TOWARDS A POLITICAL ECONOMY OF HOUSING

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There is a sociological consensus that one of the most important events in modern urban sociology was the publication in 1967 by John Rex and Robert Moore of their study of Sparkbrook, in Birmingham, England, Race, Community and Conflict. It was in this study that the notion of 'housing class' was introduced. Their important statement was that 'central to the sociology of the city...is a class struggle over the use of the houses and that this class struggle is the central process of the city as a social unit' (p. 25). Despite the vocabulary the approach is more Weberian than Marxian as the authors consistently refer to life chances (and styles) built upon different market situations. However, in this emphasis upon consumption in the city, there is a convergence with a number of increasingly influential French marxists—the most important of whom is Manuel Castells. Castells recently delivered a paper to the American Sociological Association with the title 'Towards a Political Urban Sociology'.

In summary what Castells is suggesting is the following:

(a) Advanced capitalism is increasingly concerned with the realization of surplus value and that problems concerning the consumption processes are of key importance.

(b) Increasing spatial and social concentration of management and of the means of producing leads to a concentration of the population and of distribution processes and growing interdependency between them. As a result the organization and management of the goods and services that the population consumes (such as housing, education, health services, commerce, leisure, etc) are themselves increasingly centralized and concentrated and the pattern and conditions of provision of this 'collective consumption' determines...
the structure of residential space—or the territorial division of labour.

(c) These consumption processes (especially the processes of collective consumption) give rise to new social contradictions. These are a consequence of the shift of the key economic contradictions towards the sphere of consumption referred to in (a) above. "Urban social movements" are generated by this situation and these movements affect the dynamics of the transformation of society because they involve social strata (such as the middle class) which have not previously been parties to the social conflicts which underlie this transformation.

(d) As the means of collective consumption is increasingly managed by public authorities (i.e. the state), the entire urban perspective becomes politicised. Also, as these means of collective consumption increasingly determine the nature of everyday life the state becomes, through its arrangement, of space, the real manager of this life.

As a result urban conflicts become even more politicised and the urban social movements which then arise become one of the axes of social change in advanced capitalist societies.

This approach is proving to be an important theoretical revitalization for urban sociology as it has brought it back to the central sociological concerns of power and the state. It has moved urban sociology beyond the sterile wastelands of mere descriptive empiricism. It will be shown below that such an approach is applicable not just to advanced capitalist societies but also to state socialist societies. Castells is laying the foundations of a genuinely comparative urban political economy. Further, there is a recent study that specifically examines another sphere of collective consumption, namely educational provision, which gives additional empirical support to Castells' argument.

This then is the current intellectual climate for a re-reading of a fantasy by Engels in the 1870s into an analysis of one sphere of consumption. That urban sociologists are currently very interested in the processes of collective consumption is, of course, not the only reason that The Housing Question repays close attention—it is an important socialist text in its own right.

Engels on The Housing Question

The background

Since Engels on the 'housing problem' appears not to be very well known some exposition will be necessary here along with a little of the background to these three (originally) newspaper articles. The purpose of the articles is quite clear: they were written to defend the German Social Democratic Party from the, by then, past threat of anarchism and the, then still, future threat of reformism. Like so many of Engels', and Marx's for that matter, newspaper and journal articles they are by way of being polemical against opponents. This was a frequently chosen

medium used to support 'practical socialism', i.e. as opposed to various forms of idealist utopianism and anarchism. Practical socialism consists of 'a correct knowledge of the capitalist mode of production from its various aspects' (p. 100). The articles were written to help provide the German working class movement with such correct knowledge, on the housing question in this case, for a working class which knows what's in this regard, will never be in doubt in any case as to what social institutions should be the objects of its main attacks, and in what manner these attacks should be executed' (p. 100). That is to say, they will not be misled by various Proudhonists and revisionists.

In 1892, when the first of these articles appeared in the organ of the German Social Democratic Party, the Treaty of Frankfurt, that concluded the Franco-Prussian War, had just been signed. This War was followed by a short sharp boom in economic conditions—a boom that lasted only three years and was followed by a longer period of crash and depression for the rest of the '70s. In his preface to the 1887 edition, Engels reflects on recent German economic history and relates one aspect of urbanization; i.e. housing, to the course of industrialization in Germany and demonstrates their intimate relationship.

