. buying and selling completed dwellings on the market, has always been present in Swedish housing, although it took particularly conspicu-
ous forms during the 1980s (Olofsson, 1990). In the current period of general economic stagnation, the housing market has become virtually immovable. Speculative gains like those in the 1980s are no longer made, except by people who happen to have a lot liquid assets. With ready cash, they can buy relatively cheap, taking advantage of the fall in prices on the housing market.

One should bear in mind that housing segregation is a very complex phenomenon. It hardly allows for nationwide generalizations in regard to all its facets. However, parts of the social rented stock are increasingly becoming housing of last resort for people with very limited financial resources (Olsson Hort, 1992, especially pp. 79-112; Heinstedt 1993). At the same time, a few small islands of first-class housing have been created within the social rented stock. These include the Bo 100 estate in Malmö, the Färdknäppen estate in southern Stockholm, and the Smedjebacken estate in Örebro, for instance. Nevertheless, from an international perspective, the housing situation in Sweden is still comparatively decent, even among the low-end segmented and segregated, low-income, and otherwise residualized population.

The idea of a unitary social rental housing system is strongly contested. In effect, it has already been reinterpreted in the direction of a system based on market rents. Thus, according to one observer, about 75-80% of the municipal housing companies are already charging their residents market rents (real estate economist Stellan Lundström, as quoted in Bofast, 1992, no. 17). On the other hand, Kemeny (1993:9) argues that "the rental sector in Sweden possesses a rent structure that is still heavily influenced by individual historic costs, and is therefore strongly nonprofit in nature." Anyway, substantial variations in rent level seem to be under way, causing increasing segmentation and segregation.

Finally, in view of the general financial crisis in Swedish society, the durability of the housing stock, and the political barriers to radical change that are built into the political system, we might not see dramatic changes in the relative position of the tenures in the future. All tenures have to meet the challenges of rising building costs and a general desubsidization of housing. The political trend is to cut state support to any kind of housing. At present, lower inflation rates and a reformed tax system make speculative gains on housing less probable. Still, many people may prefer to pay rent and put their savings in the bank. In fact, they are even stimulated by the new government to do so (Carlsson, 1992a: 6-7).

Municipal housing companies, and many of the private landlords as well, are fairly well equipped to meet the challenges to rented housing. This is due to their organizational and financial strength, their professional competence in management, and their support from the Tenants’ Union and its local associations. Yet it might be an exaggeration to designate renting as "the tenure of the 1990s" (Stellan Lundström, as quoted in Dagens Nyheter, April 14, 1992). Many private landlords whose residential properties are few and small run the risk of going bankrupt. They are not in any position to compensate for the cut-backs in interest subsidies. In a recent letter, the National Association of Private Landlords warned the Ministry of Finance that such a scenario might be come to pass during 1993-94 (as reported in
Nerikes Allehanda, December 29, 1992). The private landlords demand that the government postpone the cut-backs in interest subsidies (Bofast, 1993, no. 4).\(^\text{12}\)

Further, the municipal housing companies themselves vary in financial strength. Their diversity in this regard will increase and have substantial repercussions on future housing. Losing the support of their privileged position in terms of state housing loans and subsidies, the companies have to develop their own market strategies. This might not be easy, given their traditional lack of market orientation. One should not expect all of the companies to be able to survive, having lost their privilege of being legally and financially designated "beneficial to the public" (\textit{allmännigtiga}).

Considering the complexity and insecurity of the current and the future housing policy in light of the serious problems of the Swedish economy, it is no wonder that the actors on the housing scene appear confused. It seems that the security of the traditional social housing model is being replaced by a retreat in panic from a lost paradise. One hesitates to name any of the tenures the winner of the 1990s (all may be losers!). Nevertheless, there are indications that social rented housing will not come out worse than any of the other ones. Given the new legal and administrative framework, the initiative lies in the hands of the companies themselves. They have to show that they are able to play the market just as well as the private landlords and other actors in the housing system. Indeed, this prospect is incongruous with the aims of Social Democratic social housing policy in its heyday. It will inevitably bring social housing in Sweden closer to the residualist, private-led model described by Harloe in this volume.

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\(^{12}\) Indeed, in June 1993 the parliament decided to reduce interest subsidies by 3 billion kronor over a period of three years (1994-96) instead of during one year (1994) as was originally proposed (Riksdagens snabbprotokoll 1992/93, no. 125).
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MODERNITY, ALIENATION AND ENVIRONMENT: SOME ASPECTS OF HOUSING TENURE, DESIGN, AND SOCIAL IDENTITY

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Introduction

How does environmental design relate to housing tenure and social relations? This question has been increasingly debated in recent years, with particular reference to public sector rented housing. A number of influential commentators claim that design directly affects patterns of behaviour and forms of community life. In reviewing the literature, I will argue that, at best, the evidence is inconclusive. There is little indication that design influences behaviour in any general or predictable way. Nevertheless, those who claim that relationships between design and forms of society do exist are touching on an important issue, one that has been largely neglected in the research literature. The issue is that of personal identity and its social construction.

In the second part of this paper, I advance a conceptual framework which represents a more satisfactory basis for understanding the social and personal significance of housing design. The framework is based on Marx and on his analysis of capitalism, social relations, alienation, and the fetishism of commodities. Placed in this context, housing has a central role in the formation of personal-cum-social identities.

Human identity, according to this perspective, becomes largely lost in the labor process. Similarly, association with other people and with the natural world becomes alienated from the person. But civil society (including, most importantly, the market in which commodities are sold and bought) is the main context in which this sense of identity and manhood can be partly restored. At the same time, the commodities which are made by and for people appear to have lives of their own. They become 'fetishized'. Commodities are made under distinct types of social relation, but these become neglected and invested with their own mysterious powers. Attribution of social powers to design is another form of fetishization; here again, autonomous social powers are given to inanimate objects such as the physical design of a house.

It is therefore in the sphere of identity formation (within the wider context of alienation at the point of production) that I see the central importance of housing design. Owner-occupied housing (and, of course, other commodities) can partly restore a sense of what Marx called in his early writings, 'species being'.
contrast, in many advanced capitalist societies, modern public sector housing is increasingly associated with bureaucratic and oppressive state apparatuses which undermine personal autonomy and social identity. This is an uneven process, however, and not a necessary feature of public rented sector housing.

Housing, Design, and Social Relations: Some Contemporary Arguments Over Social Housing

LeCorbusier was amongst the many modernist architects who claimed that physical design could be used to construct community lives in public sector estates. In 1929 he produced his proposals for a 'City of Tomorrow'. The idea was to create a set of relatively autonomous communities.

The idea of grouping 660 flats, which means 3,000 to 4,000 inhabitants, in such a block of closed cell-like elements is to make them a sort of community, the creation of which would bring about freedom through order. There would be six staircase wells and six entrance halls to serve the 660 flats on the five storeys... The ground floor of these housing blocks would form an immense workshop for household economy: here are the commissariat, the restaurant service, domestic service and laundering (LeCorbusier, 1929:57).

The proposition that there are definite and predictable connections between spatial design and community life is still alive and well. This, despite the demise of the modern movement in architecture and the rise of considerable scepticism towards the architectural determinism of the early town planners. Present-day arguments probably started with Oscar Newman's assertions concerning the relationships between housing design and criminal or anti-social behaviour (Newman, 1972). On the basis of a survey of a range of New York public housing projects, he suggested that housing schemes with small areas of semi-public space observable by small groups of residents are likely to attract relatively low rates of mugging, robbery, and personal assault. This, he suggested, is because residents are able to oversee who is coming to visit them; this in turn wards off unfamiliar and hostile intruders.

In short, physical design is seen as allowing people to develop a certain kind of identity - with a distinctive place and with a distinctive set of people. Such estates, Newman argued, become in effect self-policing. These arguments became central to his suggestion that existing housing, as well as new estates, should be remodelled in such a way as to provide small, semi-public zones which are linked to specific residents. In this way they would identify with a recognizable area.

Newman's suggestions were made some 20 years ago. But more recently they have been revived with the work of Alice Coleman (1985) (see also Van Kempen in this volume). In line with Newman's original arguments, she suggests that high-rise public sector housing is responsible for generating a wide range of social problems. Coleman argues that much of the high-rise, industrialized, public sector housing built in the 1960s is directly associated with high levels of graffiti, vandalism, litter,
and excrement. She sees the design of this housing as itself having a strong and direct contributing effect on these problems.

Like Newman, Coleman argues that vandalism, mugging and so forth take place in zones where residents are unable to keep a close watch over who is entering or leaving their estates. Again, there is no physical space which they can positively identify as ‘theirs’. More recently, Coleman has gone so far as to suggest that this type of environment is directly responsible for permanently damaging the mental states of the children unfortunate enough to be brought up there.

We should note here a further important aspect of Coleman’s opinions. She argues strongly that public sector tenure is itself deleterious. One of her recommendations to policy-makers is that future housing should as far as possible be owner-occupied. The argument here is, of course, that people are less likely to damage property which they themselves own. And, again, an owner-occupied home is one with which people could readily identify. Thus physical re-organization again provides people with spaces with which they can identify. But to make it more literally ‘theirs’ entails a change in ownership.

So both Newman and Coleman are lending support and ammunition to a sentiment which is widely held in the USA and in some, though by no means all, European societies. Coleman’s support for owner-occupation is clearly in line with the tendency towards commodification in Britain and many other societies. As regards the particular issue of design, however, Newman and Coleman are supporting a widely held aversion to public sector blocks. The logic as regards public policy is, of course, that no more estates of this kind should be erected. Furthermore, those estates which are extant should either be destroyed or fundamentally remodelled. In Newman’s case, as I have shown, this involved a recommendation that public space for which residents felt unaccountable should be subdivided.

In the British case, both such strategies are now being adopted. As regards redesigning existing public sector housing estates, Professor Coleman has been commissioned by the British government to design and have implemented large-scale changes to existing estates. Such redesigning includes the reduction in points of access to estates, thus reducing the prospects for escape by the fleeing wrong-doers. She is also reducing the numbers of storeys of existing estates. This is in line with her original findings that social problems seem to increase as the number of storeys to the housing block become higher. A number of estates in Britain are now receiving what might be called ‘The Coleman Treatment’. Coleman’s work has become well known and frequently quoted, not least because her ideas offer an apparently easy way of dealing with rising crime levels in Britain; especially those of assault and theft of private property from homes.

There have been, however, a number of critiques of Coleman’s position (see Van Kempen, this volume). But most of these have tackled her suggestions on their own terms, arguing that she is proposing the wrong types of physical form if the objective is to increase personal security and promote an active community life. An example is the critique by Hillier and his colleagues at University College, London (Hillier et al., 1983; Hillier, 1986). They argue that the answer to the kinds of problems described by Newman and Coleman is not to create separate, closed-off
units of definable space which in some sense belong to the residents. Rather, they argue, the solution should be to open up the physical infrastructure of the city. Strangers should be actively encouraged to walk through all parts of the estate or the city. They, it is argued, are just as likely to stop a mugging or an act of vandalism as the permanent residents.

Another reason offered by Hillier et al. for opening up public sector estates to the population at large is that people would gain a greater sense of how their particular part of an urban area relates to the whole. It would open up the introspective, bunker-like designs implied by Newman and Coleman. In this way individuals would be neither socially nor physically separated from the rest of the town. Hillier et al., in fact, argue that contemporary urban planning has made a number of bad mistakes in this respect. Planners, in their attempt to construct small-scale community life through the manipulation of physical space, have actually created cities and estates composed of a number of isolated and potentially very dangerous zones. Mediaeval and pre-industrial towns, by contrast, are seen by Hillier et al. as giving a much better sense of how the individual and the household relate to the physical and social fabric of the city as a whole.

Thus, Hillier et al. say that a different type of physical space is necessary to promote the social ends aimed at by Coleman. But perhaps even more importantly, Hillier et al. are implicitly assuming a different concept of human nature. According to them, ‘strangers’ are likely to be compassionate and well-meaning towards unknown people who may be under attack. A self-policing community is therefore one which actively encourages people outside the community to enter in. According to Coleman, by contrast, the stranger is an implicit suspect. Knowing people through face-to-face contact is a means of maintaining the kind of social order in which property is not stolen and people are not attacked. In short, Coleman and Hillier et al. are not only proposing two very different physical forms for estates and urban areas. They are operating with two very different understandings of human nature.

In this context, it is surely very difficult to take on trust what either Coleman or Hillier say about the role of physical design. They are raising fundamental but unanswered questions about the psychologies of human beings and the social processes relating to these psychologies. Their simple assertions about physical design as alone affecting behaviour and social relations cannot be accepted on the apparently so straightforward terms they are offering. Social relations, social processes, and their relationships to human nature or human subjectivity are wholly ignored by these researchers.

This brings me to the second kind of critique of this literature. As Van Kempen shows, the approach represented by Newman and Coleman is insufficiently social. Spicker points out, for example, that crime, vandalism, and environmental decline have little to do with the physical environment itself and a great deal to do (at least in the British case) with local authorities’ lack of funds for the maintenance of their housing stock (Spicker, 1987). Again, Coleman and Newman, like the original protagonists of the architectural ‘modern movement’, are placing far too much weight on physical space as itself generating different forms of behaviour.
But even Spicker’s arguments are insufficient. They can be generalized to cover a much wider sphere of social life. Presumably violence, the stealing of private property, and the acquisition of either a publicly rented or an owner-occupied home are in some ways related to the social circumstances of the people involved. While few people would say that such behaviour is directly a product of unemployment or poverty, there must be some kind of link, however complex, between social relations within housing estates and the broader society of which they are part.

In short, a spatial correlation between physical locality and forms of behaviour is not in itself a sufficient explanation. Because a type of behaviour occurs in, for example, a housing estate with a certain number of storeys or exits, this does not mean to say that the behaviour is a direct result of these physical features. It is a result of complex interactions between these features on the one hand and social relations and practices on the other.

This surely implies that an adequate understanding of the complexities underlying these forms of behaviour must be considerably wider in scope; looking, that is, beyond the narrow confines of the physical forms of cities and estates. I will be outlining such an understanding shortly. But before leaving writers such as Newman and Coleman, it should be stressed that they are in some respects ‘on to something’. This ‘something’ is physical-cum-social settings (in this case the setting of the home and housing estate) as constituting personal identities.

As I have outlined in greater detail elsewhere, this work on the significance of space in relation to social relations and human practices can be linked to existing sociological work on the significance of face-to-face interaction (Dickens, 1990). Let us take first the work of Goffman (1971a,b) and Giddens (1984). Personal identity and the social order can be seen as the product of myriad interactions between individuals. People, however, tend to reveal only a certain aspect of their selves in public, those aspects which they wish to present as themselves. They therefore present a ‘front’ and withhold a ‘back’ which they do not wish to reveal. Furthermore, as Giddens in particular has shown in relation to Goffman’s work, physical space can be implicated in these displays and withholdings. Certain areas are typically reserved as ‘front regions’ and others as ‘back regions’.

