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The Right to Housing in Spain: Community Action and Alternative Housing Models

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The Right to Housing in Spain:

Community Action and Alternative Housing Models

Georgia Sparks

Spain: Policy, Law, and Regional Autonomy in Europe

Victor Tricot

May 16, 2020

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Abstract

The right to housing is guaranteed by Spain's constitution, the principles of the European Union, and U.N. human rights treaties to which Spain is signatory, yet Spain scarcely provides affordable housing and leaves its citizens struggling with poverty and unable to find a place to live. Unlike much of the rest of Europe, Spain's social rented sector represents less than 1% of its total housing stock. Through policies that favor homeownership, promote the real estate market, and privatize social housing, Spain has left its citizens reliant on the private market for their fundamental need for housing. Social movements and nonprofit organizations address these failures through a variety of direct actions like preventing evictions and squatting in addition to broader efforts to advocate just housing policy and build community. Observatori DESC, based in Barcelona, works to defend the right to housing through research and political advocacy. This study explores the history of housing policies in Spain, policy and community efforts to address the housing crisis. After examining Observatori DESC's recent publication advocating for urban commons, democracy, and community in the city, this study found Observatori and the PAH

movement advocate for housing policy through a holistic critique of the housing crisis as a result of state policies that increase profits for international corporations while further impoverishing the most vulnerable and look to immediate community action as a way to protect the human right to housing.

Introduction

I was drawn to study affordable housing based on my interest in building just cities. As the SIT curriculum taught us the history of Spain and the Basque country, I learned about regional independence movements, the experiences of national minorities, Spanish political parties, and the institutional framework of the European Union. It was fascinating to see the connections my professor and my classmates in Spanish class were able to make between current events in politics and the historical roots of those conflicts. My final project for Spanish focused on the famous anti-austerity movement 15-M, and I was fascinated to learn that the Occupy Wall Street Movement borrowed many strategies from the Okupa squatters' movement in Barcelona. While attending college in New York City, I've become increasingly aware of systemic flaws in our social and economic policies which exacerbate poverty and homelessness and promote gentrification. I've always been interested in how the government and big business sacrifice the wellbeing low-wage workers and city residents bear in order to profit from urban development. Through my courses and engagement with current affairs, I became aware that unemployment and housing were some of the most pressing issues in Spain, particularly for young people. I wanted to study affordable housing because I considered it one of the greatest gaps in my understanding of social welfare and how governments build and develop cities.

While the Spanish welfare system is strong in providing affordable education and healthcare, unemployment and lack of access to housing threatens much of the population, especially low-income families and young people. The government forces people to rely on the private housing market rather than providing for the basic right to housing. The Bank of Spain reported in 2019 that the average cost of rent has risen 50% in the past five years. Low-income families and young people are hit the hardest. People under 30 now have to spend over 94% of their salary to live alone, leading only 1 in 5 of Spaniards under 30 to move out of their family homes (Troya, 2019).

While much research has been done on the instrument of social housing and the history of the mortgage crisis in Spain, proposed solutions are often limited to policy efforts that promote social housing and regulate real estate speculation by financial institutions. The Spanish government must indeed enact those changes but as long as their goal remains economic productivity over human rights, the housing crisis may continue to plague the citizens of Spain. Social movements like PAH and human rights centers like Observatori DESC provide models of action that include direct support from and for members of the community, a pool of resources and data on housing, and broader visions for expanding democracy and building just cities. *Methodology*

I began my research by surveying the literature on housing, reading papers on housing as a human right, its history since the dictatorship, recent policy efforts, and social movements fighting for housing rights. I examined social rented housing and affordable housing trends across the European Union in order to situate Spain among its peers. Then I examined Observatori DESC as a specific case of an organization working on housing rights. While initially I hoped to interview individuals working on housing, such as urban planning experts and

or nonprofit employees, the circumstances of the pandemic made that aspect of my research unfeasible. I also hoped to study a range of Observatori DESC's projects but time constraints led me to survey the project documents they published on their website and focus on one of their recent publications.

Part 1. Social Housing in Europe

The availability and quality of affordable housing varies widely across the European Union. The European norm for social housing is housing provided by housing associations (either non-profit organizations or local councils), co-operatives, or municipal housing companies. (Directorate General for Research 1996). Social rented housing does not necessarily contribute to economic equality and can actually increase segregation. However rent control on private rental housing tends to reduce investment and quality and poorer, younger households are often excluded. Recent trends in housing policy include minimum standards for housing, private sector rent control, an increase in rented housing, and increasing emphasis in housing quality and individual subsidies. Challenges in housing include affordability, living conditions, access, and homelessness. Northern states are generally more egalitarian and characterized by higher levels of state intervention compared to southern states.

