

RE-POLITICISATION OF THE PUBLIC SPACE

DEMOCRACY IN MUNICIPALITIES **REQUIREMENTS FOR SOLIDARY HOUSING**

WORKSHOP REPORT
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Report

Re-Politicisation of the Public Space Democracy in Municipalities Requirements for Solidary Housing

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What is the ability of local authorities to provide public goods and services like water, electricity and housing in the catastrophic state of public offers in municipalities, regions and states, in times of a political power shift towards a neoliberal restructuring of the state, the privatisation of public goods and the concentration of wealth under a capitalism driven by the financial market?

What about democracy, the people's participation in political decision-making and their influence in sectors of public goods and everyday life? Are we in danger of a total collapse of our social structure as we know it? What are our rights to housing and to the city? Does the lack of political will for a social and solid answer to the migration crisis and needs of the coming people damage a united Europe? What answers to the lack of political will can be developed in order to change this Europe's basic direction?

These were some of the topics that opened the seminar organised by the Rosa-Luxemburg–Stiftung. Representatives from social movements and the GUE/NGL group of the European Parliament took part in voicing local realities that need answers and reflection.

The seminar put the kind of challenges we are facing in context, painted the picture of various social struggles with special focus on housing and city policies, in different countries and regions. It also identified the mechanisms that led to precariousness, but also pointed out some ideas about strategies and alternatives to be developed, identifying processes of change and victories to retain.

When talking about the re-politicisation of the public space, it is important to address the de-politicisation of the public sphere. How and why did it happen? The privatisation of the public sector started in the 80's, with the ideological background of private property as the main goal of mankind. It legitimised privatisation of every kind of social services and infrastructures, including housing. The relative defeat of the left in the past years closed the space to concepts like common, public and collective. Privatisation developed all over Europe, with different variations, but the same common trend.

Re-politicisation of public space has a lot to do with the social reality and problems at a local level. The proximity of municipalities puts them in an important position to answer to the problems that have a local expression, directly in the lives of people. But municipalities face problems and challenges. They are dealing with extreme difficulties.

Neo-liberalisation and austerity policies gave rise to privatisation and budget cuts that reduced the capacity to have a say on social services, namely in the social housing market. In Germany, for example, 60 municipalities already filed for bankruptcy and more are on the way.

Instead of a public policy for everyone, the market doesn't allow equal participation and denies democracy. One example is MIPIM¹. It calls itself the *world property show*, a real estate fair, where big developers, lawyers, architects, and politicians come together, organising the sell-off of our cities and homes, develop big projects, without any transparency and possibility of participation. The market depoliticises, delegates to investors. But politicisation of the public is what allows the exercise of fundamental rights.

The right to housing

In the middle of the 20th century, there were countries in Europe where all the services and goods were provided by the State, like Eastern European countries, while others like The Netherlands, Austria, Germany had a developed social state and social housing. Contrary to this, in the south of Europe, family equaled sustenance, so the small private property was a guarantee of stability towards an underdeveloped social state. Nowadays the Eastern European countries suffer a huge degree of privatisation and have a minimum social sector; states like The Netherlands sold a big amount of its social services, housing cooperatives were transformed into housing corporations, social housing dropped from 44% to 19%; and the Southern countries which have almost no social housing are dealing with the removal of property from families.

France and Germany have seen the privatisation of social housing (with more than one million units sold to big financial investors), or the privatisation of social housing builders and managers. This resulted in the dominance of an approach based on markets, a raise in rents, and a shortage of accessible offer.

United Kingdom is destroying council housing, a process that started with Thatcher. Meanwhile it developed a rent subsidy for the poor which is dilapidating the budgets and is considered by the participants as the organisation of a huge transfer of public wealth to private hands, a scam that keeps the rents high.

There is also a tendency to build what's more profitable. This means much more luxurious condos and less social housing. People with low income have more and more difficulties to pay rents, to remain in the city. The demand for social housing is rising but the offer is low. What is being produced is far from meeting the needs. The ability and the political will to control the rents of the market are gone, so people with low income are being driven out of their cities; cooperatives that built thousands of housing units in the past were associated with corruption schemes and disbelieved.

1 <http://www.mipim.com/>

In Europe, there are new investors, such as Camelot², who are destroying the status of renters. This means total precariousness, beyond any legislation. The leftist movement should organise and fight these processes, and choose common targets to struggle against.