The significance of this as regards Newman’s and Coleman’s work is that they are implicitly suggesting that ‘front’ and ‘back’ practices can actually be made through physical design alone. Thus Newman is arguing that certain zones of public sector housing which were indeterminate in terms of their use can be made into areas which are under observation from the general public. They can by this means be transformed into ‘front’ areas for ‘front’ activities. Similarly, Coleman is suggesting that areas that were previously indeterminate and which were actually used as ‘back’ regions (for example, corridors or lift shafts) can either be abolished or turned into ‘front regions’. The problem with this is that there is no space in this argument for reflexive individuals who may not use physical spaces in the way intended by architects. In short, both Newman and Coleman are engaging in the very type of architectural determinism which they took modernist architects to task for.
Thus, the suggestion seems to be that, through design alone, the behaviour of groups and individuals can be modified. But there seems little reason to make such an assertion. It is as if Goffman and Giddens are arguing not that space is implicated in the social order but that space is actually making the social order. If the assertion is being made that space is implicated in the maintenance and change of the social order, it surely needs making in the wider context of social relations and processes. If, for example, we were to find a group of individuals who were robbing peoples’ property, we would need to find out about their household backgrounds, their education, their relations (if any) at work, their relationships with the police, the internal constitution of the gang - and so on. My assertion is that their activities are not caused by the design of flats alone. Rather, such designs provide the opportunity for them to steal possessions or attack other people. Furthermore, if the estate were physically modified in such a way as to enable surveillance of certain areas, then these people would simply turn their attention to another area.

On the basis of our present knowledge, therefore, the best that can be said for the Newman/Coleman suggestions is that they may move criminal activities around between physical areas. There is simply no plausible evidence to suggest that forms of physical design are themselves responsible for certain forms of behaviour. Rather, as I have suggested above, physical space should be seen as providing the opportunities or resources within which social practices and relations are played out. Going back to Newman and Coleman, it could well be argued that ‘defensible space’ is successful in protecting the area in question. But, in the absence of any reasonable evidence, the conclusion must surely be that such protection will simply be at the expense of another area, one which has not taken the same precautions.

There are, however, further arguments militating against the very simple picture presented by Newman and Coleman. They are presented by, amongst others, Giddens (1984, 1990) and Harvey (1990). Societies are increasingly spread or ‘stretched’ over space and over time. Globalizing tendencies (associated with international markets, transnational corporations, transnational governments, and international banking systems) are now a widely recognized feature of contemporary social life. In some respects they are reducing the significance of local social systems. However, as Giddens in particular argues, this does not mean to say that local social systems (or ‘communities’) are unimportant. Their significance lies in the fact that face-to-face interaction remains significant in terms of maintaining personal identity. Thus, this type of argument could be used to assert the increasing significance of interaction between people within limited social settings. But their significance needs to be seen in the wider context of what Giddens calls ‘time-space distanciation’ and the continuing attempt by people to assert their sense of security and identity within a society over which they have decreasing understanding and control.

This brings me to my main point. Social theory and the political economy of housing has badly neglected the subjective aspects of personal behaviour. It has greatly ignored the social relations and processes associated with the construction of personal identity. The strengths of Newman and Coleman lie, I suggest, not in their explanation of human practices or forms of community life. For all the reasons I
have outlined above, Newman’s and Coleman’s work is severely lacking. On the other hand, Newman and Coleman raise the whole question of how individuals and groups identify with their homes, estates, and localities. In many advanced industrial societies, public sector housing is no longer associated with a universally beneficial Welfare State. It is popularly, and not altogether inaccurately, associated with oppressive ‘top-down’ bureaucracies who are actively manipulating the lives and identities of those residual populations still dependent on welfare and social housing. Housing, and housing design, is still forming identities. But in the case of much public sector housing, these identities are increasingly being imposed, not chosen.

I have already outlined, with the aid of Goffman and Giddens, one possible way in which the insights of Newman and Coleman could be developed. But I will now use an older social theory which links political economy to public sector housing and the subjective aspects of design which the work of Newman and Coleman has identified.

Society, Identity, and the Home: An Alternative Perspective

A more satisfying, if more complex, way of approaching the issues Coleman and Newman are raising is through Marx’s theory of alienation in capitalist societies. Many of the key themes will be familiar to readers of this collection, so I will only sketch the main arguments.

The labour process and the social relations of production in capitalist and advanced industrial societies are the starting points for this type of analysis (Marx, 1975; for further discussion see Dickens, 1992). They can be introduced into the kind of analysis offered by Giddens. Capital is invested in labour, raw materials, and technology. Labour, combined with machines and raw materials of nature, produces a commodity. The commodity is then removed from the worker and placed on the marketplace to be sold. The commodity realizes a value, some of which returns to the investor of the capital in the form of profit and some of which is re-invested in another cycle of investment and commodity production.

Alienation, or ‘estrangement’, refers to the material process of separation of the individual from her or his work, from nature, and from other workers. It also refers to the subjective experience of such estrangement. It is self-evident that the circuit of capital separates individuals from the object of their work. Similarly it is self-evident that the labourer becomes separated from a sensuous engagement with nature in the labour process. The capitalist labourprocess also separates people from fellow members of the human species; this being the direct result of the advanced division of labour in modern societies. Finally, alienation separates people from themselves. Marx argued that human beings have certain ‘species needs’. These include the capacity to not only labour but to do so creatively, reflecting on that labour and its outcomes. On the basis of such reflections, people are able to change course, to adapt their actions. Other ‘species needs’ include a close relationship with nature, ‘man’s inorganic body’, relationships with other people and the need to recognise the self as an active, conceptualizing person. As I will argue later, there is now
strong evidence from contemporary biology and anthropology that Marx’s understanding of ‘species being’ was broadly along the correct lines.

Marx’s point is, of course, that capitalist labour processes and divisions of labour typically deny these species needs. Creative labour, association with others, and a sensual relation with nature becomes largely limited to ‘civil society’; the sphere of social life outside production. And, most importantly for the concerns of this paper, the restoration of personal identity becomes largely confined to civil society; the marketplace and the buying and selling of commodities as distinct from their production. Clearly, the home and the community are one of the main foci within which the re-assertion of personal identity and ‘species being’ can be remade.

This brings us back to the issue of ‘fetishism’. People finish up, Marx argued, alienating themselves. Their lives and values become devoted to the buying and selling of commodities in the sphere of civil society. Thus humans’ existences become subjected to the very items they are producing, selling, and buying. People’s lives can be dedicated to commodities in much the same way as existences can be surrendered to religion, another person-made product. As I have suggested earlier, the notion of fetishism can be taken further. We can also envisage a kind of fetishised knowledge. I will give examples of such fetishized knowledge later, but an instance which relates to the earlier parts of this paper is where physical designs of houses are themselves attributed causal powers deeply influencing social and individual change. Meanwhile, the real material social and political forces affecting the making of these buildings and the conditions under which people live are either ignored or relegated to minor significance.

It should be stressed here that this type of analysis, one which starts with the social relations of production and draws attention to what Seabrook (1990) calls ‘the myth of the market’, applies as much to contemporary societies as to the earlier forms of capitalism with which Marx was familiar. It is sometimes suggested that modern societies are now organized around the production of ‘services’ rather than commodities. But, as Sayer and Walker (1992) have recently argued, this is a very limited view of the ways in which capitalism has been developing. ‘Services’ are, after all, directly linked to the production, exchange and consumption of commodities. What has happened is that the division of labour between firms and organisations has become more widespread. Furthermore, the division of labour, within companies has become deeper. Advertising and finance, for example, can be seen as ‘services’. But what is such advertising and finance about if it is not the production and selling of commodities? Thus, if anything, the process of alienation from nature, from other humans, and from the self has become even more thorough-going under contemporary capitalism than it was in Marx’s day.

The implications of all this for our particular interest in public sector housing and the design of estates should be relatively clear by now. The home, the housing estate, and the community can be seen as representing those spheres of social life in which those aspects of species being which have become suppressed at the point of production (association with other humans, engagement with nature, self-realization, assertion of personal identity and so on) can be at least partly restored or realized. But in the present phase of capitalist development, owner-occupation represents a
better way of restoring such identities which, I would argue, is often superior to that offered by the public sector. But, as I will suggest again later, owner-occupation does necessarily offer all the resources an individual needs for self-realization. For example, an owner-occupied estate may not bring about the sense of association and community which individuals and households need for their self-fulfilment.

Resume and Case Studies

Other papers in this collection, especially those by Lawrence and Van Kempen, make a strong case for locating physical design in its wider social and political context. Lawrence argues, for example, that professionals need to approach the question of design with close attention to "the emotional commitment and values of diverse groups of citizens." Van Kempen parallels many of the arguments of the present paper by insisting on an approach to housing form which does not over-exaggerate the power of design but which is nevertheless sensitive to the ways in which design of the home can either enhance or severely undermine human identity. The arguments of this paper largely endorse those of Lawrence and Van Kempen.

The prime concern here, however, has been with those processes and relationships (especially in the realm of commodity production) which undermine personal identity and which help explain why civil society, and the home in particular, are so important in the attempted restoration of such identity. This paper, in a sense, goes one stage further back than the analyses offered by Lawrence and Van Kempen.

So, rather than criticize Lawrence and Van Kempen, this paper is more critical of those approaches which give causal significance to design and tenure as themselves having causal significance outside the realm of commodity production. I have developed this view in relation to the fetishization of design. Much the same point can be made about the current tendency in psychology and housing studies to fetishize tenure. Dittmar (1992) uses empirical evidence to argue strongly, and in many respects very convincingly, that material possessions have an enormous symbolic significance; that of developing an individual's social and personal identity. The question is, however, what significance should we give to such research results? If the theoretical perspective used in the perspective outlined earlier in this paper is broadly correct, findings of this kind straightforwardly record the kind of commodity fetishism with which people in capitalist societies become increasingly obsessed.

An alternative but related view is that ownership has some deep biological psychological significance, one buried in Homo sapiens' evolutionary history. This is the opinion of, amongst others, Peter Saunders.

The peasant farmers tilling their personal plots in the Soviet Union, the three-year-olds squabbling over the bucket and spade in the sandpit, the home owners spending every weekend improving their homes, and the proto-hominids clutching their rudimentary weapons as they roamed across the African plains all speak to the generic quality of human possessiveness (1990:36).
More generally, Saunders argues that "taken together, our possessions add up to an integrated expression of ourselves" (1990:81-2). This leads to the suggestion that there is indeed a genetic basis to capitalism and, more specifically, that owner-occupation is in some way a tenure which appeals most to people’s inborn instincts.

There are again, however, major problems with such assertions. Nobody can of course be sure whether or not ownership is a predetermined quality of *homo sapiens’* species being. What can be said with some confidence, however, is that the contemporary evidence from anthropology, molecular biology, and linguistics all point to a definition of people’s species being which is decidedly more in line with that advanced by Marx than by advocates of the benefits of ownership.

Leakey and Lewin are amongst the most distinguished of contemporary palaeoanthropologists (Leakey and Lewin, 1992). Their work on the fossil and archaeological work surrounding the emergence of modern human beings places them in an excellent position when it comes to defining *homo sapiens’* species being. But, most importantly, their theoretical perspective is Darwinian rather than Marxist. Leakey and Lewins’ main objective has long been the discovery of those characteristics which enabled *homo sapiens* to develop and grow during the process of natural selection. But their evidence, using data comparing species and examining the evolution of *homo sapiens*, is that humans’ most distinctive capacities are precisely those identified by Marx 150 years ago. These are, again, their capacity to communicate using increasingly complex languages, a sociality giving them evolutionary advantage, and the capacity for working actively and creatively on problems which they found comparatively easy to conceptualize. Furthermore, all such peoples seem to have generated myths which enabled them to see themselves and their relationships with the rest of the human and non-human world.

My conclusion here is that an assertion that contemporary people’s identity is formed through possessions may be ‘true’ in the sense that possessions are indeed one of the dominant ways in which identity is formed in capitalist and market-oriented societies. As such it is likely to be a feature of any survey which tries to identify how contemporary social identity is formed. But to argue that ownership has a biological or evolutionary basis needs at the very least some kind of evidence. Until such evidence is forthcoming, the celebration of ownership without reference to the social relations and practices with which it is intimately associated is guilty of precisely the kind of commodity fetishism first outlined by Marx in 1844.

Commodity fetishism in housing studies has, however, been overcome in some of the housing literature. Harvey (1990), for example, writes as follows about the processes involved in residential differentiation.

[It] is produced, in its broad lineaments at least, by forces emanating from the capitalist production process, and is not to be construed as the product of the autonomously and spontaneously arising preferences of people. Yet people are constantly searching to express themselves and to realize their potentialities in their day-to-day life-experiences in the workplace, the community, and the home. Much of the micro-variation in the urban fabric testifies to these ever-present impulses. But there is a scale of action at which the individual loses control of the social conditions of existence in the face of forces mobilized
through the capitalist production process... It is at this boundary that individuals come to sense their own helplessness in the face of forces that do not appear amenable, under given institutions, even to collective political mechanisms of control. As we cross this boundary, we move from a situation in which individuals can express their individuality and relate in human terms to each other to one in which individuals have no choice but to conform and in which social relations between people become replaced by market relations between things (1990:123).

Design and tenure, in this context, is one way in which "people are constantly searching to express themselves". As I have argued above, it is in the sphere of civil society and the market (Harvey's "market relations between things") where such searching is most likely to result in people's potentials being, at least in part, realized. It need hardly be said that those with few market resources will find their capacities realized in even this partial way. And at the same time the state can also become the problem rather than solution; inhibiting rather than realizing their potentials.

A further illustration of the perspective I am developing here comes from the gentrification literature. For example, what Jager calls 'facadal restoration work' in Melbourne enables the rising middle classes both to celebrate the status they have achieved in the production process and to distinguish themselves from the working class. This is achieved through what Jager (1986) calls 'neo-Archaism'; the rescuing of old slums and their reclassification as aesthetically pleasing Victoriana. In this way, the new middle classes in Melbourne not only signal their differences from the surrounding working classes. In their adoption of these 19th-century developments they are simultaneously adopting some of the 'Victorian values' (the work ethic, diligence, thrift, parsimony and the like) which have come to be associated with these dwellings.

Other studies, this time of the working class in the workplace, make similar and helpful connections between social relations at the workplace and domestic property relations. This work thus often focuses on employment, mentioning the home and the house as the one sphere of social life which gives some kind of meaning to exploitative and tedious work. Here, for example, is Nichols and Benyon's summing up of how workers at a chemical factory see the home as the objective of their labours:

They give up their evenings and their days to work shifts. They endure the pain... They see green bags in their sleep. They suffer in order to get the money to buy things. They talk of getting a nice house of their own, for the kids, and many of them have achieved this (Nichols and Beynon, 1977: 193-4).

Here again, owner-occupation is, in the British case at least, increasingly becoming the tenure which will allow such objectives to be achieved. By contrast, social housing, especially in its present marginalized and bureaucratic forms, offers decreasing opportunities for self-realization. But it is again important not to fetishize tenure as possessing in itself certain properties which are guaranteeing personal security. At
the current time, for example, many British low-income homeowners, burdened by high mortgage payments and threats to their jobs, are finding that owner-occupation is a tenure providing very little in the way of personal security.