The pamphlet consists, after the later-written preface, of three parts. The first is an attack on Proudhon, called 'How Proudhon Solves the Housing Question'. The Frenchman is still very much la belle noire of the Second International, anarchists having destroyed the First. Engels is particularly acute, and harsh, on the anti-industrial-nostalgic utopianism that he discerns in Proudhon's ideas. The second part is based on a review of Emil Sax's The Housing Conditions of the Working Classes and Their Reform and is called 'How the Bourgeoisie Solves the Housing Question'. The book review is a medium to attack philanthropic, charitable, self-help and state attempts to solve the housing problem. These two articles stimulated what was obviously a lively debate for Engels was moved to reply particularly to A. Mullberger's articles. Engels calls Mullberger a Proudhonist throughout his reply which is the third part and is called 'Supplement on Proudhon and the Housing Question'.

There are two main political themes in these articles—one is that mentioned above, and concerns Engels' ceaseless desire to stamp out anarchism. The second looks forward to, and in fact foreshadows, the debates that were eventually to destroy the Second International. Engels is concerned already in the early 1870s, to point out the dangers of what he variously refers to as, petit-bourgeois socialism; revisionism, reformism and ironically Kathedersocialismus, or bourgeois reformism disguised as socialism preached from university chairs, or Katheders. These debates have continued and still have relevance.

And of course, in addition to attacking anarchism and reformism, Engels assures us that these articles are "also a presentation of our own (i.e. his and Marx's) conception" (p. 10). Indeed these short articles do provide an easy introduction to some central positions in Marxism: on
industrialization, exploitation and the class struggle.

The arguments

Engels states clearly that the ‘essence’ (p. 11) of both ‘the bourgeois and petit-bourgeois utopias, would give each worker the ownership of his own little house and thus chain him in semi-feudal fashion to his particular capitalist’ (p. 17). After a careful analysis of the ‘peculiarities’ of the German industrial situation—in particular the persistence of a continuing high proportion of industrial production based on domestic industry by what would now be called ‘worker-peasants’, Engels stresses that so many answers to the housing question depend on the worker owning his own house. It was to counter this solution, in its various forms that the articles were written.

There is only one way to end this housing shortage Engels told his readers, and that was to ‘abolish altogether the exploitation and oppression of the working class by the ruling class’ (p. 11). Yet the housing shortage had clearly been aggravated by industrialisation—it was a ‘system of the industrial revolution’ (p. 8). Engels, here as in his much earlier great work, The Condition of The Working Class in England, is writing on the close relationship of urbanisation and industrialization. For though the working class generally lives in bad, overcrowded and unhealthy dwellings, their condition was much aggravated by industrialisation under the capitalist mode of production. In an important sentence Engels writes that, ‘the housing shortage from which the workers and part of the petit-bourgeoisie suffer in our modern big cities is one of the innumerable smaller, secondary evils which result from the present day capitalist mode of production’.

In the introduction to this essay it was pointed out that current sociological practice, since Rex at least, has a marked tendency to treat the inequalities of the labour market as analytically separable from the inequalities of the housing market; that each has a dynamic and a logic of its own. Yet, following Engels, it would seem that the correct practice would be to relate both to the capitalist mode of production.

In discussing the development of the city under capitalism, Engels has a passage that is startling in its contemporary relevance—the ‘spirit of Hausmann’ to which he refers below can still be found, in the inner areas of most large cities, say in Woolloomooloo, Notting Hill and in Morningside Heights. This passage is certainly worth quoting in full:

The expansion of the big modern cities gives the land in certain sections of them, particularly in those which are centrally situated, an artificial and often enormously increasing value; the buildings erected in these areas depress the value, instead of increasing it, because they no longer correspond to the changed circumstances. They are pulled down and replaced by others. This takes place above all with centrally located workers’ houses, whose rents, even with the greatest overcrowding, can never, or only very slowly, increase above a certain maximum. They are pulled down and in their stead shops, warehouses and public buildings are erected. Through its