Southern Europe is also enduring a housing disaster with different patterns. There's almost no social housing. Percentages range between 2% and 5%. The housing issue was a matter of family, family savings, or indebtedness. The problem of home ownership has to be considered here in a different way, because it represents the remaining bastion of family protection. The very severe austerity measures imposed to those countries produced unemployment and poverty, causing economic collapse. This was worsened by the burst of the housing bubble, promoted by the politics of housing credit. The result was 500 000 evictions in Spain, 300 000 over-indebted families in Greece that are facing the danger of eviction (with the liberalisation imposed by troika). It is an income and an unemployment problem, as well as a problem of deregulation of the rental market and destruction of some protection instruments for families. People can't afford it anymore; ending with the moratorium to evictions in Greece, which is considered to be the complete destitution of families. That country's small holdings are being purchased and concentrated in the hands of big transnational landlords and financialised investors.

At the same time, for participants, this moment of difficulty is a fertile environment to think about transforming the private into public and common, and to think about solidary alternatives. It is an interesting opportunity to promote this discussion.

The European Union's (EU) responsibility to the current situation

The EU says housing has nothing to do with its policies. But there are important pieces of legislation, starting in the European constitutionalism up to the rules of aid and benefits, that strongly affect the provision of social services and housing.

The EU promotes the very ideological assumption of private property and market-driven capitalism. It promotes privatisation and the deregulation of finances and housing, which are very much connected. That is the main ideology we have to confront with if we want to develop social housing solutions. There are very concrete examples about the defense of the market paradigm and EU regulations with direct consequences on the provision of housing: The Netherlands were obliged by the EU to sell a part of the social housing sector in the name of market competition. It also blocks state aid to housing solutions at national or subnational levels. The market competition paradigm undermines all EU regulations.

The austerity paradigm is also reducing the expenditure availability for social services and housing by national and local budgets. This paradigm is in the Maastricht Treaty and in the fiscal compact and other treaties. So it is not just about a change of one policy but confronting with the EU's constitutional elements. Even the social rights guaranteed in

2 <http://uk.cameloteurope.com/>

the European constitutional frame do not recognize the right to housing, except for housing assistance in the Lisbon Treaty.

The Troika's dictates had disastrous consequences on countries like Greece, Portugal and Spain. They openly forced the liberalisation of the rental market, the non-performing loans market. It was a direct pressure over housing conditions.

Europe is also responsible for the permanent violation of the right to housing of migrants and refugees. By not developing a solidary policy for migrants and refugees, with the destruction of the working class' way of living and by cutting access to basic goods, services and the public debate, the rise of the extreme right is no surprise. Migrant and refugee crises, in this context, bring about a perceived competition between a poor working class, minorities and migrants for the support and benefits available in society, and this leads to xenophobia, racism and a culture of hate.

With these policies, Euroscepticism is more likely to rise from the left and from the right, since the EU appears as another layer of bureaucracy and power to fight against as working people who see their life and rights attacked.

The Urban Agenda, planned in Habitat III and strongly influenced by the German dictate, is imposing a regression of even the tiniest things that were achieved in Habitat II.

TTIP, negotiated between the EU and the USA, can be a death sentence to anti-privatisation rules and social planning. It comprises deregulation and market development instruments. TISA agreements represent a serious threat to the provision of public services. It is a menace to the development of social housing and to public investment in housing. It is a threat to democracy.

Challenges and Alternatives

The possibility for participation, the capability to truly debate the city, the social services or the public budget at a local, national or European level is going to depend on the balance of power between social movements and other organisations in the left, against the interests representing the market and the capital. One of the biggest challenges is to reinforce the side of the working class. How to support, to strengthen organisation and social movements as well the political and civic alliances, how to develop common solutions, how to defend the commons, all these are important challenges to address.

We should look at cities in Spain that achieved important political changes after having developed important social mobilisations around the right to housing - PAH³. They had a focus on empowerment, horizontal involvement of people in a struggle for the right to housing that acted from promoting collective conscience about what was going on, to civil disobedience, legal work and the development of proposals. In recent years, new political platforms were developed. They succeeded and won different cities, which shifted the movement's political agenda to local institutions. Although there are still many

3 <http://afectadosporlahipoteca.com/>

limitations due to national and European restrictions, cities like Barcelona, but also Madrid, Valencia, Saragoza, Cadiz, La Coruña, etc., initiated the reversal of the privatisation and liberalisation process. They began a whole series of new policies which aim to take back the space, the houses, the structures, starting from below, promoting participation, debate, a process that can be seen as re-politicisation of the public space. In a context where, in the last years, more than 500 000 families were evicted because they couldn't pay their mortgage, or because of the liberalisation of the rental market, it is very interesting to analyse the ways by which the movement organised itself, its propositions, and the measures that these progressive cities, namely Barcelona, are now implementing for defending the right to housing and to the city.