From a similar theoretical perspective to the one adopted in this paper (though not a perspective which explicitly mentions design), Rose (1984) has conducted detailed historical studies in Britain. She shows, for example, how shoeworkers in 19th-century Northampton set up early forms of a building society. These provided owner-occupied homes for groups of workers who were being increasingly de-skilled and threatened with unemployment as the result of mechanization. Their acquisition of these homes was primarily:

- a purposive way of protecting themselves (and to a certain extent their families)
- from the manifold effects of the dominant processes of capitalist society.

For my final case study, I turn to the kind of public sector development studied by Newman and Coleman and with which this conference is especially concerned. The above case studies illustrate the home, its physical form, and its contents as a means by which individual and social identity can be acquired and reinforced by the active choice of the households concerned. I have been careful to point out, however, that such choice is in part ideology. It is by no means always guaranteed and does not extend equally to all households.

Much the same applies to the public rented sector. In the 1920s and 1940s, this sector in Britain was associated with highly paid sections of the working class. In some towns, such as Sheffield, social housing of this kind still retains a relatively high status (Dickens et al., 1985). But today the general tendency is in precisely the opposite direction. The picture is clear in many of the system-built estates which are a feature of the townscape in several British cities. Who do these estates house? It is difficult, of course, to generalize, but in a de-industrializing society such as Britain, and one where public sector rented housing has been deliberately down-graded and attributed a secondary status, the sector very frequently accommodates what Byrne and Parson call the 'stagnant reserve army' (1983: 144). As capital restructures and invests elsewhere (particularly in the cheap labour areas of the Third World), people are residualized and marginalized. At best these are peripheral workers, a potential labour force for a new round of investment. Many, however, will be permanently unemployed.

As Byrne and Parson point out, the stagnant reserve army is frequently concentrated in particular geographical areas. This is partly a result of the more permanent, 'privileged' workers either refusing to move to those zones where the stagnant reserve army is living or refusing to admit this army to the more 'respectable' zones. But also, since this army has little or no strength in the housing market, it is frequently the state which becomes responsible for housing them. And housing management, again combined with resistance from the 'respectable working class', finishes by locating these people in some of the worst physical accommodation. And in the British case, this has very often been in what Byrne and Parson call 'system-built rubbish'. This is the accommodation built mainly in the 1960s for what was then assumed to be a fully employed working class. But from the late 1970s
onwards, the faults of this accommodation have emerged, and the unemployed or semi-employed stagnant reserve army has been housed in it.

In this way, therefore, individuals and households who are marginal in the production process can have their marginality reproduced and greatly exacerbated in the sphere of their public sector home and estate. The physical form of the accommodation in which they finish up symbolizes and reinforces these forms of marginality. As Byrne and Parson write: "The Township makes a splendid ghetto: it even looks like a gaol" (1983:144). This final casestudy helps to underline the argument that the most profitable way of understanding the significance of architectural design and the formation of identity is to start with the social relations of production. We should then detect how these relations are reflected in and amplified by the designs and tenures which people either choose or -- in the case of modern social housing in many West European societies -- are forced into. Again, to focus on design itself and its supposed effects on inhabitants is to fetishize design. It draws attention away from the question of why: for example, why people may be vandalizing the accommodation which they are obliged to live in or why various forms of crime (like mugging and stealing) may persist in these areas. It may well be, as I have argued earlier, that people use the physical space in ways which enable them to undertake these practices. But to centre on space itself as the principle motor in these social processes is to wildly exaggerate the social significance of design and ignore the processes of alienation to which I have been drawing attention.

Conclusions: Theoretical Problems and Some Implications for Public Sector Housing

In this paper, I have been attempting to locate the significance of housing and estate design in the context of social relations, social processes, and the formation of identity. I have criticized those approaches to the design of public sector housing which directly associate forms of behaviour with forms of physical design. This, I argue, is a form of 'fetishism': a double fetishism, one in addition to that surrounding commodities. Rather, I have argued that, when seen in a wider perspective, home and estate design become an important means by which human identity (identity which becomes largely lost at the workplace) can be at least partly restored. The alienation from people, from nature, and from self can therefore be in part regained in the spheres of consumption and domestic life. Owner-occupation has distinct and recognizable advantages in this respect. By contrast, the public sector, as it is now developing in many societies, further exacerbates the marginality of the poor, the sick, and the reserve armies of labour.

But it is important to avoid any suggestion that the perspective adopted here is problem-free. It has, for example, painfully little to say about gender relations. The home may offer some sense of recovered 'species being' for those people (men and, to an increasing extent, women) who are employed outside the home for wages. But does it have the same qualities for those people (for example 'housewives') for
whom work in the home is not only alienating but unpaid? The Marxist perspective used here is admittedly weak in this respect, as indeed many feminists would point out. Perhaps for some women, the place of employed work is a sphere in which they can overcome the various forms of boredom, oppression, and violence which they experience in the home. Thus the picture may indeed become more complex if we seriously consider other kinds of social relation besides class. This is clearly an argument for exploring how various forms of social relation (including the relation between state and people) intersect. The home may have a number of complex meanings for people in different social circumstances. And, perhaps most importantly, these meanings may well be conflicting. Much of the literature on the meaning of the home makes the unjustified assumption of a consensus of meanings within households. But recognizing such complexity and contradiction clearly does not entail abandoning consideration of social relations. It surely cannot involve returning to the kinds of fetishized understanding which has for so long dominated understandings of the meaning of the home. It reinforces the need for seeing the home in its wider social context.

Second, it is important not to suggest that a Marxist perspective implies any kind of functionalism. Owner-occupied housing may currently maintain considerable advantages over social rented housing in terms of enabling the formation of personal identity. But other aspects of people's 'species being' and potentialities may well remain relatively unrealized. The physically isolated, owner-occupied home may enable a sense of individual identity to be developed. But it may at the same time militate against the type of collective social relationships which people need to realize their potentials as people. Similarly, and at the opposite end of the social spectrum, the state and its provision of collective housing seems in many societies to have violated the collective ideals with which it was originally entrusted. Instead, the households concerned are in many societies now subject to the debilitating surveillance of government officials and, occasionally, the forces of law and order.

Finally, we come to the question of policy. Capitalist society is, to say the least, likely to be with us for the foreseeable future. This means that the forms of alienation at the point of production which Marx originally pointed to are likely to persist; albeit in modified and perhaps more humane forms. A central task for those who wish to continue promoting social rented housing is, in a sense, to 'beat owner-occupation at its own game'. It needs to recognize, and improve on, the (often somewhat illusory) freedoms offered by the market and owner-occupation. At the same time it needs to reject and transcend the equation between state provision and bureaucratic control over the way people try to express themselves. One way forward would be for local and national governments to start working in a much more enabling capacity; facilitating, that is, individuals, households and groups in the design and construction of their own accommodation. Not only would this mean people could start to recover some of the creativity and association with people and nature from which they have been estranged at the workplace. It would also mean that a growing proportion of their working lives would be engaged on creative, collective, and unalienated, labour.
Social rented housing, offering as it does some insulation from market forces, is one way (perhaps the principal way) in which Marx's species being can be partly restored. It can offer what Lawrence in his paper in this collection calls "a civic and environmental order in which individual freedom and consensus are both actively present." But at the same time, in recognizing how such freedom and consensus had come to be lost in the first place, it would not over-romanticize or exaggerate such 'individual freedom and consensus.' At best it is offering a partial recovery of such loss of autonomy and human association. Similarly, the strategy I have briefly outlined here would begin to overcome the sense of stigma, insecurity, and lack of identity which Van Kempen accurately associates with much public sector rented housing. But, once more, the Marxian theoretical perspective outlined here suggests that there can be no easy 'housing solution' to these problems. Relations to other people, to nature, and to the products of people's work are systematically alienated, denied, and distorted in the sphere of industrial production. It is in this context that their (re)construction in the home and the neighbourhood still needs to be seen.

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RENTED HOUSING DESIGN RECONSIDERED IN CONTEXT

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Introduction

Housing units are material products of society that define and delimit domestic space for households. They provide shelter and protection for daily activities. Yet, the fact that housing units in the same society have quite different shapes and sizes, and that they are built with a range of construction materials suggests that, beyond pragmatic factors, others are of at least equal importance in determining their layout, construction and meaning. Therefore, it is necessary to develop an understanding of those contextually defined factors implicated in the realization of housing units. For example, one purpose of the spatial ordering of residential environments is to distinguish between public and private domains. Nonetheless, this distinction can be interpreted from several perspectives which briefly warrant attention.

The interrelations between public and private domains of residential areas can and have been considered explicitly by architects and urban designers. Chermayeff and Alexander (1963), for example, proposed an "anatomy of privacy" defined in terms of hierarchy of spaces, and the ways in which different domains are linked while retaining their autonomy and clarity. This book, however, presents only a spatial interpretation with no analysis of the meanings and uses of boundaries, borders and transition spaces that simultaneously separate and link public and private spaces in a range of different contexts. When one adopts a cross-cultural and historical approach to study public and private domains it can be shown that these domains define and are mutually defined by a range of administrative, behavioural, judicial and socio-political factors concerning property rights, which are contextually defined by societies over the course of time (Lawrence, 1986; 1987).

From the perspectives of economics, law and politics, the tenure status of housing, with its implications for personal control and security, is the critical dimension underlying the meaning of private domestic space. For example, Saunders (1990) claims that the marginalization of rented housing in Britain is the result of a natural law founded on innate biological and psychological principles that are reflected in the quest for "ontological security" which is achieved by the owner-occupation of housing and other personal possessions. However, this emphasis on tenure ignores that portion of the population in past and present societies -- including affluent countries like
Switzerland -- who choose to rent. Hence, like an architectural, or any one-dimensional interpretation, this one is also incomplete. In contrast, the meaning of housing in general, and of rented housing in particular, is contextually defined according to a range of cultural, societal and individual human factors as well as the interrelations between them over time (Lawrence, 1987).

An integrative historical perspective shows that from the late 18th century an important shift in the design, meaning and use of domestic space occurred owing to a number of economic and social developments related to urbanization and the ideals of the autonomous household. These developments in the United Kingdom have been studied by Shorter (1976) and in France by Aries (1962), Flandrin (1979) and Donzelot (1977). These authors study a number of socio-political factors, including public education and discipline. Moreover, Daunton (1983) relates this kind of interpretation to developments in the design and use of residential quarters in England. When Daunton (1987) applied this approach to examine housing provision and tenure in Britain from the late 19th century, he was able to question many recent interpretations of the housing market and tenure status. In particular, he identified sets of economic and political factors that progressively marginalized private rental housing while initially promoting public rental housing and then owner-occupation from as early as the First World War. When the same kind of approach was applied in Switzerland, it was possible to identify and comprehend the reasons for two-thirds of the housing stock persistently being rental tenure, and not more than 4% being provided by the public sector (Lawrence, 1986). Moreover, the relative stability of the ownership, provision and tenure of housing in Switzerland can be contrasted with two significant shifts in Britain during this century which Daunton has identified. In sum, these and other studies show that contemporary definitions of public and private have been socially constructed over a long period. Therefore, it is necessary to formulate and apply an integrative historical perspective that can account for both constant and dynamic societal processes that are contextually defined.

These introductory comments indicate that a reorientation of housing studies is required. Both theoretical and methodological developments are necessary to formulate and apply a more comprehensive approach. The aim of this chapter is to achieve this goal by replacing restrictive interpretations by a contextual and historical understanding of housing design and tenure. The next section of this chapter presents definitions of context, design and tenure, and then applies them to question and replace common architectural and sociological interpretations by a multi-dimensional and contextual analysis including the rights and obligations of individuals, groups and institutions in relation to the ownership, construction, management and use of housing units. This kind of interpretation can improve current knowledge of the design and meaning of housing in general, and of social, public and private rented housing in particular. Given this improved knowledge this chapter argues that it is possible to formulate principles for housing research. These principles will be illustrated by a study of rented housing in
Switzerland with particular attention given to private rented housing in Geneva.\(^1\)

**Definitions and Misinterpretations**

Context is used first and foremost to refer to the composition and structure of language—speech and texts. In this respect it is possible to identify the precise meaning of spoken or written words by analysing the passages or phrases that precede and follow a word or words. In literature and literary criticism this kind of contextual analysis has developed a long-standing policy and practice "of setting a poem or other work in its cultural context."\(^2\) Within the discipline of philosophy, contextualism is defined as any doctrine that establishes the meaning of terms or emphasizes the importance of the context of enquiry in solving problems.

These definitions will be applied in this chapter to identify the contextual conditions implicated in the design, tenure and meaning of rented housing. They are cited here in order to compare and contrast them with their common interpretation in contemporary housing studies, in general, and particularly in the fields of architecture and urban sociology. For example, in contrast to the above definitions, which explicitly mention cultural dimensions and underline the relativity of meaning, 'contextualism' 'contextual compatibility' and 'contextual fit' are increasingly used in contemporary architectural publications to refer only to the massing, formal composition and aesthetic treatment of buildings, and their façades in particular. Furthermore, in recent years practising architects have been provided with guidelines and pattern books that are meant to serve as 'contextual design strategies'. Nonetheless, these documents are only based on the external appearance of buildings, albeit sometimes in relation to the formal composition of the elevations of neighbouring buildings. This chapter argues that because this architectural orthodoxy only considers buildings in terms of architectural aesthetics, it is a restrictive interpretation of context and contextualism that ignores cultural, societal and historical dimensions. This current architectural orthodoxy has a long history, as some authors, including Collins (1965) and Macleod (1971), have shown. In general, styling rather than architectural design has dominated architectural debate since the foundation of the profession during the 19th century.

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1. This study has deliberately examined rental housing because this sector is the dominant form of tenure in Switzerland, generally, and in Geneva, in particular. According to official census returns in 1980, 29.9% of the housing stock in Switzerland was owner-occupied; 63.2% was rental tenure in the private and public sectors; and 6.9% included other forms of tenure, such as cooperatives and institutional housing. Concurrently, in Geneva, 11% of the housing stock was owner-occupied; 83% was rental tenure; and 6% was other forms of tenure, including cooperatives and institutional housing. These proportions have not changed significantly since 1960. The reasons for this structure of the housing stock are examined in Lawrence (1986).

Since the 1970s, this approach has not been limited to the treatment of new buildings, but also increasingly applied to the conservation and restoration of old structures that may present inaccurate interpretations of particular architectural styles. These kinds of arguments illustrate the preoccupation of the architectural profession with styling. However, as Harries et al. (1988) have noted, the restrictive interpretation of contemporary architects ought to be contrasted with those earlier in this century. Although the partisans of the Modern Movement in architecture did debate the aesthetic and formal composition of new buildings in detail, concurrently, they also challenged static formalism and they sought to formulate and apply new principles of spatial organization, as well as the innovative use of materials and technology for 20th century architecture and urban design. In contrast to this approach, current architectural debate about the styling of buildings considers aesthetics at the expense of other principles or parameters, and it does not examine precedent in a critical manner. Rather, it reduces precedent in architecture and urban design to a warehouse of aesthetic and formal traits, from which a designer can freely select and duplicate according to past or current fashions, or personal preference. Furthermore, the aesthetic preferences of the users of buildings are not considered.