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Hausmann in Paris, Bonapartism exploited this tendency tremendously for swindling and private enrichment. But the spirit of Hausmann has also been abroad in London, Manchester and Liverpool, and seems to feel itself just as much at home in Berlin and Vienna. The result is that the workers are forced out of the centre of the towns towards the outskirts: that workers’ dwellings and small dwellings in general, become rare and expensive and often altogether unobtainable, for under these circumstances the building industry, which is offered a much better field for speculation by more expensive dwelling houses, builds workers’ dwellings only by way of exception. (p. 20)

Engels comments here on the activities of the ‘building industry’ should be especially noticed—that we would regard urban building as being determined by the speculative action of capital. Indeed since Engels wrote, capital—or what he frequently calls the big bourgeoisie, has hardly been interested at all in building dwellings. As he tells us (p. 57), ‘capitalists won’t invest in workers’ houses because more expensive dwellings bring in still greater profits for their owners’. The petit-bourgeoisie has been interested though, and through their ‘credit-worthiness’ have syphoned large amounts of capital into domestic building—on an individualistic basis. The failure of capital to invest in dwellings for the working class has led, in most capitalist societies to fairly massive state intervention in this direction. And here it is worth pointing out that there is a considerable divergence of view as to the political and theoretical significance of state intervention in the housing market. Rex, in places, sees this as a consequence of the organized (and reformist) political activities of the working class whereas, Castells, in places, sees this as another indication of the state acting in the interests of the bourgeoisie—put crudely, housing the proletariat cheaply, so allowing wages to remain low and removing from capital the direct obligations of investing in the infrastructure.

However, the focus of Engels’ attack in his first article is the following quotation (taken from someone he calls ‘our German Proudhonista’):

‘The tenant is in the same position in relation to the house-owner as the wage-worker in relation to the capitalist’ (p. 20). It is with the refutation of this that much of Engels activity is taken up, and allows us to grasp an important critique of the whole notion of ‘housing class’ that has so dominated recent urban sociology. The quotation above is very similar to Rex’s position which is usually referred to as a ‘neo-Weberian’ position—perhaps henceforth it should be called ‘neo-Proudhonista’? Engels emphasises that the relationship between tenant and landlord is a simple commodity sale; it is not a transaction between proletariat and bourgeoisie, between worker and capitalist. This implies that it would be nonsense to talk about ‘housing classes’—housing is not the basis for a class position but is rather, a commodity. To echo earlier debates about changes in the class structure (when David Lockwood talked of the original ‘washing machine’, a washing machine, is a washing machine’, a house, is a house, is a house. The whole thrust of recent urban sociology
has been thought to suggest that 2 is more than a house—for instance, it is a location that determines consumption of that provided by the infrastructure (education, social services and so on) which so vitally affect life chances. It might also be the basis for political action—a "social base" to use Castells/Pikvance's terminology for a 'social force'. However, this commodity does lead to community and even occasionally to communion. Housing too clearly plays an important role in what has been called 'the new urban politics'. This has tempted some sociologists to believe that 'housing classes' can become 'housing class consciousness'—classes not only in themselves but for themselves. Following Engels, though, it would be far better to see such action as the activity of a consumer group—in the process of collective consumption. If the washing machine is too trivial, then consider whether motorists are a class—just because they own cars. Is the A.A. or the N.R.M.A., equivalent to the T.U.C., the German Social Democratic Party of the 1870s, the Bolsheviks or what?