Allen et. al. (2014) argue that housing welfare in southern Europe is fundamentally different from that of northern Europe due to high rates of homeownership coupled with little social housing. While over the past 50 years most European countries have seen a transition from the majority of homes being rented to owner occupation as the main form of access, that shift has been especially drastic in Spain, which has the highest rate of homeownership in all of Europe.

Table 2.1 Housing tenure, European Union countries, circa 2000.

Country	Owner occupied	Social rented	Private rented	Other
Spain (98)	82	1	10	7
Greece (90)	78	0	22	0
Italy (98)	69	5	11	15
Portugal (98)	64	3	25	8
Ireland (98)	78	9	16	3
Belgium (00)	74	7	16	3
Luxembourg (95)	70	3	27	0
United Kingdom (01)	69	22	9	0
Finland (97)	60	14	16	10
Austria (98)	56	21	20	3
France (96)	54	17	21	8
Netherlands (00)	53	36	11	0
Denmark (00)	51	19	26	4
Germany (98)	43	7	50	0
Sweden (90)	41	27	13	19

Source: adapted from Fribourg (2002, p. 3); for Greece, data is from Haffner (1998, p. 46). The year to which the data refer is in parentheses against the name of the country.

(Allen et. al, 2008)

The European Union has no direct competence in housing policy. The 1992 Treaty of Maastricht, which established the European Union and its citizenship, held economic integration as one of its main objectives and housing markets of individual member states influence the overall patterns of economic security across the EU. The European Parliament recognizes that housing is necessary for social cohesion. The European Social Fund works to combat poverty through employment and education but they cannot directly finance housing investment, and instead urge that housing policy be integrated holistically with policies in the areas of health, education, and urban regeneration. Since the EU cannot intervene significantly without transgressing the agreed lines of subsidiary, the responsibility to directly fund housing policies lies at the national level (Directorate General for Research, 1998).

Part 2. Housing in Spain

The right to housing is recognized by the Spanish Constitution and enshrined in several international human rights treaties to which Spain is a signatory. Article 47 of the Constitution declares that:

All Spaniards are entitled to enjoy decent and adequate housing. The public authorities shall promote the necessary conditions and shall establish appropriate standards in order to make this right effective, regulating land use in accordance with the general interest in order to prevent speculation (The Spanish Constitution, 1978).

Two landmark United Nations treaties declare the right to housing and an adequate standard of living: the 1948 Universal Declaration of Human Rights and the 1966 International Covenant on Economic, Social and Cultural Rights.

History of the Housing Sector

The Spanish housing sector is primarily owner-occupied, has minimal social rented sector and government expenditure on housing policy makes up less than 1% of its GDP. sectors.

Housing and real estate have been central sectors of the Spanish economy since the dictatorship. Homeownership has become a stalwart of the Spanish political economy as the direct result of historical state policies. The Franco regime supported the construction sector through direct subsidies to builders in order to promote economic growth rather than works towards social goals. Palomera (2014) argues that housing in Spain is the key link between state policies and the creation of forms of reproduction that take advantage of the most vulnerable and the development of the construction-finance sector. Prior to the financial crisis, 87% of the housing stock was privately owned and Spain had among the highest homeownership rates in the E.U.,

well over the average of 66.8% in 2009. Popular media discourse frames homeownership as a tradition or culture in Spain, when in fact until the 1960s about half of the housing stock in Spain was rented.

After the Civil War, a series of rent laws incentivized rental housing, penalizing new private investments in rental housing leading buildings to suffer deterioration. Additionally, the Spanish housing market has devoted little resources to new public housing for rent. Before the 1960s, there were construction policies in place for social rented housing districts that were publicly owned. When the Francoist government carried out the Housing Plan of 1961-76, they broke with previous policy to build state-subsidised housing in which the new developments could be privately owned. While in the rest of Europe during that time, social housing plans were associated with rent, these policies incorporated state housing into the private market. The results of these policies included popular discourse that rent is a waste of money, resulting in political opposition to fiscal measures that would facilitate public welfare. Studies have found that countries with high rates of homeownership have weak welfare states. Once homeownership is centered in such a way, the state transfers the responsibility for such a fundamental resource to private households, and social inequalities increase as tax benefits are given to homeowners and the working class bears the burden.

The policies of the 1960s also birthed a strong real estate market, which in combination with almost no public housing, left the working class at the mercy of the real estate capital market. The global financial recession in 2007 exposed the basic contradictions of the Spanish housing system built on massive homeownership rate and high mortgage debt while productivity had barely risen in the previous decade (Di Feliciantonio, 2017).