This chapter is not meant to review the dilemma of styling in architecture, but to address and correct current widespread misunderstandings of contextualism in architecture and housing studies. Therefore, following the above critique, it is noteworthy that according to this current architectural discourse, the appearance of buildings is decontextualized to become both acultural and ahistorical as well as devoid of any economic, political or other societal dimensions. Unfortunately, this interpretation of architecture has been supported by recent studies of the design and meaning of urban rented housing, as Kemeny (1993) has shown.

The restrictive architectural interpretation just mentioned is analogous to those contemporary studies of rented housing by urban sociologists and political economists that fail to identify and analyse the contextual meaning of housing tenure. These contributions include those that tie tenure status to the meaning of home (Saunders, 1990), as well as those that attribute social malaise on rented housing estates almost exclusively to their design characteristics (Coleman, 1985). Many of these contributions select one or more features of rented housing, isolate a ‘variable’ and then identify a cause--effect relationship. Apart from these shortcomings, which are discussed in detail by Peter Dickens and Eva van Kempen in other chapters of this book, there are more fundamental limitations that warrant consideration. In particular, the current debate about the merits and shortcomings of diverse kinds of housing design, provision and tenure focuses too little attention on the role and function of management at the local level of the housing estate and the individual building. Nonetheless, several recent contributions have argued that housing management is important and that it could be decentralized to these levels, thus enabling the residents to manage, maintain and upgrade their residential areas if this corresponds to their aspirations (Teymur, Markus and Woolley, 1988). Yet, as Van Kempen shows in her contribution, neither housing design nor management characteristics are sufficient to explain social problems in housing estates with high-rise buildings. She argues that the characteristics of the resident population should also be studied in detail. (It is noteworthy that neither
Coleman (1985) nor Hillier and Hanson (1984) explicitly do this in their interpretations.) Consequently, Van Kempen argues that the intentions underlying housing allocation policies should be identified in order to study the effects of the local housing market on residential mobility and choice, in general, and particularly in relation to the concentration of poverty in specific housing estates. From this perspective, the location of housing estates can be examined not only in terms of the distribution of the population but also with respect to their accessibility to services in the neighbourhood and the city. Last, but not least, the societal value attributed to housing estates and specific buildings can be studied in relation to all these characteristics as well as the social labelling process, resulting in stigma or high reputation. The contemporary debate about housing tenure also largely ignores fundamental questions related to the definition and regulation of housing standards, as well as the costs of subsidies to encourage owner-occupation and new construction. On the one hand, the growing diversity of households and how they are to be accommodated by the formal housing market or the informal sector should be explicitly addressed (Lawrence, 1992). On the other hand, more attention should be given to the increasing number of households in several European countries, especially Britain, who cannot afford owner-occupation whether or not they prefer to rent. Collectively, the profound demographic, economic and social changes occurring in many countries -- especially changing rates of divorce, employment, natality, nuptiality and mortality -- mean that housing requirements cannot be reduced to any single norm, goal or cherished value, as some partisans of owner-occupation have claimed. In sum, the limitations of the recent debate are not solely due to ideological differences but also to a lack of precision about what kinds of households, housing provision and tenure exist in precise situations.

Cues for a Reorientation

It has been common practice in housing studies to use terminology that reflects whether central government, local government, an institution, an employer or an individual provides housing. In general, a clear distinction has been made between public and private housing, and whether that housing is rented or owner-occupied. Yet, the means of housing provision and types of housing tenure are not necessarily synonymous. Therefore, it is necessary to develop a contextual understanding based on the identification and then the aggregation of those contingent factors that are implicated in the provision, management and tenure of housing in a precise locality. The four sets of factors presented in Table 8.1 can serve as a checklist for future studies. The aim of presenting this checklist is to enable scholars to formulate a contextual understanding by using diverse contributions in an integrative way. Today there are clear indications that this is still not being done despite the proliferation of housing studies.

When an integrative, historical approach is applied, it is instructive to re-examine common uses of terminology in order to clarify the definition of classes of housing, including social, public and private rented housing, which have increased in number and kind during this century in several European countries; for example, reference can be made to housing associations and cooperatives (Lawrence, 1992). Rented housing is an
Table 8.1 Contextual Conditions of Housing

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<th>Land-use and building regulations</th>
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<td>Planning and construction laws</td>
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<td>Government fiscal incentives for construction and renovation</td>
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<td>Available land for construction</td>
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<td>Building stock for renovation</td>
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<td>Provision of public amenities and services</td>
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<th>Economic and political factors</th>
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<td>Roles of public - private and formal - informal sectors</td>
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<td>Ownership and management of land and housing</td>
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<td>Bank interest rates and inflation</td>
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<td>Subsidies and taxation on construction and renovation</td>
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<td>Cyclical nature of building stock cycle</td>
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<td>New construction and renovation costs</td>
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<th>Socio-demographic factors</th>
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<td>Population characteristics by age, gender and nationality</td>
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<td>Vocational distribution and employment status of population</td>
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<td>Household and personal income and debt</td>
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<td>Social assistance, poverty and delinquency</td>
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<td>Morbidity and mortality rates</td>
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<td>Fecundity and natality rates</td>
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<td>Marriage and divorce rates</td>
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<td>Household formation and structure</td>
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<td>Immigration and emigration</td>
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<th>Subjective and qualitative factors</th>
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<tr>
<td>Availability of services in neighbourhood and city</td>
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<td>Diversity of housing, services and employment</td>
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<td>Choice in local market for owners and renters</td>
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<td>Evolution of 'comforts' and housing standards</td>
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<td>Changes in life styles and domesticity</td>
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<td>Societal values attributed to neighbourhoods and building types</td>
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<td>Societal values attributed to housing tenure</td>
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<td>Residential history of local population</td>
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ambiguous term in many countries where dwelling units have not only been constructed by profit-motivated property owners, or by central or local government, but also by a range of parties in both the formal and informal sectors. Moreover, given that many governments offer financial subsidies and fiscal incentives to owner-occupiers, the traditional bipolar distinction between public -- private, and social -- market forms of housing should be reconsidered in terms of context-specific conditions related to the institutional, ideological and structural characteristics of societies. From this perspective, it is possible to bypass those bipolar distinctions just noted and identify the number and kinds of parties (e.g. landlord, leaseholder, caretaker, tenant) as well as the division of responsibilities between the parties (e.g. individual, collective, public) and the definition of rules and conventions between the parties (e.g. administrative, man-
datory, formal, conventional, informal, or optional). Collectively, these characteristics define the claims and responsibilities of individuals, groups and institutions in diverse housing sectors across different scales or levels of society.

Bearing these principles in mind, it is appropriate to challenge those contemporary architects and social scientists who claim that the meaning and functioning of the built environment can be derived from the layout and spatial ordering of buildings. For example, Hillier and Hanson (1984) endeavour to show that the 'space syntax' of the built environment mirrors how human relations occur, especially the interface between different classes of people in spaces with controlled and liberal access. These authors try to identify the spatial organization of the built environment that encourages or inhibits ways in which personal contact between individuals and groups occurs. However, their interpretation only examines the tangible constituents of specific settings while ignoring the above-mentioned claims and responsibilities of parties, as well as the rules and conventions between parties. Moreover, they overlook the growing volume of research in the social sciences on privacy regulation and social penetration theory (Lawrence, 1987; Chapter 5). From this perspective the concept of a boundary is fundamental. On the one hand, boundaries have spatial implications, yet they do not inevitably have a dimension. The frontier between Switzerland and France -- or the boundary between my house and that of my neighbour -- can be defined by a line on paper or by words in a legal document, whereas a fence occupies more space than the boundary itself but it does not necessarily obstruct access or visibility. On the other hand, the socio-psychological implications of boundaries are fundamental, as Altman, Vinsel and Brown (1981) have discussed. In general, it is the multi-dimensional nature and position of boundaries that are a source of international, regional, local or interpersonal conflict, because they are ambiguous and can change over relatively long periods of time. From this perspective the boundary between public and private is socially constructed by communities and individuals as a fundamental means of producing and reproducing processes of self-, social- and place-identification.

In any residential environment it is possible to distinguish between residents and strangers. Generally, there are subsets of residents that can be defined in terms of their socio-demographic and judicial status (such as the head of household who signs the lease for a rented housing unit). Moreover, there are subsets of strangers (who are commonly labelled visitors, servicemen, etc.). All these groups of people occupy buildings for varying periods of time, and they have diverse claims and responsibilities. In general, Hillier and Hanson ignore these dimensions. Rather, they maintain that the position or depth of a space in relation to the public realm of the street indicates whether strangers, in general, have easy access to that space. This generalization requires numerous qualifications, owing to the fact that the claims and responsibilities of all parties vary in relation to the ownership, tenure status and control of the residential environment in question. In sum, a topological analysis of one or more housing areas can provide information about the spatial organization of them but, in principle, alone it cannot yield precise information about the meaning and use of specific spaces. Residential environments are not just created physically, as the study of rented housing in Geneva reported below shows: they are simultaneously ordered by juridic, behavioural and symbolic dimensions that may vary over time. In principle,
meanings do not reside in material objects. Rather all human-made products including buildings are attributed meanings by people who are part of a specific societal context. Meanings are construed socially, usually in accordance with sets of rules and conventions that may change over time. Therefore it is essential to identify and understand them.

From this perspective, the term housing is assigned a wide range of images and values. The meaning of housing, like the meaning of home, is variable from person to person, between social groups, across cultures, and over the course of time. Dwelling units are commonly attributed an economic value, an exchange value, an aesthetic value and a use value, whereas in addition to these, a home is usually attributed a sentimental and a symbolic value (Lawrence, 1987). Whereas real estate agents are primarily concerned with the economic and exchange values of residential buildings, owner-occupiers will not only share this concern but also complement it with an interest in aesthetic, use, sentimental and symbolic values that cannot be quantified and compared in monetary terms. All these values are not simply expressed by individuals, but they are acquired, nurtured, transmitted, reinforced, or modified by interpersonal communication.

The preceding discussion enables us to identify why the design, the meaning and use of any building, and housing units in particular, are quite different when viewed by architects and housing administrators from ‘the top down’, and by laypeople from ‘the bottom up’. From these perspectives it is important to distinguish between the explicit know-how of professionals (in which theory and practice are distinguishable yet often interrelated) from the tacit know-how of laypeople (in which theory and practice are indistinguishable). These two types of knowledge should be considered in a complementary (as opposed to a competitive) way in housing research as well as in policy formulation and applications. Unfortunately, this has not been common practice, as the discussions of high-rise housing by Van Kempen and Dickens later in this chapter show.

In order to reorientate housing research, policies and practice it is necessary to distinguish between design as product (i.e. the study of designed objects including housing units) and design as process (i.e. a human activity over time). Unfortunately, this common either/or interpretation of design hinders the development of design theories and methods, as noted by Heath (1984) and Lawrence (1987). In contrast to this dichotomous interpretation, it is suggested that the term design can denote: 1. the ordering of the built environment; and 2. a scheme of action to achieve desired ends.

Both these definitions of design encompass the simulation and evaluation of alternative projects. In addition, the second definition underlines the principle that design has an explicit political dimension if by politics, we refer to the activities and intentions of people who seek to reach defined goals. In essence, design always occurs in a human context which defines and is mutually defined by a wide range of cultural, societal and individual human factors. Design is intentional, not haphazard. Design involves choosing between a range of options in order to achieve objectives. From this perspective, design is much more complex than the art of aesthetic composition. The built environment should not be interpreted only in terms of its spatial and material dimensions but also in relation to who constructed it, who is intended to manage it and who may use it. This perspective can go beyond much contemporary debate about
citizen participation in housing (commonly restricted to the layout and design of residential buildings) to explicitly account for the provision and management of housing. The complexity of design raises some critical yet often undebated questions, such as:

1. What parameters are pertinent for a specific design problem, such as a new housing project?
2. Whose values, goals and intentions are to be identified and designed for?
3. How and when will these goals and intentions be achieved; and what will be the costs and the benefits of particular design solutions at diverse points in time?

In order to answer these kinds of questions a comprehensive reference model of the multiple functions of buildings should be borne in mind, and the application of simulation techniques during the design process should enable the assessment of alternative projects (Lawrence, 1987). These techniques are not limited to traditional architectural drawings and scaled models. They also include building science equipment, computer-aided design programs, small-scale modelling kits, cost-benefit analyses, and environmental impact assessment techniques (Marans and Stokols, in press). Nonetheless, just how these techniques are applied is the topic of a complex ongoing debate. One of the great anomalies of the architecture and town planning professions as they are conducted (and have always been) is that individual buildings and larger projects are not evaluated systematically once they have been constructed and occupied. It has been argued elsewhere that this custom should change (Lawrence, 1987).

Accounting for Costs and Benefits: Which and Whose Criteria?

All housing projects, whether they are new buildings, extensions to or renovations of existing structures, generate a range of costs and benefits which vary in kind and magnitude according to the type of assessment that is made and the point of view of the assessor. In this respect, and in relation to the preceding critique of recent housing studies, it is now clear that some professional groups, including architects, sociologists and urban planners, should become aware of the range of costs and benefits resulting from specific projects. Nonetheless, the calculation and monitoring of costs and benefits is a fundamental and controversial task, because quantitative and qualitative parameters ought to be accounted for. Moreover, the vested interests of client corporations, institutions, individuals and groups of citizens should be considered. From this perspective, laypeople should have the opportunity to participate in the calculation of the costs and benefits of alternative proposals before the implementation of any project. However, there is much evidence today that this still is not, and rarely has been, common practice. Too few public or private institutions are systematically monitoring the range of benefits and costs of urban and regional development projects. Yet the legacy of many large-scale projects constructed since the Second World War is a grim one (Prak and Priemus, 1985).

From 1945, land-use and housing policies were enacted in many countries around the world to enable urban renewal, especially the new construction and post-war reconstruction of vast numbers of public and private dwelling units, including a large
proportion of high-rise housing. The history of the policies and practices related to high-rise residential buildings, as well as their consequences, has been examined in recent years. In general, although architects, town planners, politicians and members of the construction industry heralded the creation of 'model environments' including 'model homes' (Ravetz, 1974; 1980), recent studies suggest that the distinctive form of high-rise housing estates has provoked several unintended consequences which are at odds with the rationale for promoting urban renewal, housing standards and traditional applications of cost-benefit analysis. In turn, these consequences reflect the widening gap between housing ideals and the reality of domestic life. In sum, there is a growing amount of evidence which confirms that the policy of constructing high-rise housing was counter-productive for a number of reasons. These have been illustrated with respect to national housing policies and practices in Britain:

1. Although urban renewal was justified in terms of new housing, slum dwellers were commonly rehoused in high-rise flats in local urban neighbourhoods, or they were relocated on distant suburban housing estates.
2. High-rise housing is a more costly form of residential accommodation than dwelling units in buildings of less than five storeys.
3. From 1956 the national government’s housing subsidy was tied to storey height, providing a strong incentive to construct residential buildings above six storeys, so much so that during the following decade high-rise housing was concentrated in the most dense urban areas of Britain.
4. The development of high-rise housing cannot be divorced from an architectural ideology which upheld that this kind of accommodation was appropriate for a modern technological era, and that it was socially responsible and just.
5. The technology for building high-rises existed prior to the proliferation of this kind of housing, so advances in construction technology cannot be interpreted as determining or strongly influencing the adoption of this building form.
6. High-rise housing was predominantly built by a limited number of large (national) construction companies, rather than smaller (local) firms, and constituted a higher proportion of industrialized building techniques than other kinds of public housing.