Engels tells us that it would be 'a complete misrepresentation' (p. 71) to consider relationships between landlord and tenant as in anyway equivalent to the relationship between worker and capital. 'On the contrary, we are dealing here with a quite ordinary commodity transaction between two citizens, and this transaction proceeds according to the economic laws which govern the sale of commodities in general, and in particular the sale of the commodity, "labeled property" (p. 22). In his attack on the "Proudhonist" position Engels clearly states that:

the pivot on which the exploitation of the worker turns is the sale of his labour power to the capitalist and the use which the capitalist makes of this transaction, the fact that he compels the worker to produce far more than the paid value of his labour power amounts to. It is this transaction between capitalist and worker which produces the surplus value afterwards divided in the form of ground rent, commercial profit, interest on capital, taxes, etc., among the diverse varieties of capitalist and their servants.' (p. 29)

Engels proceeds to ridicule the idea that each worker, petit-bourgeois and bourgeois can become first part-owner, then complete owner, by paying instalments on his dwelling. He does this because, first of all, the amount of multi-occupation of dwellings—but appears to feel that ownership might be a possibility, if there were one family per dwelling. He would have been impressed at the ingenuity shown a century later in New South Wales by elements of finance capital that allowed them, as Alex Kondos has recently described, to frame laws to sell pieces of air—the Strata Titles Act. Secondly, though he feels that under the capitalist mode of production the proletariat necessarily were too mobile—he has a spectacular (and fictional) case study. Again, Engels failed to realize that with the rise of the Building Society movement housing finance could be lent to individuals who could move their capital from dwelling to dwelling. The housing market has become much more fluid.

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since the nineteenth century though as Engels pointed out in his objections to mass house ownership, 'it rests on the peculiar error that if someone wants to sell a commodity, he will necessarily find a buyer for its full value' (p. 30). Engels did not anticipate the great growth, as agents of the bourgeoisie, of a whole series of professions: solicitors, estate agents and so on, that would facilitate house ownership on the instalment plan and accommodate its demands to those of the capitalist mode of production. The characteristic form of 'house-ownership' under capitalism: the long-term mortgage or bank-loan is a fine example of the adaptation of the process of collective consumption, in this case, housing, to the needs of the capitalist mode of production e.g. labour mobility.

Capital is endlessly inventive—and in ways that we can hardly condemn Engels for not foreseeing. Yet even he realized that the "Proudhonist solution to the housing question of house ownership, may well be of direct interest to the petit-bourgeoisie.

Engels knew that it was to them and not the proletariat that the ascendent Building Societies would lend money. He could then swiftly refer to the efforts of the Building Societies to solve the housing problem as only a drop in the ocean and as 'miserably futile' (p. 51). This is all part of his attack in the second part of his pamphlet on bourgeois solutions to the housing question. It is a small part of a much larger argument that was to excite the German Socialists movement for years, and was to be later of vital concern so Lenin. Engels is centrally attacking, through a discussion of the housing question, the notion that there is any possibility of any harmony of interest between capital and labour. For instance, as evidenced by capitalists assisting their workers to obtain suitable dwellings. As he writes, 'bourgeois philanthropy has expended large sums of money to prove this harmony by building model institutions' (p. 46).

Sax, the author of the book Engels is criticizing, suggests that the 'worker becomes a capitalist' by acquiring his own house. Engels0 turns eloquently (but not consistently with his earlier attack on Proudhonists):

Capital is the command over the unpaid labour of others. The little house plan of the worker can therefore become capital only if he rents it to a third person in the form of rent. But the house is prevented from becoming capital precisely by the fact that the worker lives in it himself, just as a service costs are to be capital the moment I buy it from the tailor and put it on. The worker who owns a little house to the value of a thousand taels in, true enough, no longer a proletarian, but it takes Herr Sax to call him a capitalist. (p. 48)

Is there some difficulty with the idea of no longer being a true proletarian merely through owning a house, i.e. not by changing positions in the labour market, let alone relationships to the means of production? Engels argument here would appear to give considerable credence to the advocates of "housing classes"—yet may not it be better to consider
divisions within classes, class fractions, to use a much later terminology, or even status groups without in any way moving away from a materialist analysis. In his attack on the efforts of Building Societies, Engels notes that when a worker is associated with such societies he belongs "to the aristocracy of his class" (p. 61) and this he feels will only be true of the smaller societies, for the larger ones' chief aim is always to provide a more profitable mortgage investment for the savings of the petty-bourgeoisie at a good rate of interest and the prospects of dividends from speculation in real estate" (p. 62).