In a time with sophisticated power structures of domination, the margin of the left to act has to be discussed. Civic and political alliances seem to be important and have shown they can make a way. Also, the impulse of forms of direct democracy could be very useful in these times of worn-out formal democracy. Some examples were mentioned in Germany about referendums which put the energy policy back into public hands; big mobilisations against a real estate project in the Tempelhof airport; and recently, a referendum for the re-municipalisation of social housing building companies, show the potential of a movement that reclaims the city, reclaims the public space. It thus imposes public discussion, mobilisation and different forms of action. Other examples of organisation from below were presented and have shown it can have a political role. Participants⁴ from The Netherlands pointed out the importance of political action and the fundamental role of the grassroots level, in constant dialogue, winning the ability to prevent the demolition and the selling of social housing, also pressing local executives.

Spaces for real discussion between the population and politicians are important, but we know it is difficult, it just doesn't happen. So movements have to use other ways and instruments so they can be heard. Civil disobedience is a way to impose certain problems to be discussed and some achievements to be made, like *The City is for All*⁵ in Hungary, or *DAL*⁶ in France, who occupy and reclaim empty houses. *Stop Auctions* in Greece also interrupted the functioning of courts that were going to sell family houses and ordered evictions.

It is important to support and maintain the spaces of freedom where the imaginary of participation, self-management and true democracy is defended, as well as to create communication channels, the transmission of concepts and make good practices and alternatives known.

Different subjects were mentioned to go deeper on further discussions: how to prevent people with lower income to be driven out from the cities; the need to reintroduce

4 <https://www.sp.nl/>

5 http://avarosmindenkie.blog.hu/2009/01/01/english_18

6 <http://droitaulogement.org/>

concepts like nationalisation, the collective, the cooperative, the public, and the commons as an interesting concept to put a focus on what belongs to all; to address land control as a main issue, and the adjustment of planning policies so as to put together land and urbanism with a social policy; to think about on how to regulate real estate housing and finance into a more protective system, and how to regulate local markets against international investors; how to use the available (and empty) housing stock. All participants agreed on the need to develop models of solidarity and nonprofit housing as a very concrete and urgent need. Addressing the difficulties of municipalities, in introducing themes like resource sharing on a solidarity basis could be an idea to develop, given the fact that some municipalities are much poorer than others. Another issue to continue to develop is the support and alliances in defense of migrants and refugees, something that is fundamental to be organised by the civil society due to the lack of political will and coordination from the EU and its national States.

The Community Land Trusts (CLT), defined as some kind of real estate project which tries to achieve a balance between people's participation, the State and the market, were also discussed in this meeting. Considering that the simple municipalisation can be a limited solution due to the lack of participation and democracy in the management of public goods, and because this doesn't offer future guarantees regarding privatisation or rising rents, the CLT can be a new form of governance, no longer directed by the State, because property is divided and controlled in one third by the public sector, one third by tenant ownership, and one last third by a local housing association aiming to fight against gentrification. The developers of this scheme state that this is a reasonable ownership model, based on solidarity, and a tension in terms of management model. It prevents speculation and therefore gives access to the poor, and at the same time allows one family that wants to move to receive 25% with regards to the evolution of the market. This can develop a long-term control of property. Some participants were interested in knowing more about this and other kinds of models, but find it difficult to develop ways to finance these projects and to scale them up, so it should be more discussed and developed.

Still, it should not be forgotten that even if EU policy is having a direct negative and even prohibitive impact on the ability to action by national and local authorities, movements and the left should also analyze the way to scale up the struggles up to the European level and directly confront the European institutions on the housing problem, not just following solutions inside the frame of the European constitution.

Conclusions

Meetings like this can help participants to communicate, learn and profit from the exchange of views. It should be thought now what to expect more from these meetings to advance, as it needs to get into very concrete targets and solutions and try to see on which level we can really take advantage of alliances and coalitions.

One of the main conclusions of the meeting was that the re-politicisation of the public space is going to depend on the capability to re-appropriate the space that has been lost by the politics of privatisation on a neoliberal financially-driven capitalism. We should take very seriously into account EU's responsibilities on the state of affairs, and also organise ourselves at this level.

Some trends in Europe are showing that we need to foster organisation, grassroots level and other political levels; we need to forge alliances, despite the differences and contradictions within the left. We need to know how to cooperate to struggle for common goals and achieve common positions and change the balance of powers that allows us to reclaim back the city, the space, the houses, and our rights.