‘The party’s over’: critical junctures, crises and the politics of housing policy

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Abstract

The key argument set out in this article is that historical and comparative forms of investigation are necessary if we are to better understand the ambitions and scope of contemporary housing interventions. To demonstrate the veracity of our claim we have set out an analysis of UK housing policies enacted in the mid 1970s as a basis for comparison with those pursued forty years later. The article begins with a critical summary of some of the methodological approaches adopted by researchers used to interpret housing policy. In the main section we present our critical analysis of housing policy reforms (implemented by the Labour government between 1974 and 1979) noting both their achievements and limitations. In the concluding section, we use our interpretation of this period as a basis to judge contemporary housing policy and reflect on the methodological issues that arise from our analysis.

Key words

Housing policy, historical methods, 1970s.
Introduction

Amongst the reasons for writing this article is our commitment to extending the reach of analysis to better judge contemporary housing policymaking. In our view, many accounts of housing policy are; either too narrowly focussed on administrative interventions (e.g. More et al, 2005) or, overly structural in scope, dismissing domestic policy reform as of little consequence compared to the effects of global capital and neoliberal ideology (e.g. Harvey, 2010). We suggest that amongst the best ways to respond to the limitations of contemporary critiques of housing policy is to pursue more historical and comparative forms of analysis. To support our argument, we revisit the mid 1970s in the UK (analysing the policies of the early years\(^1\) of the 1974-1979 Labour government and focussing on the speeches of one key figure - Anthony Crosland) to chart how policymakers addressed contemporary housing problems. We then use our observation of this period as a basis to judge subsequent policy interventions\(^2\).

As will be made clear, we are not seeking to pursue a simplistic argument that today's policymakers lack conviction whilst those in the 1970s were more resolute. Rather our point here is more nuanced; that policymaking has become too attentive to managerial interventions that prioritise demand side concerns rather than tackling more fundamental problems of supply. The reliance on piecemeal social reform as an appropriate mode of intervention reflects shifts in the conduct of policymaking that are difficult to detect on a year-by-year basis but are more clearly discernible when comparisons are made across two historical periods. The article highlights the way in which housing policies have become increasingly constrained due to a variety of ideational, political and material processes. Pursuing a historical analysis enables an understanding of housing which takes account of both structure and agency and acknowledges the ideological and practical barriers to reform. Such an analyses sheds light on both the constraints upon and opportunities to develop coherent reform strategies. Whilst our study has focussed on the UK, the issues we explore have relevance to other territories where neoliberal practices in housing and welfare reform have taken effect.

Methodological Issues

All forms of research require choices about what to select and what to reject as evidence. Influenced by what Pierson (2011) describes as a ‘historic turn’ in social science, we have chosen to focus on the mid 1970s UK housing policy for a number of reasons. First, that it marked a period of economic crisis, at a time when housing issues were at the forefront of public debate. Writing at the end of the decade Merrett (1979: 259) contended ‘there has probably been no other period in modern British history when the impact of

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\(^1\) As we make clear later on in the article, most of the significant housing legislation was enacted in the first few years of their period in office.

\(^2\) The reforms undertaken by the Conservative administration elected in 1979 have been subject to considerable interest (see Forrest and Murie 1988, Lowe, 2004, Malpass 2005, Malpass and Victory 2010). In contrast, the mid 1970s has been been paid less attention in recent housing scholarship.
broad macro-economic trends in the sphere of housing has been starker or more powerful'. A second reason for selecting this period is that it has often been depicted as heralding a critical juncture in housing policy, marking the emergence of neoliberalism as a dominant ideology (see Lowe 2004 and 2011). A third reason is that the era encompassed a considerable body of legislative activity relating to housing issues, incorporating a comprehensive review of housing finance, established by the government to address a number of specific policy challenges.