He analyses the introductory literature of one such society—the Blackrock Building Society, and comments in terms that are still directly applicable to present day Building Society policy:

There is no mention of workers, but there is of people of limited income, clerks and shop assistants, etc., and in addition it is assumed that, as a rule, the applicants already possess a piano. In fact, we do not have to do here with workers at all but with petty-bourgeois and those who would like and are able to become such: people whose incomes gradually rise as a rule, even if within certain limits, such as clerks and similar employees. The income of the worker, on the contrary, at best remains the same in amount, and in reality falls in proportion to the increase of his family and its growing needs. In fact only a few workers can, by way of exception, belong to such societies. On the one hand their income is too low, and on the other hand it is of too uncertain a character for them to be able to undertake responsibilities for twelve and a half years in advance. The few exceptions where this is not valid are either the best paid worker or foreigner. (p. 61)

All the evidence would suggest that this is still true—only that the size of the labour aristocracy has increased, so increasing the relative and absolute deprivation of those left behind. It is, of course, for them that redistributive 'welfare states' housing policy was developed. Engels also attacks state assistance over housing which he naturally sees as just as bourgeois as the Building Societies for it was to him perfectly clear that the state as it exists today is neither able nor willing to do anything to remedy the housing calamity. The state is nothing but the organized collective power of the possessing classes, the landowners and the capitalists, against the exploited classes, the peasants and the workers' (p. 67-8).

If that is still so (and it is a matter of considerable debate among sociologists not only whether it is so, but also if it is so, in what way this 'organized collective power' is expressed), the massive state intervention in housing provision since Engels wrote is very significant indeed. As was suggested above, seen in this light, the provision of, say council housing in Britain or Housing Commission in Australia has been in response to demands of the capitalist mode of production: but mediated through the state. When Engels tells us that as far as solving the housing problem the capitalist will not and the worker can not (p. 61) and further that capitalist does not want to abolish the housing shortage

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(p. 59) he is raising for us the whole problem of the explanation, within a materialist frame, of state provision to the infrastructure, that adds to real incomes. Reformism has been a matter of successive compromise for both capital and labour, yet the basic structure and inherent contradictions within the capitalist mode of production have persisted—to capital's advantage. The increasing role of the state is basically serving the interests of capital in maintaining the existing system of exploiting labour 23 as Ivan Szelenyi has recently stressed.

For Engels, just as anarchism provided no solutions to the housing question, neither can the bourgeois solutions of charitable philanthropy, self-help, Building Societies or State Assistance. The Socialist solution proposed by Engels to the housing question will be discussed below. But before that, it is worth considering some of his remarks in the third part of the pamphlet especially when he writes about 'Hausmann'. These comments must be seen of the earliest analyses of what would now be called 'urban renewal'. In a very astute passage he writes:

By the term Hausmann I do not merely mean the specifically Bonapartist manner of the Parisian Hausmann—breaking long, straight and broad streets right through the closely built workers' quarters and lining them on both sides with big luxurious buildings, the intention having been, apart from the strategic aim of making barricade fighting more difficult, to develop a specifically Bonapartist building trades' proletariat dependent on the government and to turn the city into a luxury city pure and simple. By 'Hausmann' I mean the practice, which has now become general, of making breaches in the working class quarters of our cities, particularly in those which are centrally situated, irrespective of whether this practice is occasioned by considerations of public health and beautification or by the demand for big centrally located business premises or by traffic requirements, such as the laying down of railways, streets, etc. No matter how different the reasons may be, the result is everywhere the same: the most scandalous alleys and lanes disappear to the accompaniment of lavish self-glorification by the bourgeoisie on account of this tremendous success, but they appear at once somewhere else, and often in the immediate neighbourhood. (p. 71)

This has been a common experience in the hundred years that have passed since Engels wrote that—and only recently in inner-urban areas all over the world are fragments within the working class fighting back—with varying degrees of success, for example in Sydney. He goes on to examine what happened to the 'abolished proletariat' and that he wrote about nearly forty years before in The Conditions of The Working Class in England—they and it (this inner-urban community) had not in fact been abolished, but merely shifted. This is a striking example of how the bourgeoisie settles the housing question in practice. The breeding places of disease, the infamous holes and cells in which the capitalist mode of production confines our working after night, are not abolished: they are merely shifted elsewhere! The same economic necessity which produced them in the first place produces them in the next place
also" (p. 73-4). Remembering what was written above about increasing state intervention in housing since Engels wrote, it is now reasonable to suggest that the capitalist mode of production also shifts workers up high rise blocks of flats and to dreary suburban developments. This gives rise to new tyrannies of distance—and as will be argued below this is also the case under state socialism.

