Routledge
Taylor & Francis Group

Access to housing in the neoliberal era: a new comparativist analysis of the neoliberalisation of access to housing in Santiago and London

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ABSTRACT

The housing crisis in cities across the globe has been shaped by an architecture of neoliberal housing policy. However, to bring myriad qualitatively and nationally disparate modes of housing privatisation, restriction, individualisation and marketisation under the umbrella of a single, monolithic 'neoliberalism' risks limiting explanatory power, ignoring national particularity and privileging theory over 'actually existing neoliberalism'. Therefore, this paper attempts a *cosmopolitan* understanding of these processes across the North/South dichotomy, comparing the trajectories of two cities seen as archetypal examples of housing neoliberalisation: Santiago and London. Drawing on Latin American and Global North literatures, we analyse the socio-spatial and political-institutional effects emerging from neoliberal transformations of access to housing. By exploring mutations in: the role of the state; the origin/purpose of funding/financing; the class composition of policy beneficiaries; the geography of public housing; and, housing tenure, the paper produces a rich comparison of two significantly different housing systems. Written in the spirit of 'new comparativism', the paper contributes to the ongoing decentring of Western-dominated theories of neoliberalism. Two importantly different city-trajectories emerge, and these particularities enable us to add depth to our understanding of the current housing crises, while at the same time drawing cross-border comparisons and conclusions, and cosmopolitanising our theories of neoliberalisation.

The second half of the 20th century saw multiple systemic shifts in the policy area that can be broadly termed 'access to housing'. Supported by

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European Social Democrats and Latin American development advocators, the state assumed the role of providing housing to large segments of the population. Based on broad social consensus, the state was regarded as a key/preferred actor within the housing process. The sustained transfer of parts of this process to private, profit-oriented actors since the 1980s has been identified as the cornerstone of the *neoliberalisation* of urban policies. The privatisation of access to housing has given rise to models that, far from solving long-running housing issues, enabled the emergence of new vulnerabilities and socio-spatial inequalities (Habitat III, 2015). The same shift is found to be prevalent in cities across the globe, and particularly in parts of Latin America and Europe, where the neoliberalisation of access to housing is found to be the most essential political economic lens through which to view the shifting paradigms of housing provision, or its absence.

However, while suggestive of a monolithic and generalisable 'planetary' form – the *neoliberalisation of access to housing* – such theorisations, especially in Latin America, can break down in the complex and variegated realities of place. Processes of apparent neoliberalisation are found to be so locally contingent as to make it implausible to speak of one 'ideal-type', placeless ideology (Hackworth & Moriah, 2006). Indeed, such 'ideal-type' ideologies can often explicitly, or more often implicitly, privilege the experiences of certain (northern) places, finding neoliberalisation only in places which sufficiently 'map onto' those experiences. These limitations can have a dampening effect on understanding. On the one hand, if they are ignored, they can confine theorisation to certain places, the theoretical 'powerhouses' of the North, where the urban is made, to be found, or otherwise, elsewhere. On the other hand, if the limitations are acknowledged, they can lead to a particularism, more or less radical, in which places, and processes in places, are considered substantially distinct, such that credible theorising across, between or through one place to another is rendered *a priori* problematic, especially when those places are not held to be 'similar' (Scott & Storper, 2014).

This paper seeks to retain a meaningful generalisability in theorising about shifts in housing systems and policy, while taking seriously the inadequacies of historical theorisations. As the editors of this special issue make clear, in Latin America as elsewhere, 'changing paradigms' and 'shifts in housing policy' are conditioned by the 'changing political economy … prevalent at local, regional and global scales'. This paper therefore takes up the editors' challenge to 'better [connect] Latin America and the Caribbean region to global housing policy debates' and to 'contribute to a North-South dialogue on housing policy' by building a framework, in the spirit of the new comparativism advanced in recent years by Jennifer Robinson (2011a, 2016), which enables for a cosmopolitan comparison of the effects

of the neoliberalisation of the access to housing in two cities, closely associated with the neoliberalisation of housing. These cities, Santiago de Chile and London, will enable us to explore new models of comparativism, bringing together under the analytical lens two cities whose trajectories are neoliberal, but also very distinct.

The paper has two aims. Firstly, to expand the geographical and thematic confinements of comparison in housing studies, by exploring the postcolonial critique's implications for theories of the neoliberalisation of access to housing. Secondly, to provide a comparative survey of the shared and diverging *effects* of the neoliberalisation of access to housing in two cities. To substantiate these aspirations, in the following section we introduce the recent 'comparativist turn' in urban studies which undergirds our study, before summarising our approach to studying neoliberal housing policies across places, and then outlining the research design we have developed. We then apply this in two sections, the first of which uses the guidelines of the research framework to present the pre-neoliberal model of access to housing in the two cities, and the second of which uses the same framework to characterise the neoliberal model of access to housing. The paper closes by reflecting on lessons offered by the comparative method employed, and the nature of housing neoliberalisation.

A new comparativism: comparison as method for postcolonial housing studies

The comparative study of cities is currently experiencing something of a renaissance in the Anglophone world (Mcfarlane & Robinson, 2012; Robinson, 2011a, 2016). However, this methodological revival has been accompanied by a radical reorientation in the approach itself. Comparative urbanism has been subjected to intense poststructural and postcolonial critique (Robinson, 2003, 2006, 2011b), and the comparativism which has emerged is imbued with the lessons of this critique.