Whilst the period is best known for the imposition of severe public expenditure cuts, required by the International Monetary Fund, as a condition of a loan to the government in 1976, and public sector industrial action in 1979, there was considerable interest in and activity surrounding housing issues. Amongst the legislation passed was the 1974 Housing Act which established Housing Action Areas and provided increased funding to and regulation of housing associations; the 1974 Rent Act, which extended security of tenure to those living in furnished property; the 1975 Housing Rents and Subsidies Act which introduced new subsidy arrangements to replace the 1972 Housing Act provisions (which increased council rents) and finally the 1977 Housing (Homeless Persons) Act which for the first time imposed a statutory obligation on local authorities to provide accommodation for homeless households (Malpass and Murie (1994:66). Although often seen as a revisionist period of welfare retrenchment and heralding the emergence of privatisation and deregulation (Malpass and Rowlands, 2010: 2) it is important to remember that these processes went hand in hand with an extension of government intervention in many aspects of housing policy. We decided further to examine the interventions of a key figure in Labour party history of this period (Anthony Crosland) and draw from his speeches and writings as the basis for this study. We have attended to Crosland primarily because of his contribution to both housing policy and wider social democratic thinking at this time. Although his tenure as Secretary of State was relatively brief, the development of his thinking about (and resolve to implement) housing policy reform provides us with an evidential base from which we can consider questions concerning both the opportunities and constraints faced by governmental decision-makers.

**Literature**

There are a number of excellent commentaries and data to draw from, such as Government papers (available from the National Archives) that we have examined to piece together the period (see for example: Crosland 1974; Dunleavy 1981; Foster 2005; Holmans 1987; Jefferys 2000; Malpass 2008;

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3 The designation of Housing Action Areas was largely determined by the extent of disrepair in the private rental sector.

4 In attending to Crosland’s contribution we are mindful that we could be criticised for attributing too much significance to his role and also perhaps for over emphasising the capacity of politicians to exert influence. Whilst not wishing to exaggerate the importance of agency vis à vis other factors: we do adhere to the notion, that in some periods, events and circumstances can coalesce in ways that offer politicians opportunities to effect major change. The mid 1970s was one such period.
Malpass and Murie 1998). Yet as Malpass has observed ‘despite the substantial proportion of housing research devoted to aspects of policy, one of the less well developed areas of housing studies remains the policy-making process itself’ (Malpass 2008:65). There are discernible reasons why this neglect has arisen. The policymaking process is often difficult to fathom because of the secrecy that surrounds it and the inclination of those involved to present it as a rational process in which effective decisions are arrived at through careful deliberation (Malpass and Means 1993). Two ways to surmount these barriers are to interview those involved and ask them to reflect on their involvement or alternatively to study an earlier period, drawing upon archives and other sources to discern key events and pass judgement on the period. In this article we embark on an historical assessment of policymaking in order to reflect on similarities and differences in approach between two significant periods and to consider what lessons can be gained for contemporary policymaking.

As we have stated, our reason for revisiting housing policy in the early 1970s is not just an exercise in history per se (see Jacobs 2001 and Cole 2006 for a discussion of historical methods) but to use the period as a basis to consider the challenges that contemporary housing policymakers confront and the constraints that impede reform. Criticising a tendency towards decontextualisation in public policy Pierson (2011), amongst others, maintains that historically informed investigations constitute an increasingly important component in understanding contemporary developments. As Pollitt (2008) writes ‘the past cannot be dismissed or discarded, it must be acknowledged and negotiated with’ (p.xiii). In our coverage, the questions we ask are: to what extent is policymaking increasingly constrained by exogenous factors? How far can a specific period be seen as a truly critical juncture for housing policy? In what ways were the ambitions of housing policymaking different to those that are evident today? We hope to show that an investigation into how housing policymakers reacted to an earlier economic crisis, how they managed escalating social problems and what kind of housing solutions were offered as alternatives, provides us with a new angle to interpret contemporary policymaking.