There is a solution of course: total and broad—though in Engels' pamphlet embarrassingly short on detail. For 'as long as the capitalist mode of production continues to exist it is folly to hope for an isolated settlement of the housing question or of any other social question affecting the lot of the workers', i.e. there are no solutions in reformism.

'The solution lies in the abolition of the capitalist mode of production and the appropriation of all the means of subsistence and instruments of labour by the working class itself' (p. 74).

Indeed, it is by 'appropriation' that Engels sees a socialist solution to the housing question. It turns out on close examination, that Engels is equivocal about whether in fact there really is a housing shortage under the capitalist mode of production at all. Throughout these articles he writes as if there demonstrably is such a shortage, yet on pp. 32-3, can write that:

there is already a sufficient quantity of houses in the big cities to remedy immediately all real 'housing shortage' provided they are used judiciously. This can naturally only occur through the expropriation of the present owners by quartering in their houses homeless workers or workers overcrowded in their present homes. As soon as the proletariat has won political power, such a measure prompted by concern for the common good will be just as easy to carry out as are other expropriations and billings by the present day state.

Difficulties

 Appropriation was indeed the immediate Soviet solution to the housing question and this also occurred on a widespread scale behind the Red Army in Eastern Europe. There are though, two crucial and interrelated difficulties with this Socialist solution to the housing question. (This is saying hardly anything about whether it is empirically true that even with appropriation there is no housing shortage, i.e. are there really enough houses and are they in the right place for the proletariat?)

Firstly, there is the problem of the future of industrialization and its relationships to urbanization after the revolution. Marx and Engels always assumed that the revolution would take place in the most industrially advanced societies and so avoided what turned out to be the most important question for the new socialist regimes: namely how to industrialize under socialism. And secondly, how will the processes of collective consumption really be handled under socialism; just how will a scarce and highly valued commodity such as housing (or education, or cars, or for that matter washing machines) be distributed under socialism?

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Engels, in his diatribe against Proudhonists, equated the conception that a worker should buy his dwelling as both a reactionary and a nostalgic outlook that would push the clock back and undo industrialization (p. 31). This would never do, as it was through further industrialization that the revolution would occur as the contradictions within the capitalist mode of production deepened. Yet later he writes the following—totally utopian—passage:

to want to solve the housing question while at the same time desiring to maintain the modern big cities is an absurdity. The modern big cities, however, will be abolished only by the abolition of the capitalist mode of production, and when this is once set going there will be quite other issues than supplying each worker with a little house of his own. (p. 31)

Now, that may well be satisfactory if there really was an adequate housing stock for the whole population in existence at the time of the revolution. Actually there was not. Which has meant that the second difficulty, that of distribution under socialism mentioned above, has become very important indeed.

State Socialism

This is not the place to cross the minefield that surrounds the true definition of socialism and to engage in the debate over whether 'state socialism' is true socialism. However, the analyses by eastern European sociologists, such as Szelenyi, and Konrád in Hungary, Miszti in Czechoslovakia, and Wesolowski in Poland, suggest that just as the state is far from neutral in capitalist societies, so is it in state socialist societies. Szelenyi, in a recent paper, has analysed socialist redistribution in Hungary and in so doing highlights some of the difficulties with Engels' formulation. Precisely because 'the revolution' took place prior to industrialization there was a desperately incomplete infrastructure in Eastern Europe—a phenomenon Szelenyi calls urbanization-under-socialism (p. 11)—manifested perhaps most centrally by a continuing housing shortage. Indeed, industrial investment was quite deliberately at the expense of infrastructural investment. It would not be a travesty of Szelenyi's position to say that he is suggesting that the situation of the proletariat during industrialization under socialism was actually worse than under capitalism: the worker was first of all exploited in just the same way as within the capitalist mode of production, yet there at least, the existence of 'the market' allowed for, and indeed encouraged, investment in the infrastructure too (and this is not to mention the explicitly redistributive character of much social policy in reformist, or welfare state, capitalist societies).