These findings are founded on research and case studies by Andrews (1979), Darke (1984a, b, c), Dunleavy (1981), Ravetz (1974; 1980) and others, which have examined the merits and limitations of high-rise housing in relation to the discourse of politicians, design professionals, members of the construction industry, and a very limited number of community pressure groups. Collectively, these case studies show that the adoption of high-rise residential buildings in different cities and regions of Britain followed national trends and housing policies more often than local democratic decision-making. Although generalizations from case studies should be treated with caution, Dunleavy (1981) found that, in each of the three localities he studied, there was no systematic analysis of housing demand, no survey of the existing housing stock or land available for new development, and no formal participatory framework for community involvement in decision-making. Dunleavy suggests that post-war housing policies envisaged high-rise housing as "a technological short cut to social change." Faced with a shortage of dwelling units, "high-rise and mass housing solutions (were) introduced
and promoted as technological shortcuts. They appeared to provide the means of cutting the gordian knot of... conflicting social and institutional pressures confining the public housing programme in a vicious circle of solutions and problem intensification" (p. 102).

The euphoria related to the ability of high-rise housing to meet acute housing shortages as quickly as possible, by using a minimal acreage of land, and yield cost benefits was eroded by the mid-1960s. The shift of national government housing subsidies in 1967 was a direct result of this change. Although the plausibility of high-rise housing as "a technological shortcut to social change" has been invalidated, Dunleavy suggests that the full implications of post-war housing policy are far more harmful. Although high-rise housing has not been built by local authorities during the last decade, the aftermath suggests that this kind of housing is omnipresent. There are continual management and maintenance problems related to this kind of housing. Furthermore, the defects of this housing are used as an argument against municipal housing programmes per se, and in favour of government policies which encourage owner-occupation. Last, but not least, the consequences of this kind of housing are counter-productive if these are examined in terms of the continuing effects on the health and well-being of the residents (Lawrence, 1993). In sum, it is appropriate to underline that common criticisms of this kind of housing should not be restricted to architectural and mechanistic interpretations of the design of a specific type of residential building. This principle is ably debated by Dickens and Van Kempen in their chapters. Collectively they confirm the growing consensus that a critique of rented housing design should explicitly account for the means of provision and management from an integrative historical perspective. Furthermore, this review of studies of high-rise rental housing shows that if restrictive interpretations are to replace contextual and multi-dimensional ones, then housing design, provision and tenure should be considered in a complementary way by applying an integrative perspective. This kind of approach was not applied to formulate and implement housing design and management policies for the public rented sector in Britain after 1945, and it still remains rare today. The next section of this chapter illustrates how this kind of approach has been applied to study rented housing in the French-speaking Cantons of Switzerland.

Rental Housing Reconsidered in Context: A Study in Geneva

Some of the theoretical and methodological principles presented in earlier sections of this chapter have been applied to analyse the development of urban rental dwelling units built in Geneva, Fribourg and Le Locle, three French-speaking towns in Switzerland with divergent cultural, economic, geographical and political backgrounds (Lawrence, 1986). This research comprises two interrelated studies.

First, it embraces an historical study of the evolving design and use of public, collective and private spaces and facilities in residential quarters built between 1860 and 1960. This includes a longitudinal study of household size and composition, the local housing stock, and housing tenure during this period. The longitudinal study involved a tripartite analysis of three sets of sources:
1. A sample of the one hundred sets of architectural plans of extant and non-built housing schemes (such as projects for competitions) in Geneva, Fribourg and Le Locle; descriptions and articles by architects on housing; site visits to existing buildings.

2. A sample of official publications, including reports of government agencies, philanthropic societies, health and housing reformers of building regulations and tenancy agreements.

3. Some novels, autobiographies, brochures and newspaper articles.

Second, the research includes an ongoing study of 525 households in the Canton of Geneva from a representative sample supplied by the government statistical office. A household survey includes plan analysis of residential buildings and their immediate surroundings; documentation of changes to the layout and furnishing of dwelling units; and an interview with directed, semi-directed and open-ended questions about the daily activities of the household, and each respondent, both inside and outside the dwelling unit; his or her residential biography; and questions about the dwelling unit, the residential building, the immediate surroundings, and the neighbourhood and its facilities and services. (As the results of this part of the research are still being processed, the remainder of this chapter will mainly focus on the findings of the historical study in the Canton of Geneva.)

**Societal and Historical Context of Rented Housing**

In contrast to many countries with a market economy, the predominant form of housing tenure in Switzerland has always been rented tenure in the private sector. For example, the proportion of owner-occupied housing units has varied between 33.7% of the housing stock in 1960 to 28.1% in 1970 and 29.9% in 1980. This proportion of owner-occupation is the lowest of all member countries of the Economic Commission for Europe with either socialist or market economies. Concurrently, it is noteworthy that cooperative tenure has been relatively insignificant and stable, comprising either 3.8% or 3.9% of the housing stock between 1960 and 1980. During the same period, rental tenure has varied from 56.9% in 1960 to 64.1% in 1970 and 63.2% in 1980. Given that the rented housing sector is predominantly owned by private individuals, companies and institutions, not more than 4% of all housing units have been provided by public authorities. The lack of intervention by federal, cantonal and municipal governments in the housing market is due to the principle that the provision of housing is the province of the private sector.

The high proportion of private rental housing may surprise many observers, given that Switzerland is often cited as the wealthiest country in Europe, and high levels of owner-occupation are equated with a prosperous market economy. A wide range of cultural and societal factors with established historical roots can account for the provision, ownership and tenure status of housing in Switzerland, as Lawrence (1986) has shown. This vast subject cannot be discussed again here. In relation to this chapter, however, it is appropriate to underline that the housing and building sector has traditionally been fed by foreign capital, especially from France. Indeed this practice was so prevalent in Geneva by the end of the 19th century that numerous limited property
companies flourished at that time. Babel (1947) states that 1,800 companies were estimated to exist in Geneva in 1919. The investors in limited liability companies, like investors in a Swiss bank, are guaranteed their anonymity and privacy. This guarantee ensures protection from any investigation by external financial or political authorities. It also implies that our study of housing provision, ownership and tenure cannot provide explicit information about the number and kinds of parties who invested in the housing stock. Nonetheless, irrespective of the kind of party, its statute means that tenants cannot deal directly with the landlord. They must address themselves to a third party, often an estate agent or steward. (The consequences of this custom are discussed below.)

Spatial Ordering of Residential Quarters
Since the mid-19th century, the slight increase in the size of urban dwelling units can be contrasted with the significant improvement in the provision of private domestic services, and a marked decline in the number of persons per household. Hence, demographic, socio-economic and technological factors have been implicated as much as architectural ones in the decline of residential densities and changes to the use of public, collective and private spaces and facilities. In this respect, the development of an integrative approach, in which architectural and other societal characteristics are explicitly interrelated, can promote a contextual understanding of changes to the layouts, meanings and uses of spaces and facilities over time. These developments will be briefly examined with respect to collective spaces and facilities in residential environments, because they simultaneously separate and link the private domain of the dwelling unit to the public realm of the street. Thus it is possible to illustrate some of the principles discussed earlier in this chapter.

Apart from changes in the design and use of private interior spaces and facilities in urban residential buildings, there were also significant transformations in the design and use of external and internal shared spaces and facilities during the same period of time. Analysis of floor plans and fieldwork show that collective interior spaces (such as the lobby at the ground level, or the staircase and its landings at the upper levels) were significantly changed from the late-19th century, by a reduction in size and decoration, the suppression of natural daylight from windows and/or skylights, elimination of subtle changes in floor level, and the privatization of shared facilities, especially for ablutions. These trends have transformed the collective spaces that linked the front doorstep of each dwelling unit to the public realm of the street into a passage of minimal dimensions that could serve no other purpose than pedestrian circulation. Consequently, residents could no longer personalize the space adjacent to the front door step; children could no longer play in these shared spaces during inclement weather; and thus it became increasingly unlikely for neighbours to meet informally. It is instructive to examine why this occurred.

According to the study reported here, the catalysts for the transformation of internal collective spaces and facilities were so numerous, that they can only be summarized here. First, they included technical developments, especially the introduction of the lift as the principal means of vertical circulation. Over an extended period of time, the stair became a fire escape. Second, innovations in domestic technology as well as the distribution of public services (e.g. gas, electricity, water) meant that private facilities
for ablutions, cooking and laundering were promoted. Last, but not least, a fundamental idea shared by many housing reformers of the late-19th century was that different spatial relationships in urban dwellings engender different degrees of human interaction. This conceptual ordering of people became the foundation of a principle of domestic culture that architects, landlords, stewards and reformers upheld and applied for the construction and management of urban dwelling units by:

1. Reducing the size of internal collective spaces and by eliminating shared facilities, notably sanitary services, thus making a stronger demarcation between private and shared space and facilities. This reduction in the quantity of space as well as the redefinition of collective facilities was meant to minimize interpersonal contact between residents and reduce maintenance costs.

2. Providing private facilities in each dwelling unit, which could be charged to the tenant by increasing the rent. The tenancy agreement stipulated that the tenant was responsible for the maintenance and repair of these facilities and, concurrently, that domestic activities should not take place in the shared interior spaces.

3. Prescribing how both interior and external spaces and facilities ought to be used by tenants. These prescriptions included codes of conduct that were intended to regulate conceptual, behavioural and temporal boundaries that defined where and when the daily activities of tenants should occur. Often caretakers were employed to ensure that the residents did not transgress these prescribed boundaries.

Beyond the realm of interior collective spaces and facilities, immediately outside and around residential buildings, there were also significant changes during the period of study. Both fieldwork and plan analysis show that from the last decade of the 19th century it became increasingly common for residential buildings to be set back from rather than aligned along streets, alleys and courts, as had been the custom in Swiss towns until that time. This gradual change (which increased after the First World War) meant that the collective interior space was no longer directly linked to the public realm of the street; an external uncovered space simultaneously linked and separated these two domains. It has been observed that this external space was often a small garden between each building and the footpath. However, since the 1930s this small garden has increasingly become a vast landscaped area, sometimes with car parking, that frequently encircles all four sides of residential buildings. This outdoor space is neither ‘public’ in the sense of a street nor ‘private’ in the sense of the garden of a villa. It is a collective space, which is commonly not demarcated from the public realm of the street. Consequently, many contemporary residents interpret it as an ill-defined space between their dwelling unit and the street. Furthermore, owing to the fact that this space is rarely used for leisure activities (if these are permitted by the tenancy agreement), it is attributed, at best, a neutral value and, at worst, an anonymous value. If it is not well maintained by the caretaker or housing authority, it not only becomes abandoned but also vandalized, and is considered a ‘no-man’s land’. Research has indicated that no building or town-planning regulations prescribed these changes, nor did government or local populations intervene in an attempt to suppress them. Although these transformations are interesting, the underlying reasons for them evoke the need for further research which cannot be achieved solely by the study of building plans and
fieldwork. In this case, an analysis of diverse documentary sources has also been completed.

**Hidden Agendas in Housing Design, Management and Tenure**

A Société de régisseurs (Society of Building Stewards) was founded in Geneva in 1879. This society, the first of its kind in Switzerland, provided a platform for estate agents, notaries and solicitors who administered buildings owned by individuals and limited property companies. In 1983, the Société des régisseurs de Genève published a document titled Recueil des règles et usages locatifs à Genève. To our knowledge this is the first published document that stipulated the responsibilities of the landlord, steward and tenant of rental housing units. Although it has not been possible to identify why this document was published in 1893, it is not unreasonable to suggest that it filled a void that neither federal nor local governments intended to occupy. The content, nature and structure of these contractual documents have been examined in order to illustrate the goals and intentions of those who prescribed the claims and obligations of diverse parties (Lawrence, 1986).

Analysis of these documents illustrates an underlying concern to resolve the problem of accommodating the increasing urban population in sanitary dwellings at a reasonable rent. There was a debate about the merits and shortcomings of tenements and cottages, and about associated and self-contained dwellings. It was generally accepted that tenement buildings with self-contained units had to be constructed to meet quantitative demand as economically as possible. The ambitious intentions of benevolent societies and reformers to accommodate several households in one building, yet provide autonomous dwelling units, produced a dilemma for landlords and speculators, who wanted to minimize maintenance costs yet provide a ‘clean building’. This dilemma prompted the regulation of the use of internal space by explicit codes of conduct. These codes were not only introduced by landlords and building stewards in Geneva from 1893, but also in Le Locle from 1932 and in Fribourg from 1943. Analysis of the tenancy agreements indicates the power and strategy of landlords and estate agents. These documents were intended to regulate behavioural, spatial and temporal boundaries, notably specific activities including children’s play, drying clothes and cleaning household wares in the interior collective space. That these activities were intentionally prohibited suggests that they occurred regularly, thus contradicting the behavioural, spatial and temporal boundaries imposed by landlords and estate agents. Hence, at a general level, this study illustrates that although the tenants did not participate in the provision and management of their residential environment, they did not remain indifferent to their housing conditions in Geneva towards the end of the 19th century. They were not passive individuals, as some have suggested. Rather, as Englander (1983) also found in Britain, many tenants chose to express their self-, social- and place-identities by maintaining social relations between neighbours and the collective appropriation of interior shared spaces.