Housing problems – causes and consequences

Before we embark on an analysis of the period in question, some mention should be made of the different explanations that have been used to understand housing problems. A common interpretation is to explain the emergence of problems as a consequence of administrative failings within government itself. Consider, for example, the introduction to a 2008 special issue of Housing Studies titled ‘Housing policy in England since 1975’ where the editors conclude that there ‘has been a systematic collapse in housing policy making’ (Holmans et al 2007: 161). In noting how responsibility for housing policy shifted from the Department of the Environment (DoE) to other (more influential) agencies such as the Department of Work and Pensions, the Treasury and Bank of England, the authors argue that ‘while structural issues are being addressed, their implementation remains split between departments at an individual level, policies therefore tend to be narrowly
conceived’ (p.161). A similar explanation that a lack of coordination lies behind government failure in housing policy is provided by Foster (2005:1), who argues that that ‘the structure of government and the public sector has become too fragmented to be manageable’. Such analyses have proved highly influential and underpinned the neighbourhood renewal strategy adopted by the 1997 Labour government, which proposed that problems of multiple deprivation in marginalised communities could best be resolved through ‘joined up’ or ‘holistic’ government (see for example Social Exclusion Unit, 2001). Problems were moreover interpreted as amenable to ‘evidence-based’ administrative or managerial interventions.

As we hope to make clear, we take issue with the explanation that the failure of policymakers to address the causes of long running social problems such as homelessness or poverty can be attributed to a lack of coordination across government departments. While improvements in organisation and effective leadership are undoubtedly important in public policy, there are other more significant factors at play. Our explanation for the failure to tackle entrenched social problems draws upon arguments developed by Loic Wacquant (2009b): that much of what constitutes social and housing policy attends to ‘downstream’ issues when the source of the problems is ‘upstream’. In other words, the failure to attend to ‘upstream’ issues such as fiscal redistribution and social inequality is attributable to the central role played by financial institutions (including the Treasury) in setting the parameters for social expenditure alongside a reluctance from policymakers to countenance alternative (re distributive) measures or to invest in large scale public sector interventions. The constraints imposed by both the Treasury and private sector institutions have severely restricted ambitions within other departments to attend to structural reform.

The failure to address the causal factors that accentuate inequality explains why housing policy in the UK has, over the last 30 or so years, fallen short in addressing social problems and in particular has failed to tackle the chronic lack of affordable housing. We concur with the description of housing policy provided by Fitzpatrick and Pawson (2014:597) that UK housing interventions have shifted from ‘providing a (permanent) “safety net” to a (temporary) ambulance service’, noting how government attends to the symptoms of the housing crisis rather than its source. In the area of housing, this translates to a focus on demand side concerns (mainly through provision of targeted subsidies to low income households) at the expense of supply side issues (such as investment in new public housing stock).

**Political economy**

The extent and persistence of housing problems in the UK has led to a renewed interest in inequality. Both Dorling (2014) and Meek (2014) argue that much government housing policy that endeavours to address the housing crisis is in fact a chimera, in which the primary objective is to convince the wider public that action is being taken rather than engaging in structural reform. Consequently, there is insufficient political desire or spending commitments to address in any meaningful way, contemporary problems such
as the shortfall in affordable housing, reform of land taxation or willingness to end the tax privileges enjoyed by wealthy homeowners. These issues are attended to in Dorling’s (2014) *All that is Solid*. As well as identifying inequality as the most significant causal factor underpinning the current housing crisis, Dorling notes how the gap between rich and poor is widening as rents increase and speculative investors acquire former public housing stock (although Dorling’s analysis concludes that housing problems are exacerbated by an inefficient use of stock rather than a supply gap *per se*).