While social rented housing dominates social housing infrastructure across most of Europe, Spain's housing policy strongly emphasizes homeownership and its entire rental sector corresponds to only 11% of the total housing stock (Housing Europe, 2010). When discussing social housing in Spain we are mainly referring to viviendas de protección oficial (VPOs). VPOs maintain their social character for a limited period of time and then may be traded at market prices. Problems arise because owners can easily reclassify their VPO buildings and sell them at market prices, making significant profits. It is in their best interests to sell to credit worthy buyers thus disadvantages low-income households and those with precarious economic situations.

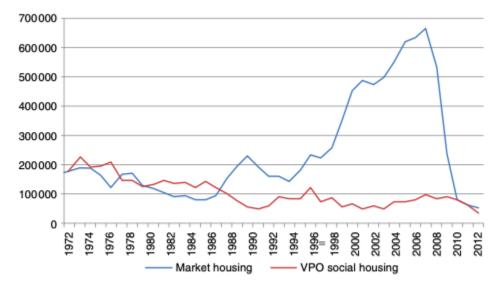


Figure 13.1 Total VPO and market housing construction, 1972–2011. *Source*: Ministry of Public Works 2012.

(Alberdi 2014)

Explanations for High Homeownership Rates

Scholars have taken many approaches to analyzing why Spain's housing system differs so greatly from the rest of the EU. Allen et. al (2004) analyze the relationship between welfare systems and homeownership through four approaches: focusing on individual choices, social

group differentiation in homeownership, state policies promoting competition by public and private sector institutions, and the capitalist economic system. The Spanish housing system is best examined through the third and fourth approaches, examining the effects of state policies on public and private institutions and analyzing the housing crisis as a result of contemporary capitalism. Allen et. al (2004) argue that the social significance of housing has changed since the beginning of the 20th century when in cities like Barcelona, the middle class lived in rented apartments in multi-story buildings. Ownership of the building was inextricably tied to ownership of the land, so the owner of one was the owner of the other and lived in one of the apartments. Meanwhile, the working class owned single-family homes on the semi-urbanized periphery of the city and renting was the norm for the middle class. However as the financial frameworks around apartment buildings changed, the social meaning of homeownership developed and became the most common means to gain access to a home while only the working class and immigrants rented homes.

Within the fourth approach critiquing housing under capitalism, "housing is seen primarily as a commodity and decisions about housing access, production, and so on are reduced to considerations of profitability" (Allen et. al, 2004). Housing plays an undeniably central role in the economy under modern capitalism. Homeownership is presented as key to asset-based welfare through the expansion of credit, while the public welfare provision is strongly reduced and the weight is beared by the citizen. Di Feliciantonio (2017) analyzes how PAH resists the inevitable framing of the neoliberal housing sector and the capacity for social movements to create alternatives by "taking advantage of the basic contradiction of housing in contemporary capitalism, as both a commodity -- a store of value and driver of speculation for financial capital -- and a right -- a basic need to live a decent life." Homeownership in Spain has been emphasized

as an essential tenet of responsible citizenship and moral imperatives which produce guilt and shame when a person cannot pay their mortgage. DiFeliciantonio finds that one of PAH's core political strategies is to disrupt the neoliberal model of personal responsibilization in order to work towards a new model of housing.

Policy Efforts

Prime Minister Pedro Sánchez has recently proposed new housing policy. As of 2011, there were approximately 3.4 million empty homes in Spain and the Public Works Ministry has named that pool of property as one of its main focus. While regional governments control the majority of housing policies and some regions apply sanctions against owners of empty homes, these measures vary widely and there have been instances of regional governments selling off public housing to investment firms liek Madrid did to Goldman Sachs and Blackstone in 2013. Sánchez has proposed some type of national agreement between parties and the government proposes changes to the National Housing Plan, the instrument by which the state can influence powers that reside with regional government. The proposed changes would establish a 25-year protection period for housing built public funds. Public works minister José Luis Ábalos announced that rental leases would be extended from three to five years to provide greater stability and 20,000 homes would be built in high-demand areas. However, social movements and community organizations have stepped up to directly address the victims of the mortgage crisis and propose new visions of just housing systems.

Plataforma de Afectados por la Hipoteca

PAH is one of the most famous grassroots campaigns for housing rights and was directly birthed in response to the bursting of the Spanish housing bubble after the 2008 financial crisis.