In the early 2000s, Jennifer Robinson initiated a one of the more prominent critiques of the colonial assumptions which undergird much of Western urban theory and practice, especially in its comparative mood (2002, 2003, 2004, 2006, 2011a,b). Having moved from Durban to London, she had been struck by how cities of the South were relegated to bit-part roles in the construction of urban theory (if they were present at all), as Western cities 'hogged the explanatory limelight' (Peck, 2014, p. 165). The field of Anglophone urban studies united around grand theories, undertaking comparative research to establish 'patterns and regularities' in cities (Ward, 2010). The postcolonial critique of this approach provides a thoroughgoing

explication of how the cultural, academic and power legacies of imperialism and colonialism continue to shape and influence contemporary urbanism.

However, Robinson and many others agree that comparative urbanism, while at times an unambiguous weapon of colonial power (Mcfarlane, 2010; Robinson, 2011b), could be redeployed to effectively postcolonialise urban studies in the 21st century (Robinson, 2003, 2011a; Ward, 2010). By thinking across cities, and across theoretical divides, comparative research could effectively bring together urban experience and scholarship from across the globe, leading to a more cosmopolitan, less anglo-centric urban studies. It is the position of this paper that the same is true of housing studies. For Robinson, the modernist/developmentalist tendencies in approaching cities of the North/South – which are also found in housing studies – has created an important limiting factor in comparative urbanism: 'The intertwining of modernity and development in urban theory … has established a landscape in which assumptions about the incommensurability of wealthier and poorer cities are taken for granted' (Robinson, 2011a, p. 3). Similarly, the common frameworks in the Anglophone world for comparing housing systems, e.g., Esping-Andersen's (1990) welfare state framework which has been adapted to account for housing systems (e.g. Hoekstra, 2003), and the Varieties of Residential Capitalism approach (Schwartz & Seabrooke, 2008), often group countries, cities and places, at least partially in terms of these traditional lines of difference, and in such a way as to potentially preclude meaningful comparison between cities which are geographically or systematically different on these measures. In terms of housing, many Latin American cities are most commonly found held in comparison with their regional partners, or other Southern cities, often under a 'developmentalist' lens. In contrast, London is most likely compared with other Northern cities, 'first-tier' cities, or other centres of perceived 'command and control' in the global economy, at the vanguard of modernity/development.

The two cities which are the subject of this paper – Santiago and London – have been chosen because they have both been considered the sites of archetypal neoliberal housing policy, and so provide ideal locations for studying the meaning of the neoliberalisation of housing policy across place. However, the housing trajectories of the two cities are distinct in a number of different ways, enabling us to unpack the nature of housing neoliberalisation, and they are not usually placed in comparison – a first tier 'Global City' and a capital city of the peripherary. To compare them is to speak across geography, theory and political economic hierarchies. We will therefore draw comparisons beyond geographic and thematic biases, while resisting the essentialising discourses which arise when thinking North/South or centre/periphery. Nevertheless, the task of a post colonialised comparativism is not resolved in simply accepting the reworking of

urban imaginaries and possibilities required, or in this instance comparing across difference. Instead, new grounds of comparability are needed, which allow for comparison across traditional academic and geographic boundaries. The next section will introduce our approach to the comparator in our study, the neoliberalisation of access to housing.

Neoliberalisation of housing: contingent and ideal type approaches

Neoliberalism theory is 'western dominated', and while non-western cities, countries and regions are frequently cited as locally interesting manifestations of neoliberalisms, the western neoliberal trajectory is often citied 'as the neoliberal trajectory per se' (Hilgers, 2012, p. 80). The shifting public housing policy which London, and the UK more broadly, have been subjected to over the previous 35 years has been identified by researchers as 'one of the most significant applications of neoliberal policy worldwide' (Hodkinson, Watt, & Mooney, 2013), and is such that 'many commentators would see Thatcherism [British neoliberalism] and the associated transformation of British council housing as the model for similar housing policies pursued across a wide range of societies' (Forrest & Hirayamama, 2009). However, in this paper the particular experiences of London are not taken as defining of this process. The present study instead sets out to parochialise the experience of London, comparing it with Santiago, a place also considered archetypally neoliberal, although not with the level of global influence on much Western urban theory.

However, the need to parochialise our theorisations of housing and place poses some significant methodological obstacles to the researcher. If nowhere is to be privileged, or held up as the exemplar of world-systemic processes against which other places can be measured, then how, and against which framework or imagined place, are we supposed to theorise between and across places, and find shared processes and practices? It is here that the risk inherent in new comparativism for it to collapse into a form of radical particularism in which comparativist studies only produce 'description[s] of kaleidoscopic combinations of discrete contingencies at the expense of recurrent underlying structures and processes' (Scott & Storperer, 2014, p. 11) is most apparent. The approach to this issue adopted here has been a careful specification of the research questions addressed in this study. The paper does not ask: has access to housing been neoliberalised in both cities? Rather, the two cities have been chosen because there are literatures which assert this for the two sites (For Santiago, see: Rodríguez and Sugranyes (2004); for London, see: Hodkinson et al., 2013). The paper therefore reflects comparatively on two accepted cases of

housing neoliberalisation, excavating the similarities and differences between them, and reflecting back on neoliberalisation in light of this.