It is now common to situate housing policy in what can be termed a political economy frame (see Aalbers and Christophers 2014). According to this analysis, policy is primarily intended to sustain the privileges of affluent households; rather than to ameliorate the conditions experienced by marginalised communities. Moreover, changes in policy are often seen as a response to technological innovations in the productive economy. So for example in the mid 1970s, the shift from mass production (assembly lines) to new methods of flexible assembly, reliant on technologies that enabled production to downscale workforces (Post-Fordism) had a significant impact on both the deindustrialisation of urban areas and patterns of socio-spatial segregation. A political economy frame generally underestimates the agency accorded to politicians and instead foregrounds the role of ideology as an influence on policy change - evoking Marx’s observation in the *Critique of Political Economy* that the ‘mode of production of material life conditions the social, political and intellectual life in general’ (see Flew 2014: 57). Explanations that emphasise the role of neoliberal ideology on the decisions undertaken by government cite as evidence the commitment to reducing public expenditure, the restructuring of welfare through increasing conditionality and the commitment to competition (see for example, Glynn, 2009). In recent years, the political economy frame has been extended to account for the growth in private and corporate landlordism which seeks to profit from the rise in residential housing (see Forrest and Hirayama 2015).

Whilst there is much to be gained from an explanation of housing policy that foregrounds the role of ideology, we would suggest that it is insufficient. Instead, we concur with Flew who argues (2014:58-59) that such explanations cast public policy ‘as essentially the outcome of political struggles external to the agencies responsible for it, underpinned by a coherent political ideology manifesting itself as a policy program (neoliberalism) held by ruling class interests’. The degree to which institutions and actors are able to exert agency and make a difference remains a matter of judgement. What we can discern from contemporary texts is that the sense of capability was altogether more apparent in the statements (and interventions) on housing in the 1970s than in an era dominated by mistrust of politics, scepticism about the capacity of government and characterised by administrative restructuring and piecemeal social reform. To us, these processes suggest a discursive shift in the orientation of policymakers that can be attributed to economic changes, notably the demise of Fordism and Keynesian inspired politics. To develop our argument, we now turn to a discussion of agency.

*Understanding agency and path dependency*
As stated in the introduction, amongst the questions we ask is: what scope is there for major reform, given structural constraints exerted upon policy makers? Some mention should be made of the explanations that have been put forward to address this question. The most influential of late is the idea of ‘path dependency’ in explaining the limited capacity for policy makers to change course of direction. Key exponents such as Kingdon (1995) argue that policy makers tend to change course usually through a combination of external disruptions that over time generate a momentum for actors within government institutions for reform. For example, Kay (2005:553) writes that ‘a process is path dependent if initial moves in one direction elicit further moves in that same direction; in other words, the order in which things happen affects how they happen; the trajectory of change up to a certain point constrains the trajectory after that point’. However, as North (1990:98) contends policy makers also retain a degree of autonomy: ‘at every step along the way there are choices…. real alternatives. Path dependence is a way to narrow conceptually the choice set and link decision-making through time. It is not a story of inevitability in which the past neatly predicts the future’.

Such path dependent processes have proved significant influences upon central government institutions. Thus, within the UK any attempt to progress government housing policy change must pay heed to the ‘Whitehall’ culture and its’ bearing on Ministers and civil servants. Ethnographic research by Rhodes (2011) observing the behaviour of British Ministers in spending departments demonstrates how established norms and ‘ways’ of doing things shape the capacity of individual ministers and civil servants to pursue a reform agenda. Given this context the processes identified as significant by path dependency exponents can exert an important constraint upon reform minded Ministers, in particular those attempting to counteract prevailing economic orthodoxies. Nevertheless, it is important to distinguish between those who have passively accepted prevailing ideologies and those who have attempted to introduce more radical measures. It is our contention that in spite of structural constraints, Ministers in the 1974-79 Labour government retained substantial agency in their efforts to adhere to social democratic forms of politics; such agency was however greatly diminished in later years due to a combination of economic contingencies, centre-right neoliberal ideologies, pessimism about the capacity for political change and a preference for managerialist reform strategies.