Under socialism the worker has been doubly exploited as there has been such a delay in infrastructural growth.

Szelenyi sees 'underurbanization as one alternative answer to the
challenges of growth at a certain stage of economic development' (p. 39). This was not, and perhaps, could not, have been foreseen by Engels. And what is more, urbanization is a socially selective process — as Szelenyi writes: 'During the period of socialist existence industrialization, the most striking structural change can be described in terms of the creation of a new working class out of the previously under-employed agricultural population, and basically it is this new class of industrial workers, due to the economic forces which delayed urban growth, which is kept out of cities' (p. 39); they are forced to commute long distances and denied access to what little infrastructural development, e.g. housing, that there has been in the cities. 'The working class is generally disadvantaged in the allocation of state-built and owned housing (concentrated almost exclusively in cities) (p. 41). There remains under socialism as under capitalism, Szelenyi argues, a basic distinction between those who directly produce the surplus and those who dispose of it and redistribute it. The implications of this for state socialism is that 'urban residence becomes a privilege of those who are higher in the social hierarchy and assures them a better share from the surplus allocated to infrastructural development by the redistributive regional management system' (p. 42). There are, it would seem, tyrannies of distance suffered by the proletariat under state socialism as well.

These arguments do not invalidate Engels' approach to the political economy of housing: there are contained within his approach, for instance, in his emphasis on the commodity nature of housing, the beginnings of an analysis that could lead to an examination of the processes of collective consumption under any mode of production. Szelenyi's imaginative research goes much beyond Engels' though, and invites all sorts of comparisons with the role of the state under other modes of production — for instance, under the capitalist mode.

**Advanced Capitalism**

David Harvey's recent paper 'The Political Economy of Urbanization in Advanced Capital Societies — the case of the United States' provides such a comparison and has a degree of concreteness and specificity that compares favourably with much writing on the city and on housing— including that of Castells. Harvey shows dramatically, in the case of Baltimore, that 'the financial superstructure serves to coordinate the urbanization process in a particular locale with the overall aggregate push towards stimulating effective demand and facilitating capital accumulation' (p. 24), and that there was indeed, as Engels claimed a century earlier, an intimate connection between financial superstructure and the state and from taken by the urbanization process' (p. 45). Harvey concurs Engels' suggestive remarks about the role of Building Societies for instance.

Harvey's analyses, of urbanization within the capitalist mode of production, can be compared with Andrew Jakubowicz's recent description of what has been happening in Sydney, 'The City Game: urban ideology and social conflict.' Jakubowicz writes about 'the actors in the changing game of urban decision-making' (p. 329), and yet immediately refers to 'interests' and thereafter confutes 'actors' and 'interests'. 'Interests' we are told, can be seen in the relationships of the groups to the idea of property. Why 'idea' and not reality, it might well be asked? Engels, in his pamphlet, actually does warn that 'the economic relations of a given society present themselves in the first place as interests' (p. 86). The interests that Jakubowicz discerns in Sydney are seven-fold: developers, state service bureaucrats, politicians, professional planners, old working class, migrants and the new working class. Jakubowicz, like so many sociologists, treats social class as behaviour: so he can write of 'the planning game', rather than using it to refer to particular kinds of relationships in society. If class is used as a relational concept —as it was by Engels, Szelenyi and Harvey— then it is necessary to understand the structure of, for example, the housing or the labour market. Then it is necessary to go on to discover the consequences for one group in society of the determined efforts of another group to achieve its own goals. Seen from this point of view, differential location in the housing market among differential social groups are the product of competition for scarce resources and sometimes the product of conflict.