Notwithstanding the broader difficulties addressed regarding the *a priori* possibility of theorising between places, the question of whether neoliberalism, in particular, is a theory capable of being employed as a comparator, is of importance. While in many studies neoliberalism is taken as a trans-local ideal type, constituting a monolithic entity whose form, foundations and effects are strikingly similar across place, a sophisticated literature has emerged questioning this universal formation. Many authors have forcibly argued that common understandings of neoliberalism are mistaken because they fail to take into account the contingency of place or the theoretical inconsistency of the theory (see Hackworth & Moriah, 2006, for a review of these positions). Authors have argued either that the theory is too internally inconsistent and unwieldy to be considered a reliable ideology (Brenner & Theodorere, 2002), or that neoliberalism is so rooted in place and path dependency as to make a translocal, placeless ideology impossible. These discussions make clear that any apparently placeless, ideal-type archetypal mode of theorising will be severely limiting; practically in terms of to whom and to where urban studies speaks; and theoretically, by curtailing the possibility of theorising beyond the usual suspects – London, New York and so on. In this respect, the cases being discussed today are illustrative; the models of access to housing in the two cities are radically distinct, and so it follows that their neoliberalisations have followed equally distinct trajectories. Therefore, beginning with a simplistic global 'blueprint' for neoliberalism, and seeking it in all two contexts is at once methodologically bullish and epistemologically limiting.

Instead, this paper instead seeks to compare the *effects* of the neoliberalisation of access to housing in the two cities. In the same way that ideologies of neoliberalism, for instance the work of Hayek and Freidman (see: Hackworth & Moriah, 2006), are distinct from the actually existing policies associated with it, those policies are themselves distinct from their effects or impact. As this paper will show, the neoliberal mechanisms and policies implemented in the two cities have given rise to very different housing models, and the policies which produced these models are institutional devices highly rooted in local institutional frameworks and political stories. In this regard, we argue that a decentred comparison which addressed neoliberal *policies* in both cities, both of which have radically different histories and contexts, is likely to have to resign itself to description, and would achieve limited meaningful comparison. To resolve this challenge, the paper does not focus on the ideology or specific policies implemented but analyses comparatively the *effects* these processes have had on housing,

the city and socio-spatial inequality. By taking this approach, threads of analysis can be drawn between seemingly unalike shifts in policy, by identifying the shared impacts neoliberalisation has had on the access to housing policies in the two cities.

Framework

To analyse the cities systematically we have constructed a framework to compare the effects of housing policy in both cities. The three authors, each an expert in the housing histories in Latin America or the UK, identified the central sociospatial impacts of neoliberalisation of housing in their work, and then coproduced a framework to account for these. The framework consists of four dimensions, which, when analysed at temporally distinct points in both cities, are sufficient to capture the essential characteristics of the housing models, while also illustrating similarity and difference. These dimensions are: (1) Tenure; (2) Geographies; (3) Class Composition; and (4) funding and financing. Across all of these axes of analyses lies a fifth, overarching dimension: the role of the state.

Tenure

For many, the neoliberalisation of housing policy almost characteristically implies a shift in tenure; home ownership is widely seen as the privileged tenure on neoliberal models of access to housing. However, in Chile home ownership has been the central tenure across models. This paper therefore asks: What kind of tenure has developed?

Geographies of access to housing

Financial and real estate capital flows, alongside the state's model of access to housing, define the different land markets that give rise to, or abate, gentrification processes, the regeneration of central areas, the expansion of peri-urban areas and the creation of new central districts. The location and target of housing policy may either exacerbate or reduce the unequal access to the benefits provided by the city. This paper asks: What kind of geographies have emerged, and been erased, as the result of the implementation of neoliberal housing policies?

Class composition

Housing policies, explicitly or implicitly, target distinct social strata. In Latin America, special attention was given to formal workers and individuals who

work and live in informal conditions. During the 20th century, so-called 'marginalised' people played a key role in the construction of cities, and as the object of housing policy. Today, far from disappearing, this group is increasing in number and, in some cases, acquiring new forms within the context of globalised economies. In countries such as the United Kingdom, deindustrialisation and the development of information economies have given rise to new socially and economically disadvantaged social strata. The question is: For whom are access to housing policies intended – who has access to (public) housing?

Funding and financing

The generation of funding models, based on state support and the expanded participation of developers, landlords and other financial agents, has been regarded as a crucial step towards the neoliberalisation of housing policy. However, the economic participation of the state is often still central in the provision of access to housing. This paper asks: What kinds of models have been developed to finance access to housing?

Historical trajectories of housing policy in Santiago and London

Before outlining the housing trajectories of the two cities, broad timeframes, and key events in each city's neoliberal trajectory are briefly introduced below.