**Housing policy in the 1970s**

Our discussion thus far has outlined a number of influential frameworks used to understand housing policy and provided a justification for adopting an historical approach. We now turn to a discussion of the 1970s noting both the achievements and failures of this period. A small but important body of recent historical scholarship has explored the politics of this period and considered its bearing on subsequent Conservative housing policy enacted in the 1980s (ODPM 2005; Gibb and Whitehead 2007; Forrest 2010; Malpass 2005 and

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5 See Malpass (2011) for a discussion of the concept of path dependency and housing policy.
2008; Malpass and Rowlands 2010; Watson and Niner 2010). All of these contributions identify how local authority budgetary cuts implemented from the mid-1970s in provided an opening for privatisation policies, facilitating a reconfiguration of housing problems attributed to individual behaviour, rather than a failure of collective provision and accompanied by a (longer term) orthodoxy that owner occupation should be the dominant, aspirational tenure. ‘Local authorities were no longer to be regarded as contributing to the solution to housing problems – they had become part of the problem. Henceforth housing was to be treated as a commodity and policy was to be framed accordingly’ as Malpass explains (2005:210). It was at this time that local government also began to be more widely represented as bureaucratic, inefficient and self-serving (Power, 1980; Dunleavy, 1981).

We can glean some valuable insights from the above literature. First, it should be noted that housing problems were of a different order from those experienced in later periods. In the 1970s, house price inflation, high rents and disrepair in the private sector were major concerns. Holmans (2005) provides some key data: in 1973 the minimum lending rate of the Bank of England (interest rate) was set at 13 per cent with building society mortgage lending at 11%, a rate which accelerated mortgage famine and housing slump. At the same time, as Holmans points out, private sector new starts halved between 1973 -1974 and house prices increased by 40% within the year (2005: 5-6). Other similarities to the 1970s can also be identified. Studies by both Sandbrook (2012) and Beckett (2009) have pointed to obvious parallels such as austerity and a small majority or minority government. The major difference of course was the level of inflation, at a record high (of around 25% in 1975) (Malpass and Rowlands, 2010a, p.3) compared to a figure of almost zero recorded in 2015. Moreover, in terms of housing tenure, socially rented housing represented a far larger proportion of the total stock than subsequently - around 30% of the total stock compared to just over 18% in England Wales in 2011 (ONS:2013), local government had greater resources and there was a wide acceptance that the major problems of housing were not solely attributable to supply, but also disrepair in the private rental market and affordability problems (due to high interest rates on mortgage payments and high rent levels). Today, of course, other issues loom large, for example across the UK as much as £2 billion is expended on providing temporary accommodation to over 64,000 homeless households (Mathiason, 2015). The number of affordable homes that were built in 2014 also fell to a seven-year low of 42,870 per annum ensuring the prospects for any easing of the crisis are a long way off (ibid.). Table 1 below outlines the main comparisons between the two periods.
So, the housing landscape in the UK in the 1970s was in many respects different to the contemporary period. As Watson and Niner (2010) argue, governments in the 1960s and early 1970s were committed to public sector house-building - the Labour government elected in 1964 promised to build 500,000 dwellings a year for example. There was a willingness to improve the stock and a desire to maintain stable relations between central and local government. In contrast, the early 21st century has seen an abandonment of many of the central assumptions which had underpinned welfare state housing provision, including: the principle of security of tenure; that social housing rents should be set at sub-market levels; that residents should not be penalised for under-occupation of their property or if they have relatively high income levels. Notably, some social housing organisations no longer see their main function as providing housing for low-income groups. Wider attitudinal changes have underpinned these proposals, marking a much more hostile perception towards welfare provision.