**Deciphering the Residents’ Connotation and Use of Space**

To discover the activities, customs and life styles of the residents during the whole period of this study, an analysis of narratives has been completed. Text analysis of
autobiographies, diaries and novels enables the designs, meanings and uses of dwelling environments to be deciphered. In general, analysis of these documents shows that, during the 19th century, the definition of those architectural boundaries delimiting public and private space was not explicit. The design and use of collective spaces and facilities in each building or court enabled the enlargement of the dwelling unit beyond the physical, judicial and symbolic barriers defined by the entrance door. It has been noted that it was commonly at the border between the private and collective spaces (by the entrance door, or at the windows) that residents expressed their behaviour towards their kith and kin. These thresholds were appropriated with decorated wares, and internal collective spaces were used for diverse activities (such as household chores and children’s play). Such practices tempered the stark physical boundaries of each dwelling. Spatial meaning was expressed by unwritten social rules and conventions about how and when residents used collective spaces and facilities. These rules and conventions were known to all the residents, but they could choose whether they would respect or contradict them. Some codes of conduct would have been interpreted from different spatial dispositions (leaving the main door to the flat ajar being a code for access to the private realm, and the bedroom door remaining shut being a code for non-accessibility to that room). Therefore, as Peter Dickens also notes in his chapter, the meaning and use of space cannot be prescribed by deterministic associations between human activities and the spatial organization of buildings, as Coleman (1985) and Hillier and Hanson (1984) have maintained. In principle, there is no one-to-one relationship between architectural and behavioural boundaries. This is precisely why tenancy agreements and the surveillance of the residents had to be introduced in tandem with the explicit spatial reordering of the interior collective spaces and facilities. Together, they have usurped those tacit rules and conventions associated with daily life in the tenement buildings by imposing new administrative, physical and judicial barriers, which are still enforced today. In fact, the recent survey of urban rented housing confirms that these ways and means have served their intended purpose. (This subject will be addressed in future publications about that study.)

Synthesis

The development of rental dwelling units in Switzerland reveals how and why the boundaries between private, collective, and public spaces were realigned and redefined during the period considered. Whereas the interior collective domain provides the prime example of a transition space during the 19th century, it has been transformed into a cavernous, coercive passage devoid of any potential use other than circulation. Moreover, it is more strongly demarcated from both the private and public realms of residential areas than in the past. This transformation has proceeded concurrently in four ways: by the realignment of physical boundaries that explicitly delimit public, collective, and private spaces by means of walls or other architectural elements; by the redefinition of symbolic markers, such as the suppression of those household objects commonly furnished by the residents around the entrance door and windows of their dwelling unit; by the introduction of judicial borders as explicitly defined in tenancy agreements; and by the establishment of new administrative, physical and judicial barriers. This is precisely why tenancy agreements and the surveillance of the residents had to be introduced in tandem with the explicit spatial reordering of the interior collective spaces and facilities. Together, they have usurped those tacit rules and conventions associated with daily life in the tenement buildings by imposing new administrative, physical and judicial barriers, which are still enforced today. In fact, the recent survey of urban rented housing confirms that these ways and means have served their intended purpose. (This subject will be addressed in future publications about that study.)
agreements that prohibit the use of collective spaces for private activities; and by the maintenance of administrative limits to regulate the use of space, such as the surveillance of residents' activities by a caretaker.

This study also illustrates that, like professional housing managers, architects and designers do not act autonomously but in the context of contextual conditions that vary in number, scope and strength according to the specificity of each design and planning problem. Consequently the contextual conditions presented and briefly illustrated in this chapter indicate that the role of architectural design should be redefined to focus less on styling and social engineering and more on principles and practices that promote a catalyst for defining and monitoring a civic and environmental order in which individual freedom and communal consensus are both actively present. From this perspective a contextual approach is necessary in order to identify the aspirations, emotional commitment and values of diverse groups of citizens which are integral constituents of their self-, social- and place-identities.

In sum, this study of the provision, construction, management and use of private rental housing in the Canton of Geneva illustrates, at a more general level, the interrelations between the design, tenure and meaning of housing. It also shows why and how some of those restrictive interpretations cited in earlier sections of this chapter can be replaced by a contextual and historical analysis of housing design and tenure. This kind of analysis shows how broad generalizations about tenure status, as well as the public and private provision of housing, ought to be replaced by contextual studies of the rights and obligations of individuals, groups and individuals in relation to the ownership, control and use of housing units. These rights and obligations may vary between authorities, landlords or other property owners in the same society or town as well as over time. It is suggested that the approach advocated and illustrated in this chapter can identify the relativity of them. Last, but not least, when this approach is applied, it is apparent that it is arbitrary to dissociate housing design from provision, ownership and management. Therefore, it is not only instructive but indeed necessary to reconsider housing design and tenure in context by examining the interrelations between these and many other constituents of housing using an integrative historical perspective.

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HIGH-RISE LIVING: THE SOCIAL LIMITS TO DESIGN

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High-rise Design and Social Life: An Introduction

"A city for the people of today with the living qualities of tomorrow"; "a city amidst beautiful natural surroundings"; "a city with optimal privacy in the dwellings while offering optimal possibilities for encounter outside the dwelling"; "a lively, quiet and safe city"; "a city where you can live". One would not readily associate these promising words with the high-rise estate Bijlmermeer in Amsterdam. Yet Bijlmermeer is the ‘city’ these flattering epithets refer to. The above quotations are derived from official documents and express the ambitions the municipal government has harboured with respect to the area. The Bijlmermeer was to have been the pinnacle of Amsterdam’s prestigious planning history, but, it became one of the Netherlands’ biggest planning disasters.

As an example of great urban planning intentions gone wrong, Bijlmermeer is not an isolated case. Neither its utopian launch nor its present problems -- like a poor and ethnically diverse population, a high turnover rate, desolate neighbourhood centres, and a high incidence of vandalism, filthiness, burglary, muggings and drug abuse -- are exceptional. Throughout the Western World, the post-war high-rise estates of the fifties and sixties have become the contemporary version of the ‘eternal slum’ (see Wohl, 1977), no-go areas for decent people but prominent in their conversation.

Ironically, these areas are the product of a housing policy which originated from a general outcry over the bad living conditions in the 19th century urban slums. These high-rise estates were the ultimate response to the massive post-war need for housing. It may be said that the policy was successful, as far as the quality of the dwellings is concerned. By current standards, the dwellings built on the post-war high-rise estates are not bad at all, at least relative to other housing in the Netherlands. So what went wrong? Given the newness of the planning approach, it is not surprising that the blame was put initially on the architectural design and physical layout of the high-rise estates.

At the beginning of the seventies, Oscar Newman (1972) developed his concept of ‘defensible space’, which was to dominate the discussion for years. In his view, the incidence of crime and vandalism are consequences of a dwindling commitment
of people to their environment. Only a new approach to urban planning and architecture can restore their commitment, he argues. Central to this alternative approach to design are the concepts of ‘territoriosity’ and ‘surveillance’. Newman relates these concepts to the physical features of housing estates, like the layout of public spaces, the visibility of entrances and corridors from the outside, and the number of dwellings per block.

The environmental determinism inherent in Newman’s study attracted severe criticism. Nevertheless, the idea that the physical environment is a powerful factor in the social life and problems on housing estates remained appealing. Others, like Alice Coleman, adopted Newman’s position. In her study *Utopia on Trial*, Coleman relates the incidence of social problems directly to the architectural design of housing estates. She identifies five design features as being particularly responsible for the social malaise of post-war high-rise blocks: number of dwellings per entrance, number of dwellings per block, number of storeys, overhead walkways, and spatial organization of the estate (Coleman, 1985:80). However, the findings of this study also gave rise to controversy. This chapter reviews the theoretically inspired critique which blames the social malaise on the concentration of poverty in high-rise estates. That argument accuses Alice Coleman of ignoring the processes that concentrate poor people in undesirable housing and for downplaying the consequences of the concentration of poverty on the living conditions there (Spicker, 1987; see also Dickens in this volume). Other critique puts Coleman’s findings in perspective, referring to trouble-free high-rise blocks and to cases where row housing exhibits social problems like those generally ascribed to high-rise housing (Van Kempen and Musterd, 1991; Spicker, 1987; Westerterp and Musterd, 1987). Thus, the relation between the design of an estate and the social life that evolves there remains unclear, to say the least, in the literature.

In this chapter, I will try to clarify this relation. The heart of the matter is how high-rise design influences social life on high-rise housing estates. High-rise housing is an apt focal point to analyse the relation between social interaction and design (defined as ‘the ordering of the built environment’; see Lawrence in this volume). Post-war housing estates provide a fruitful field for study because of their utopian intent, their distinct character, and the often undesirable social outcome of this approach to planning. Thus, the focus will be on the counter-productive side of high-rise living, i.e. the social problems encountered in public high-rise estates. As far as ‘design’ is concerned, I will not deal with the interior layout of the dwelling or its influence on family life. Rather, I focus on the high-rise estate as a purposely designed human environment. It comprises at least several high-rise blocks. In the Netherlands, these are often of the ‘slab block with balcony access’ type with lifts, of five storeys or more, and containing at least a hundred dwellings. I will first discuss the relation between high-rise housing and the incidence of social problems, giving particular attention to differentiating mechanisms and the labelling process. Then I will consider the much debated issue of a causal relation between high-rise design and the occurrence of social problems. In developing this point, I draw special attention to the meaning of the ‘home’ in contemporary Western society.
A Contingent Relation?

Identical design does not imply identical problems. Several case studies of high-rise estates in the Netherlands show that both the social climate and the satisfaction of the inhabitants with their living conditions vary considerably, even between nearly identical housing blocks (Heeger and Van der Zon, 1988; Van Kempen and Musterd, 1991; De Waard and Van Kempen, 1988). One of those studies compared 49 high-rise blocks of the ‘slab block with balcony access’ type on four housing estates in the middle-sized city of Breda. All blocks belong to the non-profit rented sector and have only minor differences in design features, like the number of storeys and the number of dwellings per block. According to their ‘performance’ in terms of vacancy and turnover rate and satisfaction of the tenants with their living environment, the blocks were divided into three categories: ‘good’, ‘depressed’, and ‘bad’ blocks. Subsequent comparison of the three categories in terms of design and management features and occupancy characteristics proved that neither design nor management could explain the social problems in the bad and depressed blocks, nor the satisfactory performance of the good blocks. Only the characteristics of the occupants differ considerably. The good blocks have a homogeneous population, mainly consisting of older families with the same ethnic background. In contrast, the bad blocks have a young, mobile and relatively poor population. Even in a notorious

Figure 9.1  The relation between tenant problems and affluence

problem estate like Bijlmermeer, the differences in turnover rate, vacancy, rent arrears, and number of evictions between almost identical blocks are large. Perhaps not surprisingly, these differences are closely related to the affluence of the tenants, as Figure 9.1 shows (Brakenhoff et al., 1991). Obviously, there is a link between characteristics of the occupants and the incidence of social problems in high-rise blocks.

These studies buttress the critique of Coleman's environmental deterministic position. Yet they do not give the final word in the debate on whether design generates good or bad living environments. The restricted scope of these studies, concentrating on high-rise blocks and one point in time, raises three questions. Secondly, if occupancy characteristics form such a vital factor in explaining what is happening to high-rise blocks, how do identical blocks obtain a different population? And thirdly, even though it has been shown that certain problems only occur when the occupants are poor and transient, how can we be sure that the recurrent problems are not linked to the high-rise design? Firstly, what is the role of the high-rise design in concentrating poor people on high-rise estates? There is ample ground for raising these questions. The mere existence of trouble-free high-rise blocks at least shows that the relation between high-rise design and incidence of social problems is a contingent one. Still, it remains true that high-rise estates are more likely to have a poor population than other post-war housing projects, and that high-rise blocks are overrepresented among problem blocks (Coenen, 1986; Hoenderdos, 1987; Van Kempen, 1987). In the following, I will discuss the three questions.

High-rise Housing and the Concentration of Poverty

In his critical review of *Utopia on Trial*, Spicker (1987) emphasizes the importance of the spatial concentration of poverty for understanding the problems of high-rise estates. Explaining this concentration, he states that "those people who are least able to exercise choice end up in the places least to be chosen" (Spicker, 1987:288). This statement comes close to what has been called 'the housing market paradox' (Priemus, 1984:175). The paradox implies that the so-called available housing is not really available at all, because the tenants are not likely to move. Their immobility leaves the less desirable housing to people who have few opportunities and are in urgent need of accommodation. This mechanism is even at work in housing markets where the allocation of rental housing is controlled by local government, as in many municipalities in the Netherlands. Usually the allocation system is based on the assignment of 'urgency points' to applicants for public housing, the total score reflecting their family status and time on the waiting list. To qualify for popular housing, one needs a high score. This allocation system has an unintended effect: the very people who cannot wait get stuck in accommodation that others would reject (Van Kempen, 1988).

There are many reasons why people would not want to live in a particular place. Among these reasons, design certainly is prominent. When asked about their housing preferences, most people say they would like a single-family home. Although these
preferences cannot be used to forecast the housing market behaviour of individual households, they do give a good impression of the widespread distaste for high-rise living. This rejection may account for the overall low position of high-rise estates on the housing market. Ultimately, it may explain the concentration of poor households on high-rise estates. However, despite the generally low appraisal, some high-rise estates hold a more favourable position and house a more affluent population than others. A complex set of factors seems to be at work, which will be reviewed in subsequent sections.

Differentiating Forces: Physical Design and Location

The stereotype of the post-war high-rise estate is the problem-ridden public housing project, built in the fifties or sixties at the edge of the city and at high density. The high-rise blocks are mostly concrete slab construction and rarely have, at least in the Netherlands, more than eight storeys. However, this stereotype does not fit all post-war high-rise housing. Tower blocks are a more popular design alternative. More luxuriously equipped, better guarded and often cooperatively owned blocks of flats prove to be a successful alternative to low-rise living for the older, richer people, even when they are located in the suburbs (Hancock, 1980:171). Not all blocks have a peripheral location. A central location can be decisive in balancing high-rise and low-rise living, especially when time is scarce, as is for example the case with ‘dual-earner families’. Feminist researchers have shown that these households value the ‘situation’ qualities even more than the ‘site’ qualities of a home, because of time considerations and the daily recurrent necessity to combine paid employment with domestic responsibilities (Droogleever Fortuyn, 1993; Karsten and Droogleever Fortuyn, 1988). Then, the way high-rise housing is responding to the class position and life status of households, as well as to the gender division of labour within households, is important for an understanding of the attractiveness of an estate. In this respect building type, equipment and location are important design and planning characteristics.

Differentiating Forces: The Housing Market

Physical differences between blocks like the above-mentioned ones help us to understand the relative attractiveness of diverse high-rise estates. Accordingly, the reasons why identical blocks have different populations must be related to other features. To understand this discrepancy, we need a broader scope, one that gets away from design and layout.

In an essay on the upgrading and downgrading of urban areas, Herlyn (1989) points to the importance of the local situation in understanding neighbourhood change. Whether a neighbourhood is in a growing or declining area or city is essential to the chances of the neighbourhood. In a declining city, it is argued, less popular areas like the high-rise housing estates of the sixties and the beginning of the
seventies are especially prone to ‘social erosion’. Central to the argument is the loosening of the housing market in declining areas as a result of economic stagnation and population decrease. The subsequent fall in demand gives the more well-to-do tenants on the high-rise housing estates the opportunity to move and change homes, leaving the estates to people who are ‘socially marginalized’ and have no choice whatsoever. The implicit proposition of the argument is that in growth areas, the weak position of high-rise estates on the housing market is covered up by an overall housing shortage. However, housing demand can also fall in growth areas. A case study of the history of Bijlmermeer in Amsterdam, for example, shows that the fate of the estate fluctuated with the conditions on the housing market. In a period of declining population, due to a high housing production in the region and a stagnating housing production in the city itself, the high-rise estate was more prone to social decay than in times of a growing demand (Van Kempen, 1987). Here a sudden oversupply on the regional housing market made the vulnerable position of the estate on the housing market manifest.