The neoliberal era in Santiago and London

The enactment, in 1979, of the Urban Development Policy during the Pinochet dictatorship established land as a non-scarce good in Chile, thus deregulating its use. This measure, regarded as among the most radical urban neoliberal policies in history, was soon repealed within the context of a political and economic crisis. A second generation of reforms was implemented in 1983; these initiatives were characterised by greater pragmatism and defined the main features of Chilean neoliberal social policies, which were marked by re-targeted spending, the privatisation of services and the decentralisation of social policies (Taylor, 2003). Since the end of the dictatorial period in 1990, a series of administrations led by centre-left parties have further refined the neoliberal logic (Moulian, 1997). For two decades the development of the neoliberal project faced almost no political or social resistance. In general terms, there was a consensus that the 'model' broadened access to different goods and services. However, the mass access to education and housing is paradoxically responsible for the emergence of the current

crises in these sectors. The private provision of services and the targeting of State spending through the allocation of subsidies enabled the achievement of quantitative success, aiding broad social groups but sacrificing the quality of goods and services at the expense of personal indebtedness. In Chile, the right to health, education and housing has been commodified (Atria, Larraín, Benavente, Couso, & Joignant, 2013; Mayol, 2012).

The election, in 1979, of Margaret Thatcher's Conservative Government, is widely seen as the start of the neoliberal era in the UK. Housing policy was one of the primary public policy areas in which the Government reworked British society and the state, with one policy coming to characterise the neoliberal trajectory in London and the UK. The Right to Buy scheme, introduced in 1980, gave the millions of public housing tenants the right to purchase their public rental home, at a heavily discounted rate. Beyond this headline reform, far-reaching institutional and policy shifts were initiated by the Thatcher Government, and the neoliberalising trend continued into the 1990s with the election of New Labour Government, who continued to seek market-based solutions to access to housing issues. Almost 40 years later, the housing question has grown to dominate the political agenda in contemporary London, in a way not seen for some time, and there is a broad consensus that London is currently undergoing a far-reaching and growing housing crisis, with the impact of almost 40 years of neoliberal housing policy visible across the city. Nevertheless, in public debate the 'neoliberalisation of public housing' is rarely referred to as such and its effects are not at the centre of the housing debate. In the UK, 'neoliberalism' itself is barely an operable concept among most party politicians or mainstream journalists, and a joined-up popular debate about the neoliberalisation as an epochal shift in the UK's economic and political life has until very recently been almost non-existent, outside of the academy.

Pre-neoliberal and neoliberal models of access to housing

This section sketches the models of access to housing in the two cities, before and after the neoliberal turn. Table 1 provides a summary of these sketches, along the axes of analysis identified in the methodology.

Santiago

1953 saw the creation of CORVI (the Housing Corporation), the key moment in the creation of a systematic housing policy in Chile. From the beginning of the 20th century, the housing question had been discussed within the political sphere; however, the emergence of a development-oriented approach based on industrialisation and the creation of a professional and technical state-led administration enabled the development and implementation of

Table 1. The pre-neoliberal and neoliberal models of access to housing in the two cities.

Models		Chile	UK
Pre-neoliberal	Tenure	Home ownership, as well as informal housing	Municipal rental, with lifelong leases
	Geographies	Central areas, next to workplaces Assisted self-help construction in peri-central areas	Primarily located in central and peri-central areas, through slum clearance programmes
	Class composition	Salaried working-class and middle class engaged in formal economic activities Self-help housing: informal dwellers –'settlers'– often rural-urban migrants	Mainstream tenure, mostly oriented to salaried/upper working-class
	Financing methods	Central State funding, and private funds, (personal savings) or state aid for self-help construction purposes	Central State, local taxes and rents complemented by subsidised loans for construction purposes
Neoliberal	Tenure	Home ownership	Private rental property, security of tenure for a 1-year period Massive state subsidy for home ownership for wealthier groups
	Geographies	Massive concentration of social housing in peri-urban and extra-urban areas	Less traditional social housing in central areas as the result of privatization, gentrification
	Class composition	Focused on the most vulnerable segments	Focused on the most vulnerable segments
	Financing methods	Provision of State subsidies for the most vulnerable groups. Provision of mixed funding options (savings and/or bank loans) for poor segments or the lower-middle class	Massive reduction in the provision of financial aid for constructing public housing. Reallocation of State spending to the private sector, and home ownership. Increased role of private financing methods

Source: The authors.

policies with massive socio-spatial impact, to systematically address the housing deficit. Until that moment, the growing demand for housing in metropolitan urban areas had been tackled through fragmented actions implemented by the state, the Catholic Church and private companies that invested in the creation of dwellings for their workers. CORVI addressed housing demand by absorbing and expanding the activities of Building Societies, and provided funds to co-finance the owner occupation of social housing. In addition, it developed and implemented a modern architectural and urban/housing development programme according to the guidelines set out at the CIAM conference (Aguirre & Rabi, 2009, p. 37). The paradigm which emerged undertook densification in central and peri-central areas and industrialised housing production.

The dwellings provided by CORVI were primarily aimed at formal, educated workers from the public and private sectors. In general terms, those eligible for the homes produced through CORVI earned stable income, belonged to the emerging middle class and primarily were of an urban and modern profile. Therefore, the massive rural-urban migration that took place during the mid-20th century led to an explosive increase in the number of individuals excluded from these 'modernisation' processes. This group had to resort to informal housing and work in order to survive, as they were excluded from CORVI programmes (Germani, 1976). This segment of the population asserted its right to the city in 1956, when they collectively occupied a portion of land in Santiago. Up until the 1990s, the illegal occupation of land continued, emerging as a 'popular movement', a collective that demanded access to decent housing, and played a significant political and social role at the national level (Espinoza, 1998).