Labour in opposition – Anthony Crosland

Any assessment of Labour’s period in office from 1974 requires some background about the previous government’s housing record and this section considers how Labour responded to the perceived failures of the earlier Conservative government. The main plank of the 1970 Heath government’s housing policy had been the 1972 Housing Finance Act that required local authorities to charge higher rents that were more in line with the private rental market. The idea of these ‘fair’ rents was to reduce the costs of subsidies to local authority tenants and the allowances that protected council tenants from rent rises. The very poor tenants were eligible for rent rebates.

Labour in opposition was eager to ensure that housing marked a key point of differentiation from the Conservatives. Anthony Crosland had been a central figure in shaping Labour thinking following the publication of his influential (1956) book, The Future of Socialism. His appointment as shadow Secretary of State for the Environment helped to establish the importance of housing in Labour social policy and a lecture in 1971 reveals much about this era (Crosland 1971). Over forty years later, we can compare the scope and ambition of Crosland’s vision with the agenda of contemporary politicians.
Crosland starts by stating that ‘in this lecture, I think aloud about housing policy – about the principles on which it is based, what went right and what went wrong from 1964 to 1970 and how we could do better next time’ (Crosland 1971:1). He then proceeds to set out the achievements of the Labour government’s earlier period in office (1964-1970) including the subsidies that were provided to local authorities to restrict rent levels at a time of high inflation. Labour also offered 100% mortgages for those low-income tenants without sufficient funds so they could provide a deposit to purchase a home. By 1970, the percentage of households in homeownership had reached 50% (prefiguring the emergence of owner occupation as the dominant tenure) (DoE, 1977b). Crosland in the same lecture stated how improvement grants and the 1965 Rent Act offered security of tenure and fair rents.

Some of the most interesting passages include those where Crosland provides a diagnosis of the failures of government policymaking, with the admission that ‘we did not solve the housing problem, which had for so long been underestimated’ (p.2). Amongst the failures were: a drop in house building after the peak year of 1968; the slow rate of slum clearance programmes; complexity in rent setting with the poorest tenants reliant on social security benefits; furnished accommodation remaining outside the protection of the Rent Acts; and owner-occupiers receiving hefty subsidy. He also made reference to the chronic housing shortage in London. A vacancy rate of 2% was considered too low – the figure recommended was around 5% to encourage mobility. Much of the stock was considered unfit for habitation; the 1976 English House Condition Survey estimated that around three million properties (comprising 20% of the housing stock) were either unfit or lacking one or more basic amenity (Watson and Niner, 2010, p.25). A third of the stock was also built before the war.

Crosland understood the need for ambitious policy interventions to address these problems. He stated that in future housing policy should be comprehensive and based on multiple objectives (incorporating social service, housing, planning, environmental, equity, and economic goals). He firmly rejected the notion that council housing should be limited to households in the severest need, correctly acknowledging that this would effectively relegate the sector to a second class service. As he maintained: ‘A Labour housing policy must wholly reject the philosophy… that some people “should” be council tenants and others owner occupiers, that council houses are only for certain categories of person and not for others’ (Crosland, 1974a: 123). He predicted that conservative policy was headed in this direction however, as identified in the following comment: ‘The council tenant is an underprivileged citizen…but much of it stems from a pervasive feeling, insidiously fostered by the present Government, that council housing is meant only for poorer people’ (1974: 129) (emphasis in original). At the same time, he rejected what was soon to become the orthodox representation of government funded housing: ‘Council estates, particularly outside the cramped centres of large cities, are not usually the vast, uniform, soulless and segregated places which middle-class critics seem to imagine; they are normally well liked and well laid out’ (1974: 132). This last comment is noticeable in its contrast with subsequent
analyses, which tended to portray council housing in unremittingly negative
terms. For politicians such as Crosland then, State intervention in housing
provision could still be seen as beneficial and conducive to wider social
welfare of residents.