Besides the demand -- supply relation on the local and regional housing market, there is a second facet of the local situation which is at least equally important for a better understanding of the different performance of the same kind of housing in different areas. I am referring to the structure of the local housing market. In areas with a high proportion of high-rise flats, high-rise does not automatically take the lowest position in the housing hierarchy. Nor does single-family housing automatically take the highest position in areas where this type of housing dominates. In both situations, location gains importance as a discriminating factor (Van Kempen, 1992). Changes in the structure of demand can add to this tendency. One of the most discussed changes is the disappearance of the traditional family as the dominant household type in the big cities. This has been accompanied by the rise of the so-called ‘new urbanites’, e.g. the young singles, childless couples, and dual-earner families. Research has shown that these new-urbanite households are more likely to favour high-rise housing, especially when it is well located near the city centre, well equipped, and safe (Vijgen and Van Engelsdorp Gastelaars, 1986; Wijs-Mulkens et al., 1989). These requirements correspond with the above-mentioned differentiating features of the high-rise design.

Differentiating Forces: The Labelling Process

High-rise and Labelling Theory
The development of divergent social climates in similar housing blocks that are located in different areas may point to the influence of housing markets with disparate structures. However, the specific structure of the housing markets does not seem to have any bearing on the emergence of so-called problem blocks within a given area or housing estate, since similar blocks may be doing quite well.

Case studies of problem estates (Herbert, 1979; Van Kempen, 1987; Rainwater, 1966; Ravetz, 1985; De Waard and Van Kempen, 1988; see also Goetze, 1979:31ff.) stress the importance of ‘labelling’ in understanding the persistence of
problems on these estates. Once an estate has a bad reputation, it is argued, tenants and managers work together with the local authority, as a rehousing agent, although not intentionally, to reinforce the stigma of the estate. Tenants who are able to leave move out. Meanwhile, applicants for a council flat who are able to wait refuse to move in. Managers react by neglecting the upkeep of the estate or -- just the opposite -- taking discrete measures to improve the situation. Often these measures prove to be 'counter-productive' because they stigmatize the estate still further. Eventually, local authorities adapt their allocation rules. This is done either formally, by giving the estates a low appraisal, or informally, by assigning the houses on the estate only to applicants who are perceived as willing to accept.

Central to the behaviour of tenants, managers and agents is the definition of the situation on an estate or in a housing block as 'deviant'. According to labelling theory, we may define deviance as the infraction of some agreed-upon rule. At the basis is not the deviant act, but the rule-making society: "Social groups create deviance by making the rules whose infraction constitutes deviance, and by applying these rules to particular people and labelling them as outsiders" (Becker, 1963:6). Although labelling theory has been developed within the context of criminology and focuses on deviant behaviour and groups, it can be easily applied to other social phenomena like problem estates as well. The central message is that the issue is not the life on problem estates itself but the way it is evaluated by mainstream society. This evaluation of the core of the problem becomes a significant factor in the development of estates. However, not all our questions are answered by this evaluation. Leaving aside the question of the mere existence of generally agreed-upon basic housing requirements (see next paragraph), a central question in understanding the emergence of problem estates remains unanswered by the labelling perspective (see also Schur, 1975:442). Then we ask which aspects of the life on problem estates lead society to initially label them as different and problematic, and why?

**The Role of Occupancy Characteristics**

Occupancy proved to be the only factor which differentiated the good from the problematic high-rise blocks in the above-cited study of high-rise estates in Breda. The characteristics of the occupants also seem to be at the root of the stigma of problem estate. The Ely estate in Cardiff, for example, got its bad name back in the thirties. The early occupants were drawn from the most substandard parts of the old city as part of an urban renewal scheme and were often Catholics. "They had strange names that all began with ‘O’ or ‘Mac’, they belonged to large families, they were poorly dressed and were dangerous when provoked. Their homes were often the rent collectors' nightmare and occasionally poverty would drive them to bizarre behaviour" (Herbert, 1979:132). Vandalism was not unusual. In contrast, the Bijlmermeer estate in Amsterdam did not derive its initial reputation from rehousing asocial inner-city families. Rather, a transient population of non-traditional households - homosexual couples, unmarried couples, singles and a growing ethnic minority - were responsible for the bad name (Van Kempen, 1987). Despite these differences, the initial populations of both estates have something in common: they
were recognized as ‘the others’ by both managers and the general public because of an aberrant way of life. In Bijlmermeer, people from Amsterdam and its surrounding areas already perceived the area as undesirable before the estate was even finished, describing the area as ‘bad for people’, ‘anonymous’, ‘dreary’ and a ‘social dump’ (Wielemaker-Dijkhuis and de Jonge, 1972:33ff.). Similarly, in Cardiff, people who do not live on the Ely estate define the situation there as ‘rough’ and ‘dirty’ (Herbert, 1979:132). Without such a general recognition of a situation as problematic there would be no question of ‘deviancy’, according to labelling theory (Schur, 1975:444).

Labelling and the Emergence of Problem Estates
Schur (1975:441) discerns three types or levels of ‘audiences’ which may react to problem situations and are important in the labelling process. One is the society at large, producing general reactions. Another is the people who are in daily contact with the situation, in our case the tenants of an estate. The third ‘audience’ comprises official and organizational agents of control. Recognition of a situation as deviant by all three audiences is necessary to create a problem estate or block. The history of some problematic high-rise blocks in Leiden, a middle-sized city in the Netherlands, gives a good example of this mechanism. Initially the blocks had favourable occupancy characteristics, due to a tight housing market. Two years after completion, the situation changed because of the loosening of the housing market in Leiden. The general low appraisal of high-rise living manifested itself in a high turnover rate in those blocks. However, neither the housing corporation in charge nor the local authority reacted immediately to the new situation. Only when the high turnover rate proved to be persistent and vacancy threatened did they come to see the area as a ‘transit block’ and adjust their policies to this insight. Crucial to the reputation of the block in question was the temporary rehousing of households from inner city renewal areas there, making the tenants aware of the problematic character of their flats. One tenant comments:

In fact I have always put the blame on those people [from the inner city urban renewal areas]. They stayed only temporarily and were accustomed to completely different houses, not flats. They allowed their children to play in the lift hall with all the ensuing consequences. And now everything is even much worse.

Likewise, another tenant blames the newcomers:

When these dwellings were used to rehouse people, there was also a lot of filthiness. At that time they were busy at the Kooi [an urban renewal area]. Mattresses floated in the pond behind the building, there was litter everywhere and all kinds of rubbish was dumped from the higher floors. I did not dare to park my car near the building because you never knew what might fall on its roof.

Everyone who had the opportunity to leave did so. Consequently, the blocks got a low appraisal in the housing allocation system of the municipality, emphasizing their
'last resort' character for people who have nothing to lose. From that time on, only households who had no choice whatsoever came to live in the blocks. The well-meant measures of the housing corporation, seeking to minimize the nuisance in the blocks, stigmatized the area still further. A striking example in this respect is the removal of windows and doors from the entrance of one of the blocks in order to prevent the hooligans from meeting there, leaving the lift hall exposed to all weather and making the entrance even less welcoming (Van Kempen, 1988).

The self-perpetuating process of labelling is important in understanding the emergence of problem estates. Figure 9.2 outlines the influences and loops of the process. Two factors initially fall 'outside the loops': the 'local housing market' and 'the general appraisal of built form'. At the outset, there is a general or societal rejection of high-rise living. This becomes manifest under certain housing market conditions only, giving rise to a socially aberrant group of occupants as the crucial factor in the labelling process.

Figure 9.2 The labelling process of problem estates
The Social Function and Tenacity of Labels

When a housing estate is labelled as a problem, its name can take on mythical proportions when used as a metaphor in the mass media. This happened to many high-rise estates, making not only the estate but also the built form a symbol of societal threat and undesirability. Such a symbol is difficult to break through. According to Cohen (1985), the social imagery of the city, with its emphasis on social-spatial segregation and separation, serves the exclusionary mode of social control with its practice of social isolation. Cohen considers the exclusionary mode of social control as more powerful than the inclusionary one because of its more easily understandable and psychologically more resonant and satisfying character. "Exclusion fits better the realities, images, desired states and projected futures of the cities. ... The point of exclusion is to create purified domains inhabited by the right groups: not too old and not too young, not too blemished or disabled, not troublesome or noisy, not too poor, not with the wrong-coloured skin" (Cohen, 1985:234; see also Sennett, 1970:50ff.). Physical boundaries and images help to fulfill the symbolic and instrumental functions of social control in clarifying moral boundaries, creating scapegoats, reinforcing social solidarity, isolating deviance and diminishing feelings of fear and terror. Against this background, not surprisingly, physical measures -- like the improvement of the layout of an estate or a cosmetic 'face lift', or even an anti-stigma measure like changing the name of a housing block -- lose their significance. Considered in this light, physical measures can only marginally alleviate the living conditions on problem estates and the stigma of living there.

The Meaning of the Home

Four Dimensions of the Meaning of the Home

Neither labelling theory nor occupancy characteristics conclusively explain the general rejection of high-rise living in favour of the single-family home in Western countries. Although various arguments like "the necessity of utopian thinking to escape from inherited and taken-for-granted building traditions" (Bahrdt, 1969:150), "the cheap realization of utopian dreams mostly in mass housing" (Short, 1989:38), and "the association of high rise housing with mass housing for the poor" (Hancock, 1980) are used in defence of the high-rise concept, doubts remain about the adequateness of the concept itself. Surveys of flat dwellers show that they are generally quite satisfied with their dwelling. Yet the block and the neighbourhood they are living in give rise to feelings of discontent, insecurity and alienation, even in the case of blocks with a relatively good reputation, and are the main reasons why

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1 Under discussion is the meaning of the home from the angle of the people who use it, i.e. the consumers of housing. Outside the scope of the argument is the meaning of the home as viewed by 'professionals' like architects, designers and investors (designated respectively as the bottom up and top down view by Lawrence elsewhere in this volume) and the more general, societal meaning of the home (see Dickens in this volume).
many residents wish to move (see e.g. De Waard and Van Kempen, 1988; Wassenberg, 1990).

Feeling safe and at home are basic feelings a house is supposed to provide in our society. On the basis of research into the housing preferences of people, and elaborating on the idea of Maslow that needs and wants of people are arranged in an hierarchical sequence, Dutch researchers arranged the discrete features of the home environment in a sequential way. They showed that features of a lower order - 'basic features' - have to be present before features of a higher order are perceived as 'lacking'. If basic facilities are lacking in the home environment people will experience this as an acute deficiency, and feelings of serious discontent will arise (Driessen, 1984). Apart from the dwelling itself (size, upkeep), basic facilities refer to the equipment (playground for children) and social characteristics (no noise pollution by neighbours, a quiet street, safe surroundings) of the environment. These features correspond to what I will define as the utilitarian and existential or 'shelter' meanings of the home.

Saunders (1990) calls the home one of the core institutions of modern (British) society. "Home is a key unit of production and consumption ..., but it is also a place where we may expect to experience a sense of personal autonomy and freedom" (Saunders, 1990:263). In emphasizing the central meaning of the home for our everyday life, Saunders joins in with the phenomenological reflections about the subject. Bollnow (1963:123) designates the home as "the centre of the world", as our stronghold in a complex and strange world from which we go away and to which we come back. Home is the place were we experience 'at-homeness'; here we can retire and rest, here we are rooted, safe and at ease (Bollnow, 1963:124ff.; Kruse, 1974:42ff.; Seamon, 1979:78ff.). These statements refer to the ontological security a home offers, the essence of the existential meaning of the home.

A related meaning of the home which I have not mentioned yet has to do with the general inclination to identify oneself with the home and to express oneself through the home: This is my home. My home is my castle. Through the decoration of the house, I show who I am (Kruse 1974: 50ff.). These expressions reveal the sociological or communicative meaning of the home (Pennartz, 1981), the home as a means to display status, the home as a symbol of the self, and the home as the place where society can find me. Several authors (Després, 1991:98ff.; Kruse 1974:53ff.; Seamon, 1979:80) point to the relation between the need for identification and the need to possess one's house. By the act of decoration and furnishing the home, I not only express myself, I also take possession of it and make the house into my home. In this context the concept of territoriality, with the related idea of control, is important (see also Altman, 1975:105ff.). 'Possession' of one's

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2 The German 'wohnen' (and the Dutch 'wonen') is difficult to translate into English. Both the words 'living' and 'dwelling' do not correspond entirely with the meaning of the German and Dutch words. 'Wohnen' is more than living in a home. It has also the meaning of being in harmony with its surroundings and can be used in a metaphorical sense. Thus, it is not only used in relation to a house or dwelling but also in broader spatial and non-spatial contexts. One 'wohnt' in the world; one 'wohnt' in his thoughts.
home serves not only the identification need of people, but also - and perhaps even more important - the need for security and privacy.

Although one can possess or control one’s home territory without owning it, home ownership, it is argued, is an important drive in the context of territorially (Després, 1991:99; Dickens, 1988:228; Saunders, 1990:83; Saunders and Williams, 1988:86). However, home ownership serves more purposes than existential and communicative dispositions. Saunders (1990:85), among others, shows that the initial decision to buy is strongly motivated by economic considerations. This brings up another important facet of the meaning of the home for people in Western society: the home as a capital investment.

Thus when one considers the discourse on the subject, four dimensions of the meaning of the home for people in contemporary Western society may be discerned:

1. the utilitarian dimension, which refers to the home as the site where the reproduction of the household takes place. This includes a lot of day-to-day activities like eating, cooking, sleeping, washing, caring and recreation which the home has to accommodate.

2. the existential or ‘shelter’ dimension, which has the following three aspects:
   a. the privacy aspect, which can be defined as the freedom from surveillance (Saunders and Williams, 1988:88) or as the possibility to control interaction, including both the act of protecting oneself against unwanted behaviour and events and the potentiality of selectively contacting others (see Altman, 1975:17ff., 207). The privacy aspect is of importance for both the relations between members of a household, i.e. within the home, and the relation between the household and others, i.e. the home and the outside world. In the context of this chapter, the last meaning is pertinent.
   b. the security and rootedness aspect, which implies feelings of safety and belonging.
   c. the control aspect, i.e. the ability to decide personally on the use, layout and decoration of the home. In social rented housing, for example, this ability often is restricted by rigid regulations.

3. the communicative dimension, which includes both the down-to-earth meaning of ‘having an address’ where one can be found and the sociological meaning of the display of wealth and status.

4. the capital investment dimension, i.e. the fact that a house is not only a consumption but also an investment good, which means that one can save money for old age or hard times by owning one’s home.