Within the context of such a new and unmet demand, and popular action, the state offered parallel options to those provided by CORVI. The state responded to land occupations by providing land parcels and servicing the land with basic amenities. State-aided self-help construction became a public policy. Housing and neighbourhoods were regarded as collective units, and cooperation among neighbours to build the physical fabric of the community emerged as an essential feature. While this parallel strand of social housing production differed substantially from the large public housing projects promoted by CORVI, it still aimed at locating the new dwellings in the central and peri-central areas of the city, next to industrial districts and providing access to services. Developments included community amenities and green areas. Most of the projects developed by CORVI were labelled as 'redevelopment' as they consisted of the renovation of precarious or underused central areas. In both of these central pillars of housing policy of the pre-neoliberal era, public policies created private property and home ownership; the provision of rental housing or other community or cooperative methods of access to housing were never part of Santiago's public housing programme.

The neoliberal reforms implemented in Chile during the 1980s reimagined the state's role in access to housing as a subsidiary one, focusing on the provision of housing for specific social segments not able to take part in the private housing market. Within a dictatorial context, all forms of citizen participation were suppressed. During that period, the quality standards of subsidised housing fell to historic lows in terms of size, quality and accessibility to services and infrastructure. As an expression of the new wholesale commitment to a free market-oriented economy, CORVI's objective to site new dwellings in central areas was replaced by a commitment to the socio-spatial decision-making of the land market. Consequently, the

most vulnerable and deprived populations were relocated to peri-urban and extra-urban areas, where the cost of land was lowest. Home ownership remained the only tenure, and became the axiomatic principle of policy, partly because of the continuity with the previous era, but also because it strengthened the central role of private property, the basis of the neoliberal project assumed by the dictatorial regime.

The Coalition of Parties for Democracy[1] came to power in 1990 and identified the reduction of the housing deficit as the main housing goal for the following 10 years. Partially echoing the preceding years, the principles that marked this phase were: private property and home ownership; the land market as a determinant of location; a large and targeted provision of financial state aid in the form of demand subsidies for individuals excluded from the private housing market; and the increased privatisation of the housing process. From 1990 to 2014, more than 2.3 million subsidies for purchasing a house were allocated; 56% of those were granted to the poorest 20% of the population. While widely held to be successful and marketed as the 'Chilean Model' of housing provision, by the 2000s issues were beginning to become acute. The massive construction of dwellings in low-value areas had given rise to the emergence and stigmatisation of segregated neighbourhoods deprived of core services, and with a series of social and urban characteristics which exacerbated their territorial stigmatisation (Tapia, 2011). These areas of the city became focal points for marginalisation, crime, drug trafficking and violence. The apparent success of the Chilean Model, which effectively achieved a reduction in the housing deficit, gave rise to new forms of vulnerability, stigmatisation and exclusion, thus generating new unequal geographies resulting from the implementation of neoliberal policies and the commodification of housing.

Over the last decade, housing policies have focused on mitigating these negative effects without changing the principles established back in 1990. The relationship between the Chilean State and the private real estate industry has been strengthened through the increase in the amount and types of subsidies to the private sector. Recently, there has been an emergence of a new segment of vulnerable people who prefer the precarious and overcrowded conditions of peri-central areas rather than living in subsidised housing located in the periphery of the city.

London

From 1919, a model emerged in which the central state mandated and subsidised local municipalities to build, manage and maintain public rental housing. By the eve of the model in the 1970s, municipalities were established as major developers and providers of rental housing, which housed a

broad cross-section of British society. The model had emerged gradually and in a haphazard manner, in response to political and economic crises, and the housing devastation and undersupply created by two world wars, but from 1945 until the neoliberal era, the state's responsibility to build and manage extensive public housing was accepted by both major political parties (Labour and the Conservative) alike.

The key state scale at which the provision of public housing was undertaken was municipal. Local authorities were given relative freedom for strategic planning: to determine housing need and to build to meet that need, albeit with a centralised funding model. Generally, the municipal state procured construction from the private sector, and this was financed by central state, local taxes and rents, with state subsidised borrowing for construction. By 1979, 6.6 million public homes for rent had been built, housing around a third of the UK's population. London consistently had an even higher proportion of social renting, and by 1981 over 35% of the city's households were public housing tenants.

The geography of the model was complex, as municipalities either ignored or responded to the pressures of London's central governing bodies. The result of this was that public housing was mainly constructed in the inner city, or inner periphery, and comparatively little was constructed in outer areas. Inner London in 1961 was overwhelmingly dominated by private renting, and Outer London by home ownership, but by the end of the next two decades, public housing was the dominant tenure in Inner London, while home ownership was still dominant in Outer London (Hamnett, 2003). Inner areas were controlled by progressive Labour authorities, who worked to break the link between poverty and poor housing, while Conservative-controlled Outer London boroughs resisted building public housing, instead manoeuvring to protect low density for their middle class (Conservative-voting) residents, and showing no desire for attracting 'Labour voters' (the working class) by building public housing (Hamnett, 2003). The exact geography of public housing was further determined by its production as the output of slum-clearance programmes, which again dominated the inner city, and on the footprints of the buildings wasted through widespread bomb damage in WWII.