**Conclusion**

The lessons to be learned from Engels, and from later sociologists, and various neo-Marxist critiques, is that there is indeed a socio-spatial system and that this reflects the distribution of real incomes in any society. Rex reawakened sociologists' interests in spatial distributions — in this case of housing. This analysis can be extended to other societies, as both Harvey and Jakubowicz in their very different ways have shown, and to other modes of productions, as Szelenyi has shown. In their new book, *The Poverty of Education*, Byrne, Williamson and Fletcher extend the argument to another faculty valued by society, namely education. They write strongly that:

What is required is a recognition that the structural notion of class implies relationships between groups in society who are differentially placed to realise life chances. Such groups are in a constant state of conflict although they may not realise the conflict situation in which they are implicated. Political processes, even at a local level, can often be seen as processes of conflict, sometimes institutionalised, in which class groups are activated either to protect or to enhance their real incomes. (p. 42)

They want to use the term *social income* for any gains that do not come directly from the consequences of participation in the labour market (this is very similar to Szelenyi's usage of infrastructural and infrastructural investment above). And as they write: 'in modern welfare capitalist societies, important components of an individual's incomes are transmitted through bureaucratic allocation procedures. Some of this "income" is in the form of cash, such as national insurance, unemployment bene-
fits and family allowances. However, a major part of this social income is in kind; health care, local authority, housing and education can be described in this way (p. 68). David Harvey also wrote a book called *Social Justice and the City* and Bye, Williamson and Fletcher echo his title when they conclude their study with "what (it) revealed was territorial injustice and the strong effect which such injustice has in explaining social class differences in educational attainment" (p. 72).

But, of course, it is social class that explains this territorial injustice in the first place—as Engels in *The Housing Question* so clearly shows. That is why he is still worth reading.

There do remain, though, some significant problems in a materialist analysis of the city. For instance, at times it would seem that Castells denies that there is anything specifically urban at all—or anything beyond the spatial consequences of the needs of capital. Harvey’s position differs in that he maintains that there are indeed social consequences derived from what he would call fixed and immovable capital investment. Harvey’s position is a defence of the urban, or of pure territoriality. Distance or space is seen as potentially leading to social action.

It is here that there are some final difficulties—just what is the significance of the new urban micro-politics—to use Donnison’s phrase. Have we often moved, as Castells would have us believe from social base to ‘social force’—from being an inner-urban tenant say, to joining a social movement? Many of these movements splutter briefly and then fade away. They are short-term and populist—they have great promise but little sustained staying power. Popular local action all too frequently does direct resources to particular areas, but of necessity also away from others who either have not or cannot mobilise. There is a communal basis for the new urban politics, and it is frequently derived from the housing market, but as has been seen in the Sydney Green Ban movement, for example, its development and growth into urban class consciousness remains problematic and uncertain.

**NOTES**

1 See notes 1 and 2 to the Progress Publishers Moscow 1975 edition (first printing, 1954).

All page references refer to this edition. It was first published in the Liverpool Daily Post, May 172: January 1873, and revised by him in London and re-published in *Zarath* in 1876.


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6 See note 1 above.


8 See note 7 for several important examples.

9 On the background of the remarkable piece of legislation see Alex Koslow, *Wales*.

10 An important area where the capitalists do still provide an increasing amount of the housing stock is in British universities. See Howard Newby, *Agricultural Workers in the British Class Structure*, *Sociological Review* 20, 3 (1972) and Colin Bell and Howard Newby (eds), *Exploring the Class Structure* *Sociological Review* 14 (1974).


15 See Sekerya, op. cit; and Postman & A. Konrad. Under-Urbanization in Eastern Europe (unpublished), and noted the Case Workers (Hutchinson, London, 1974), especially the work by Sekerya, *Housing System and Social Structure* (Wales 1974) and *The Impact of Urbanisation on Social Systems.* (Societies).

16 W. Wolskiowski, *Social Stratification in Poland* (translated by G. Kolinskiwicz, fortnight.

17 Sekerya, 1975, op. cit.


19 Published by The Johns Hopkins University Centre for Metropolitan Planning and Research, 1974.

25 This argument is elaborated in Colin Bell & Howard Newby, 'Class, Communism, Community and Community Action: the social basis of the new urban policy', see note 7.