In the preceding, the term ‘home’ is used, although the argument is not restricted to the home in the connotation of ‘house’. The argument also concerns the immediate surroundings of the dwelling insofar as they interact with the home in evoking feelings of at-homeness or estrangement. Now we will consider to what extent the four dimensions of the meaning of the home are met by high-rise design.
Design-related Problems of High-rise Living

The most striking features of high-rise design as embodied in the high-rise estates of the sixties and seventies are its mass and its collective nature. Elsewhere (Van Kempen, 1987:207) I have called these features scale and connectivity. 'Scale' refers to the massive nature of high-rise estates and blocks and the multitude of dwellings, people, cars, dogs etc. they contain. 'Connectivity' refers to the fact that people living in high-rise housing have to share numerous semi-public spaces and amenities, like outdoor and indoor halls, lifts, garbage chutes, hot-water supply, heating, parking lots and lawns. Especially the last feature seems to be characteristic of the high-rise design and, combined with a massive scale, responsible for the problems that occur. However, as argued at the beginning of this chapter, it is a conditional relation. In a stable and homogeneous environment where consensus reigns, the two design features do not lead to immediate and manifest problems. But in housing estates with a heterogeneous, poor and transient population, these features become part of the problem. In that case, they reveal the vulnerability of the high-rise design with regard to the fulfilment of the existential needs a home has to provide for in our society.

Altman (1975:150ff.) deals with the concepts of 'crowding' and 'density', which are close to our concept of 'scale'. He argues that, whereas density is a physical concept, crowding is a psychological one, having an experiential and motivational basis. Central to the argument is that without a sense of crowding, density in itself is not a problem. Feelings of crowding occur when privacy mechanisms fail to function successfully, "Briefly, crowding occurs when privacy mechanisms fail to function successfully, causing a person or group to have more interaction with others than is desired: that is achieved privacy is less than desired privacy" Altman, (1975: 146) states. According to Altman (1975:158ff.), in a socially dense situation - i.e. where density is high, physical resources are limited and few behavioural options are provided; a situation which is impoverished and undifferentiated - people are more prone to feelings of crowding. This is often the case when people do not desire interaction and have feelings of stress, and they use a variety of coping behaviours which do not work or are very costly.

Considering Altman's analysis, we may conceive of the high-rise estate, with its heterogeneous, transient and poor population, as a 'crowding-inducing environment'. In such an environment, the 'connectivity' of the design, combined with a massive 'scale', can provoke a range of social problems which in turn can cause a sense of crowding. Within this context at least four types of social problems can be discerned (see also Van Kempen, 1987:207ff.):

1. Proximity. Problems may result from living close together with many people in anonymous surroundings. Deviant behaviour will have a high impact on the living conditions of others, especially when the offending person is difficult to trace, as often is the case in high-rise blocks.

2. Congestion. Insignificant everyday activities can become a problem when everybody does the same thing at the same time. Queuing for the lift and the impossibility of taking a shower at peak hours because of inadequate hot water are typical examples of this kind of problem.
3. Lack of feedback. In a massive environment with a lot of collective amenities, individual action to solve even concrete problems, like filth or high heating costs, makes little sense unless everybody does the same. This type of problem can lead to indifference or even apathy with regard to the immediate surroundings, furthering withdrawal into the home.

4. Anonymity and lack of social control. This is the kind of problem which is mostly referred to in relation to high-rise living. Whereas people live close together, contact between neighbours is rare, at least on problem estates. People often do not even know the other tenants of their block by sight (Michelson, 1970:188; Van Gool et al., 1989; De Waard and Van Kempen, 1988). This becomes a problem when it arouses feelings of social isolation, which is particularly the case in the lower class, and when it leads to the demise of social control. The high-rise design, with its many semi-public spaces, reinforces feelings of anonymity and insecurity. Accessibility is high, but nobody knows whether somebody else has the right to be there or not. So, semi-public spaces like the entrance hall, lift and stairwell score high in arousing feelings of insecurity (Van Gool et al., 1989; Van Wegen and Van der Voordt, 1991:178).

The above problems suggest that the high-rise design is at least not a neutral factor in the emergence of social problems in high-rise housing. However, the central question of whether the meaning of the high-rise apartment as a ‘home’ is eroded by the high-rise design remains to be answered.

*The High-rise Flat as a Home*

When asked about their satisfaction with their dwelling, households living in high-rise housing prove to be nearly as content with their dwelling as households living in row houses. Usually they are very satisfied with the living space, the interior arrangement, and the facilities in the flat. So we may conclude that the high-rise flat itself meets at least the utilitarian requirements of the home. However, the satisfaction among high-rise tenants is much lower when the immediate surroundings of the flat are taken into account. Then problems of ‘proximity’, ‘congestion’ and ‘lack of feedback’ come to the fore, undermining the utilitarian function of the high-rise flat as a ‘home’. Comments of high-rise tenants speak for themselves:

> The stench of the food was not bearable any more. I have filled up the shower-ventilation shaft because when you came into the shower stall at night, it smelled like we had not flushed the lavatory. That we have to accept all this!” (an example of the proximity problem; De Graaf, 1992:60)

> When you want to take the lift, you always have to wait. Often the lift is broken, or otherwise someone has blocked it because there is really always somebody on the move. Besides, you cannot speak of a lift actually, it is more like a urinal. (an example of the congestion problem; unpublished quotation from an interview with a Bijlmermeer tenant)
The dog dirt, that is really a problem. Sometimes they take out their dog too late or let him out in the gallery. When I was new here, I thought about mopping it up, but I did not do it because within an hour you could start again. (An example of the lack of feedback problem; unpublished quotation from an interview with a tenant from a high-rise estate in Leiden)

On heterogeneous high-rise estates, tenants are rather wary about approaching their co-tenants on deviant behaviour. "Before you know it they become aggressive" and "It really annoys me when I see that someone is vandalizing something, but I do not dare say anything; I am afraid. They know exactly where I live." These statements were given by two high-rise tenants in Leiden in defence of their refraining from interference. The existential meaning of the home, especially the control aspect and the security and rootedness aspect of this dimension, are involved here. Although the physical design as such does not cause the problems, the unavoidable daily confrontation with the unfamiliar behaviour of 'strangers' within the realm of the home environment lies at the root of the problems. In fact, we are talking about the 'anonymity and lack of social control problem'. A great deal of what goes on is not seen because of the physical layout of the high-rise buildings. But when seen, people usually shut their eyes to it. If not by sight or reputation, high-rise tenants often do not know each other at all. Because of privacy considerations, even next-door neighbours are kept at a distance. A Bijlmermeer tenant describes his relation with his neighbour in the following way (Van Gool et al., 1989:134): "Next door lives something, it lives there and it does not say anything." Still, this tenant, like many others, mentions anonymity and the possibility to withdraw into the home and avoid gossip as one of the most important advantages of high-rise living. "You close your door and you are on an island." "When I walk out of the door, I think ugh, but inside the front door I feel very much at home." These are frequently heard sentiments. Noise from neighbours, although frequently mentioned as an intrusion of privacy, is rarely experienced as an unbearable nuisance but rather as something you have to cope with.

When they [the upstairs neighbours] came to live here, there were some problems. They hung their clean linen in front of our windows and they played records the whole day with music that was impossible to listen to. But we have settled it amicably. (unpublished fragment of an interview with a high-rise tenant in Leiden)

The upstairs neighbours make a lot of noise, so we can also be noisy. That is the bright side of it. (tenant from Bijlmermeer; Van Gool et al., 1989:114)

The other side of the privacy need, the need for 'self-controlled contact with others' (see Altman, 1975:23), is more difficult to fulfil. The flat is too large. I've lived here already for four years and I still don't know anybody. Every day you see new faces. (tenant from Bijlmermeer; Van Gool et al., 1989:135)
Especially in high-rise blocks with a rapidly changing population, people complain about the lack of contact. In homogeneous blocks, the lift is a meeting place (Van Gool et al., 1989: 117). But in heterogeneous blocks with a rapidly changing population, it is a frightening spot which demands social distancing. Not so much the layout of the high-rise flat itself but its direct physical and social setting seems to be responsible for a low achievement in the sphere of the existential or shelter meaning of the home.

"Even if you have explained exactly where you live, they cannot find you. The blocks are too long and the numbering is unclear," complains a tenant from Bijlmermeer (unpublished interview fragment). "And if they have found you, they cannot reach you because the bells and intercom system are vandalized," the same tenant goes on. The uncertain receipt of mail because of vandalized letter boxes in the central entrance hall is another often-heard complaint of the same type. The performance of the high-rise flat as an address proves to be far from perfect. As a means to express the self and display status, the high-rise flat also fails, at least when it is not located in a luxurious high-rise building. Often, as has been argued before, people living in public high-rise housing estates do not live there by choice. Furthermore, like in most rented social housing, rigid regulations restrict the refurbishing of the flat and the use of semi-public spaces, imposing rather than expressing the identities of people (see also Dickens in this volume). Otherwise, the interior furnishing of the flat as a means to show off is of little importance, against the background of the overall low evaluation of high-rise living and the powerful image of the entrance of a high-rise building. Though not for the tenant himself, for the outside visitor the entrance is the first contact with the private world of the high-rise tenant.

The entrance hall of the flat is very important. People are coming into your home this way. I always feel ashamed. It is a big nasty mess. (high-rise tenant from Leiden; Van Kempen, 1988)

It does not bother me so much, but if friends come over, saying to me, 'Gosh, what an entrance, what a lift!' then I think, yes, it is true. But I don't mind it that much. Yes, I find it annoying. If it was different, it would be nicer. (high-rise tenant from Leiden, Van Kempen, 1988).

Efforts to improve the entrance or to give it a personal touch are granted a short life, if only because of the 'lack of feedback' and the 'anonymity and lack of social control' problems. Such short-lived improvements are mostly confined to the gallery or lift hall on the floor where someone lives.

In the beginning I swept the entrance hall regularly. He [the cleaner] comes on Monday and Wednesday, so for five days you have nothing. It was hopeless. Now I sweep the hall on Saturday only when I have guests because I am dreadfully ashamed. (high-rise tenant from Leiden. Unpublished interview fragment)
I also tried to make it more cosy in our hall on the gallery. I had placed a small table there with a tablecloth on it and a small bouquet. Within ten minutes everything was gone. (High-rise tenant from Leiden; Van Kempen, 1988).

So, the communicative dimension of the meaning of the home, in addition to that defined by the reputation or stigma attached to the high-rise block in question, is very difficult to realize in high-rise housing.

The last dimension, the capital investment function of the home, needs little discussion. In the Netherlands, where the high-rise housing tradition is very short, the bulk of high-rise housing is constructed as rented housing in the social sector. This has defined the image of the high-rise flat. Even in America, where apartment living has a much longer tradition and was first prevalent among the upper and middle classes, high-rise housing is associated with second-class citizenship and the publicly subsidized housing sector (Hancock, 1980:188ff.; Doucet and Weaver, 1991:415). Apart from the managerial problems and extra costs which the massive character and many semi-public spaces of high-rise housing entail for homeowners, such an association hampers promotion of the idea of a high-rise flat as a good investment. The real situation, at least in the Netherlands, is that most of the high-rise dwellers are renters who only can lose by investing in the refurbishment of their home.

In the simple everyday activities and feelings, the vulnerability of high-rise design becomes clear. Some of the annoyances described are inherent in high-rise housing. Others only occur when there is a heterogeneous, transient and poor group of occupants. But when they do occur, these annoying situations affect the essential dimensions of the meaning of home for people in our society.

Conclusions

However powerful the inspiration of architectural utopias like the Radiant City of Le Corbusier may be, once realized they do not lead to the social life they envisaged. Architectural design alone is not sufficient to create the communal life and harmony these ideas strive for. At most, the relation between design and social life has a contingent character, attaining its aims only under socially favourable conditions. This applies both to the initial design and to physical measures to improve the living conditions on a housing estate. Cohen, for example, states that security measures to enforce social control and ‘defensible space’, like ‘fortress living’ or ‘closed television circuits’, are also the very problems of modern city life. One cannot regenerate the community of a bygone era through efforts of will or urban planning and design (Cohen, 1985:69, 214ff.).

In defence of modernist architecture, with the high-rise housing estate as its ultimate consequence, attention is often drawn to the process of cutting back that took place during realization. This was the case in Bijlmermeer. As elsewhere, a lot of the planned amenities and facilities were dropped, under pressure of mounting costs and profit-seeking industrialized building firms (see also Dunleavy, 1981:59ff.;
Knox, 1987:358). Nevertheless, it is too easy to blame cutbacks for the social failings of high-rise estates. Short (1989:37), among others, puts the blame on modern architecture itself, which he reproaches as "weak on needs, appropriate human scales, social credibility and compassion." This corresponds with our analysis given above. It is argued that the massive and collective nature of modern high-rise design, as expressed in the 'scale' and 'connectivity' of the high-rise building, is responsible for many of the everyday problems of high-rise living and its generally low appraisal. In this context, 'connectivity' should be considered the essential characteristic of high-rise design. However, high-rise design is neither a sufficient nor a necessary condition for the emergence of social problems on housing estates. The crucial element is the combination of this design with a heterogeneous, transient and poor population. Under this condition, the meaning of the high-rise flat as a home is undermined, fostering negative ideas about high-rise living.

It is not by chance that high-rise housing is associated with public housing and the poor. Post-war high-rise housing is mostly realized as rented housing in the social sector. The low appraisal of high-rise living has led to further segmentation along lines of income, opportunity and housing type. Whether this segmentation process also leads to the concentration of a socially marginalized population in high-rise housing depends on the structure of the housing market. It is argued here that such concentration will be less likely in an expanding area with a tight housing market or in an area where high-rise housing is a common housing type. Indeed, concentration of a marginalized population is more likely in declining areas where the housing market loosens up or in areas where row housing predominates. Also the labelling process plays a differentiating role. In England and the Netherlands, people generally have a strong preference for the single-family house. In countries where high-rise living is a more widely accepted way to live, the initial societal stigma will be smaller or even absent. However, once imposed, it proves to be difficult to get rid of the stigma. A label or stigma directs the actions and feelings of managers, agents, and tenants and is reinforced by the labelling process. This makes it very hard to change the conditions determining the fate of a housing estate, once a downgrading process has set in. Through the labelling process, architectural design and social meaning become merged in public opinion.

Whereas massive high-rise housing is usually seen as a problematic relic of the past, massive public high-rise housing is still being built in the Netherlands, although incidentally rather than as a trend. This turns an analysis of what went wrong with high-rise housing into more than an academic exercise. However, above all, because of its societal and ideological ambitions, post-war high-rise housing is a powerful illustration that there are 'social limits to design'. This applies not only to modernist architecture. Massive high-rise environments have also been built in the post-modernist style. And although post modern architecture is often dismissed as a reaction to the utopian ambition of Modernism, we are admonished to consider its timely and often supreme intentions (Goodchild, 1991:142ff.; King, 1988:465ff.; Knox, 1987:361). This chapter should not be construed as the final argument against high-density housing or flat living as such. Other considerations, like ecological ones, have to play a part in decisions on our future built environment. The intention
of this chapter is to present the case for more modest expectations regarding design as an instrument of social change. This chapter argues in favour of a design which is not mainly aesthetic or utopian but, first and foremost, in tune with the basic dimensions of the meaning of home as held by people in contemporary Western society.

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