Council housing, as it became known, was a mainstream tenure and a 'non-market' alternative to private ownership or private renting. Council houses included high rise or low rise, terraced and detached, flats and houses and developments ranging from individual houses to those the size of a small town. The tenure could broadly be described as being for the working class, although two important caveats characterise its pre-neoliberal class constitution. First, it was a genuinely mainstream tenure, and was intended to have a mixed occupancy, housing middle and upper

income people, in addition to the traditional working class. This partial class diversity was realised, and in 1979 '20% of the richest tenth of the UK's population lived in social housing' (Hills, 2007). Secondly, although primarily a working class tenure, it was never intended as a tenure for the very poorest. Instead, the tenure was home to the relatively well-off within the working class, at least primarily, with the worse-off housed in lower quality housing in the private rented sector (Hamnett, 2003).

Other central features of the model included: (1) security of tenure, with tenants having the right to rent the home for life, and to pass it on to their children on their death; (2) affordable rents across the model due to national pooling of rents; and (3) a partial degree of democratic accountability for landlords, through local municipal elections.

The neoliberal 'public housing model' which currently exists in the UK is radically distinct from the pre-neoliberal model, both qualitatively and quantitatively. In 1981, more than 35% of households in London were social tenants (Watt in Imrie, Lees, & Raco, 2009). However, by 2001 this proportion stood at 27% of London households (ibid.). The last 30 years or so has seen both a reduction in the proportion of UK population who are housed outside of the free market, and an absolute reduction, by more than a million, in the number of available social dwellings over a period when the population of the UK has increased by 8 million people (Office of National Statistics [ONS], n.d.).

The roll back of the previous model saw the state withdrawal primarily in the form of the massive asset transfer from the state to individuals, the private and third sectors. The right to buy, a cornerstone of Thatcher's housing policy, enabled council tenants to purchase their homes at great discounts, and by 1997 had seen the sale of 1.8 million public housing units – one in four houses. Privatisation trends continued with Labour's (1997–2010) transfer of public owned housing to not-for-profit housing associations, or to arms-length corporate-public bodies, or through the creation of public-private partnerships.

This outsourcing/asset transfer has been combined with a massive reduction in government spending on the pre-neoliberal housing model. Firstly, there has been a dramatic decline in the level of state spending and support for new build public housing. At the peak of the postwar model of house building – 1970 – 28,000 of the 37,000 new houses built in London were social housing (Watt in Imrie et al., 2009). However, by the 2000s the number was often as low as two figures. Secondly, the resources allocated by the state to maintain the already existing dwellings were also reduced, which forced local authorities to privatise the ownership of public dwellings in an attempt to renew the housing stock or enable access to private financing methods to renovate the existing dwellings.

While funding for the pre-neoliberal model has been radically reduced, funding for a new model of demand subsidies has seen a huge expansion

in the neoliberal era, with two aspects. On the one hand, there has been a massive growth in subsidy for home ownership among the higher classes. On the other hand, working class populations are housed in private sector rental housing, not council housing. People on low incomes can access government subsidy for private sector rental properties, with the level of subsidy available tied to the unregulated rental market. The level of government spending on housing benefit – which financially benefits landlords – is now more than 20 times as much as that spent on public housing construction (Jefferys et al., 2015). The overall reduction in the level of pre-neoliberal public housing has created deep structural changes in the class composition of the tenure. Whereas, previously, public rental housing was a genuinely mixed and mainstream housing option, the neoliberalisation of public housing has seen the 'residualisation' of the tenure (Malpass & Murie, 1982). Those able to access the diminished levels of stock are only those in the greatest need (Hamnett, 2003). Public housing is no longer a mainstream tenure in the same sense, but is increasingly becoming an 'ambulance service' (Harloe, 1978) providing a safety net catering to only those whose needs are deemed most radically unmet by the market. This process has been accompanied by a deep stigmatisation of the tenure.

The geography of the new model is extensively determined by the allied processes of privatisation and gentrification, and is dispersing lower income groups from central and peri-central areas. Whereas pre-neoliberal public housing was primarily an inner London phenomenon, this stock has been slowly hollowed out by asset transfer to private individuals. New 'social' housing is constructed as a by-product of private developer activity, and is often apart from the private market homes. As working class Londoners have moved from public housing into the private rented sector, they have seen the lifetime security of tenure enjoyed in council housing lost. Security of tenure in the private rental sector is six months long. In general, 35 years of neoliberalised housing policy in London has resulted in an acute housing crisis, characterised by unaffordability, record low levels of supply, homelessness and displacement (Edwards, 2015) – this must be noted as the primary effect of the neoliberalisation of public housing in the city.

Analysis and discussion

The framework employed, which compares the effects of paradigmatic shifts in access to housing across four dimensions – tenure, geographies, class composition, and, funding and financing – enables us to meaningfully compare the distinct housing trajectories in the two cities. This section will analyse these dimensions, and show that common threads are to be found in the effects of the neoliberalisation of access to housing policy. Despite

different institutional and policy contexts, the socio-spatial and political-institutional effects of the neoliberal trajectories can be characterised as: (1) the *peripheralisation* of lower income groups, and the social tenure which houses them, as real estate and land markets become the dominant location-decision making mechanism; (2) this dominance/reification of private markets, has lead to a *residualisation* of social tenures, which now only provide for the lowest social stratas, which is producing and is produced by a *stigmatisation* of the social tenure and its tenants; (3) the convergence of access to housing policy around the prioritisation of one tenure: *home ownership*; and (4) the reorienting of state financial support for access to housing policy towards private sector accumulation.