The movement was born in Barcelona in February, 2009 as a citizen response to a situation in

which people could not pay their mortgages, were taken advantage of by banks, and were evicted. They are now made up over 226 local nodes across Spain. They aim to stop evictions, convert mortgaged housing stock into social housing for rent, and reform housing policies to protect people. PAH resists the financialization of the fundamental human need for housing: "La injusta y dramática situación por la cual han pasado y pasan las numerosas personas afectadas es consecuencia directa de política públicas creadas para convertir la vivienda en un negocio, en lugar de asegurar que esta sea un derecho garantizado por ley" (Plataforma de Afectados por la Hipoteca, 2020). The ultimate goal is to shift the power from real estate speculation by financial institutions to universal social rights. Seeking to build a new kind of economic reality, their work focuses on concrete solutions to housing problems such as accompanying people to bank meetings and providing communal knowledge from previous experiences with mortgages and evictions. PAH has collected housing data for years, building a database of information from the people they work with and recently published a report on housing exclusion in Barcelona in collaboration with Observatori DESC.

Part 3. Observatori DESC

Observatori DESC is a human rights center that works to dismantle the devalued perception of social rights, the rights to housing, work, education, health and food, in relation to civil, political, and patrimonial rights. Their work consists of political advocacy, research, counsel, the organization of courses and conferences, and strategic litigation. Observatori DESC conducts studies and publishes reports, seeking to denounce violations of economic, social, and cultural rights and improve the guarantee of those rights. They run human rights trainings to provide public administrations the tools to develop policies for social transformation.

Observatori DESC aims to network with and participate in social campaigns. In 2011 they released a project with PAH that collected legal advice to defend the right to housing and energy meant to serve families already suffering eviction processes and struggling to access energy.

Publication: "Códigos Comunes"

Their 2019 publication "Códigos Comunes: Herramientas jurídicas para comunalizar la ciudad y democratizar lo público" focuses on the urban commons and argues that the eradication of the commons is a result of corporate crimes protected by the legal system. Their argument, like Allen and Di Feliciantonio, centers urban issues and the housing crisis in emphasizing an "innegable subordinación de las instituciones públicas a los intereses de un mercado crecientemente transnacional" (Méndez de Andés et. al, 2019). This connection between the State and large companies is framed as "crímines estatal-corporativos" in which the state in conjunction with private business denies the right to housing and promotes commercialization of the city and the commons.

The aim to recover the commons imagines spaces like social centers and community gardens as reclaiming both physical and democratic space. They propose:

En el ámbito de la vivienda, por ejemplo, existen propuestas sobre la cesión de uso de solares públicos, la cocreación público-común de viviendas cooperativas, o la gestión comunitaria del parque público de vivienda social. Tras el tsunami urbanizador y el estallido de la burbuja inmobiliaria, el conflicto en torno al acceso a la vivienda y al coste de la misma ha llevado a la organización de las afectadas en distintos movimientos, como fueron V de Vivienda, la Plataforma de Afectados por la Hipoteca (PAH) o, más

recientemente, los Sindicatos de Inquilinxs, que reclaman la desfinanciarización y recuperación del valor social de uso de las viviendas, como reacción al paisaje devastado que dejó la burbuja inmobiliaria. (Méndez de Andés et. al, 2019).

They conclude that a new urban paradigm is required, one which confronts the private powers and state politics which have monopolized both the commons and decision making power.

Conclusion

There is much work to be done on the part of the Spanish government to live up to their promise to protect the human right to housing. The work of Observatori DESC embodies Di Felicantonio's argument that while alternative housing models cannot yet challenge neoliberalism and financialism on a global scale, local initiatives enacted by local actors can influence power relations and disrupt the logic of personal responsibilization in the neoliberal housing model. Like PAH, they point to structural factors that exacerbate poverty and leave people at the mercy of big business. Both organizations don't consider the housing bubble burst and subsequent mortgage crisis, a "crisis", rather a moment which reflected years of poor public management and coercion between government and private business to commercialize the city at the expense of human rights. Thus, efforts to reform the housing system should not simply focus on creation of new social housing and extended rental periods, but the broader effort to take back democratic power from the rich few and return it to the communities affected by the housing crisis themselves.

Limitations and Recommendations for Further Study

While I initially hoped to interview government officials and researchers working on housing rights, I was forced to leave Spain due to COVID-19 pandemic and complete my independent study remotely from my home. Both location and time restraints prevented me from being able to conduct interviews, and I instead based my study on the analysis of housing theory and the Observatori DESC resources I was able to find online.

Additionally, I did not deeply analyze the governmental structure of housing policy. After Spain was divided into autonomous regions, regional governments controlled most of the housing policy. The decentralized nature of decision making further complicates the implementation of housing policy and it would be interested to examine the ways other European countries with strong regional governments manage the authority to regulate the housing market. It would also be important to compare the availability of affordable housing in rural and urban areas, considering the social rented sector tends to be concentrated in larger cities.

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