Peripheralisation

Across the two cities, the pre-neoliberal models often promoted the construction of social housing in central areas and peri-central areas. The proximity to infrastructure, services and workplaces was regarded as a central condition for the reduction of socio-spatial inequalities, and the hallmark of successful public housing policy. Neighbourhood improvement/slum clearance (London and Santiago), and postwar reconstruction (London) programmes frequently constituted efforts to house (some) lower-income groups in the central areas of the city. Across the two cities, from the 1980s onwards, social housing, and the outputs of access to housing policy generally, have relocated lower income groups to peri- and extra-urban areas; *peripheralisation* has become the main characteristic of the new urban geographies produced. In London, the housing stock in central areas has been privatised; likewise, the peri-urban areas of Santiago have been expanded as the result of the massive construction of housing developments for the working-class and lower-middle classes. Speaking generally, this loss of inner city housing options for the working classes has seen an erosion of their rights to the city, as access to urban amenities, infrastructures and workplaces has been reduced.

In both cities across the two eras, the geographical effect of access to housing policies reflects a shift in the drivers of locational decision making. Generally, pre-neoliberal housing policies enabled locational decision making – where to build public houses – determined by public policy considerations: access to employment, e.g., or public health in the case of slum clearance. In the neoliberal phase, the precise geography of neoliberal access to housing policies was decentralised. The location of homes for low income groups – either as enabled through demand subsidies ('housing benefit') in the UK, or as provided by private sector developers in Chile – is no longer something precisely determined by state housing policy, or state

actors. Instead the location of the homes that are available for subsidised rent, or are built for subsidised home ownership, is dictated by the urban and real estate markets of the city – in other words, they are provided in those areas of the city with the least lucrative land and real estate values. In both eras, access to housing policy wrote into the residential fabric of the city its class geographies and class divisions – divided class geography was never erased. However, the mechanism for determining these geographies has shifted with neoliberalisation, and the potential for ameliorating class inequalities through access to housing policies reduced as the market became the sole determinant of where low-income groups are able to live in the cities in the neoliberal era.

Residualisation and stigmatisation

In pre-neoliberal models, policies for access to housing were often positioned as for the benefit of the most excluded stratas of society. However, across the two cities, the ultimate policy beneficiaries did not generally belong to those groups. In order to access housing, people were required to pay regular rents and in the early days of the model be 'approved' by local officials (the United Kingdom) or have a savings account (Chile); this implied having stable employment and income. In Chile, the situation of illegal settlers, who were deeply socially excluded, was only partially addressed by state policy, and in the UK the lowest income people were housed more precariously in the private rented sector. The primary beneficiaries of pre-neoliberal policies therefore were the salaried, or upper, working classes.

In Chile and the United Kingdom, the neoliberal process has led to the *residualisation* (Forrest & Murie, 1983) of social/public housing. The legacy stock of pre-neoliberal social homes still available in the UK, and the new peri- and extra-urban social housing estates in Santiago, are now only available to those most excluded from the private market. The private (but state supported) real estate market has become the absolute preferred mechanism for housing delivery for the general population; social housing is associated with those who have no other options, and can be regarded as an 'ambulance service' provided by the state. Social housing has therefore come to house a large proportion of economically inactive people, including those excluded from the labour market, single mothers and retirees. This process has been accompanied by an allied process of *stigmatisation* whereby the tenure – no longer *mainstream* – has become maligned, and social housing has become associated with crime, worklessness and immorality. This is often used to provide a scaffold for reductions in state support for social housing programmes, and therefore to further socially exclude

people living in social housing, who are often presented as relying on government 'hand outs' to provide themselves with a place in the city. The desire to marketise housing solutions and create a buoyant property market has seen social housing presented as an 'undesirable' option of last resort for the lowest income groups in society. Whereas the scale and targeting of pre-neoliberal housing policies in the two cities created a mainstream tenure, not subjected to stigmatisation of the same degree as the neoliberal era, the effect of the neoliberalisation of housing policies in the two cities has been to unpick this. In the two cities, and perhaps out of step with simplistic characterisations of neoliberalism, the state has in fact accepted the role of providing, or facilitating, access to housing for many of those most excluded from the market, but such a way of living is no longer mainstream; it is downgraded both by discourse and quality of housing – a tenure of 'failure' in the neoliberalised society.

Home ownership and the State/Private Capital

In both cases, the effect of neoliberal housing policies has been the prioritisation of home ownership, to the exclusion of any other tenure as legitimate or desirable. In the UK this meant the large-scale transfer of social assets to individuals and private actors. In Chile, where home ownership dominated across both policy eras, collective, communal and cooperative housing, as exemplified by the settlers movement, has been transformed in the neoliberal era into legal home ownership.

The pre-neoliberal era in the two cities saw social housing built in part with private funds (loans, or funding from employers or building societies, or capital market borrowing by the state, e.g.); the state was never the sole financier. However, the relationship between these capitals has shifted in the neoliberal period. With the elevation of the mechanisms of the market over state urban and economic planning, private actors and capital have acquired a dominant role in determining location, and what is constructed. Private actors are no longer being directly *contracted* by the state to provide, for example, housing development, as in the pre-neoliberal era. The state no longer plays such a classically interventionist role in the market. Public spending has shifted, in both cities, from spending on public housing *supply* to spending on *demand*. The state – no longer the provider of public housing – now subsidises demand in the private market for those otherwise unable to house themselves within it. This shift, from subsidising supply to subsidising demand, does not however imply the reduction of state spending on access to housing policy. In both cities, the funding has evolved, but not necessarily reduced. Instead, the targets of spending have shifted or coalesced – across the both cities, state funding now subsidises

private actors to provide the access to housing policy objectives, through demand subsidies, primarily. The ultimate financial recipients of state spending on housing policy in the two cities are now landlords, private developers, and real estate investment capital.

Concluding remarks

In urban studies at least, it is a widely-accepted conclusion that neoliberal processes vary in nature, are shaped by specific institutional contexts and operate within the complex context of each national and municipal political system. This paper has attempted to accept this lesson, and yet undertake a comparison of the neoliberalisation of access to housing in two cities. To do this, we have built a framework which does not privilege any one of the cities, not least London, the Northern city.

The challenge of the postcolonial turn in urban studies (Robinson, 2006), and especially in comparative urbanism, is to accept the lessons of the critique of much of Northern-centric urban thinking, without falling into a limiting radical particularism, of the sort Scott and Storper (2014) warn. In response to the critique and obstacles outlined in the first sections, we have built a framework which concentrates on the *effects* of the neoliberalisation of access to housing policy. This framework and approach has enabled us to compare across difference, and to draw meaningful conclusions between very different city contexts. The absence of a settlers movement, and an informal housing strand to housing policy in London, e.g., or the absence of public rental housing from Santiago, makes the comparison of *policies* risk achieving little more than parallel descriptions. However, by focusing on the effects of policy on the city, its housing and inhabitants, we have identified significant strands of similarity in the both places, as well as difference. It has enabled us to compare the effects of the right to buy policy in London, with Santiago's shifting access to a housing model which has no direct equivalent and has always been rooted in owner occupation. In both cases the analysis has shown that the shift to neoliberal housing policies has produced peripheralisation and displacement, despite the (epiphenomenal) policies being quite distinct. Perhaps more than any other imperative, the postcolonial turn requires methodological innovation, to rethink and remake our traditional (comparative) methodologies. This paper has shown that the comparing of *effects*, may be an important tool for analysing policy and paradigm shifts across geographical and theoretical borders. In addition, the four dimensions of analysis we have applied could be applied to other urban places, and the analysis expanded beyond these cities, while remaining aware of the need to be sensitive to place.

Exploring the neoliberalisation of housing in these cities equally has enabled us to empirically and comparatively examine the analytical centre and margins of the concept and develop our place-based understanding of the current paradigms in housing and socio-spatial production. Across both cities, a more universalist housing policy has been replaced by one which privileges, or entirely relies on, market provision, reserving social housing policy only for those most severely dislocated from the market. Home ownership has been privileged as the only 'acceptable' tenure, either through the privatisation of previous social rental housing stock, or through the dismantling and regularising of other forms of ownership such as cooperative or collective housing. Where still available to lower income groups, the tenure and place of social housing has become a target of negative discourse, and the privileging of private ownership discursively relegates lower income social housing dwellers to a 'tenure of failure'. In the two cities, the locational decision-making of the market has produced strikingly similar new urban geographies of division, in which lower income groups are financially and politically expelled from living in central or peri-central areas and are increasingly remote from many of the benefits of urban living. Nevertheless, this has not led necessarily to a reduction in state spending on access to housing, but rather, with the state subsidising low-income demand in the market, as well as owner occupation more broadly, it has resulted in public spending now benefiting the profit margins of various forms of real estate capital to a greater degree than previously. Similarly, the reliance on private market and actors has meant that in both cities, the locational decision-making in the neoliberal model writes class inequality into the cities in a way which both entrenches those spatial class divisions, and exacerbates them, by dislocating low income groups from the benefits of the city to an increasing degree.

Concentrating on the effects of neoliberalism, and critically examining epiphenomena of the city to reveal profound effects which cut across both cities, may well be a viable route to illuminating neoliberalism in places quite unlike each other. Efforts to find a translocal ideal-type neoliberalism, rooted in ideology and replicated across the globe, certainly have an intuitive appeal, and offer a world systemic dynamic which appears to explain so much. However, as we have seen, this approach privileges certain places, and loses its explanatory power in the contingency of different locations – perhaps suggesting that the conceptual framework itself should be retired as unhelpful. This paper takes a different view. On the evidence we have seen, we argue that instead it may be useful to approach the comparison of potential cases of neoliberalism by examining their *effects* and the deeply wrought impacts that neoliberalism has had on cities, as opposed to comparing ideologies and policies. Far from being an incoherent or restrictively

bloated concept of comparison, the research conducted here suggests a clear pattern of the effects of neoliberalism, which are directly comparable despite two highly different political, institutional and policy contexts. In short, in both of the cities we have examined, the neoliberalisation of access to housing policy has produced new forms of social exclusion and socio-spatial inequality, which far from being particular to the individual cities are replicated across geographic and theoretical boundaries.

Note

1. The Coalition of Parties for Democracy is a coalition of centre-left political parties which has governed Chile from 1990–2009 and 2014–2017.

Acknowledgements

Disclosure

The authors have no financial interest or benefit arising from the direct applications of their research.

Funding

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