Amongst Crosland’s suggestions was a need for more equity in subsidy
arrangements offered to homeowners and council tenants and an allowance
for private renters with the caveat that ‘we must of course ensure that the new
allowance is not a subsidy to landlords and especially bad landlords. There
must be strict conditions about the fixing of rent and the state of repair. But
subject to these, we should welcome the allowance in principle’. (p.15). He
also suggested that tenants residing in furnished accommodation should be
able to access the new allowance and he made the case for responding to
new household formation by building smaller dwellings.

Of course, there is an obvious risk in taking statements of intent on trust or
even worse assuming that politicians will realise these goals when in power.
Therefore, the only reliable test for judging policy is to look at the delivery of
these intentions. For this reason, we turn our focus on Labour’s period in
office following their narrow election victories in 1974.

Labour in government

Whilst the 1974-79 Labour government is usually perceived as heralding a
period which (following the 1976 International Monetary Fund crisis) saw the
introduction of monetarism and neoliberalism (see Hobsbawm 2013), there is
evidence that policymakers were in relative terms ambitious in attempting to
address social problems and most importantly saw financial cuts as a
temporary phenomenon rather than a long-term political necessity (Foster
2005). Consequently, in government, the Labour party took steps to
implement a number of housing reforms. First to assuage Labour local
authorities, who had strongly opposed the Conservative 1972 Housing
Finance Act, the new government imposed a rent freeze on councils.
Subsides were made available in the Housing Act 1974 to housing
associations and local authorities to rehabilitate private properties in disrepair
and the 1975 Housing Rent and Subsidies Act provided grant to local
authorities who took out loans for housing renewal and maintenance. In 1976,
the Labour government also commenced a review of the Rent Acts with a
remit to increase supply.

The establishment of a Housing Finance Review in 1975 provides further
evidence that the government was committed (in principle at least) to
progressive housing reform. In the House of Commons, Crosland announced
the review as a ‘searching and far-reaching inquiry into housing finance, to get
beyond a housing policy of ‘ad hoc-ery’ and crisis management, and to find
out precisely what needs to be done if we are to get on top of this desperate

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6 Heath lost power in February 1974 despite having a larger share of the vote than the Labour party.
Wilson returned to office though 17 seats short of an overall majority. In a second election in October
1974, Wilson secured a small overall majority of 3 seats.
Alongside the review of finance, the government had to attend to pressing housing challenges identified by the party while in opposition. Crosland relied on his junior minister (John Silkin) to focus on land taxation issues and there was also a need to pacify Labour councillors who had deliberately broken the law by not raising rents (famously including those imprisoned in Clay Cross in Derbyshire). An amnesty was therefore granted for councillors who refused to increase rents as prescribed by the Conservatives in the 1972 Housing Finance Act.

Perhaps the most significant component of the 1974 Housing Act was the financial support made available to housing associations to develop new stock, as hitherto government funds had primarily been directed towards local authorities. The support for voluntary organisations paved the way for a more diverse social housing sector and a major initiative of the Labour government was to introduce housing improvement areas providing grants to local authorities and housing associations to tackle disrepair in the private sector. As Gulliver (2014) pointed out, in contrast to the current era, government interventions at this juncture, were still largely focussed on supply side issues rather than relying on subsidising households through rebates and benefits.

These interventions were important, but external factors were to prove more compelling and the deficit in revenue that engulfed the Labour government in the mid 1970s (following the OPEC oil crisis) created a mounting sense of crisis within Whitehall. Yet, as we have noted, the austerity measures undertaken were seen as temporary. A much (and selectively) quoted speech by Crosland (by now Secretary of State for the Environment) illustrates this point clearly.

For the next few years times will not be normal. Perhaps people have used the words ‘economic crisis’ too often in the past. They have shouted ‘wolf, wolf’ when the animal was more akin to a rather disagreeable Yorkshire terrier. But not now. The crisis that faces us is infinitely more serious than any of the crises we have faced over the past 20 years...With its usual spirit of patriotism and its tradition of service to the community's needs, it is coming to realize that, for the time being at least, the party is over...We are not calling for a headlong retreat. But we are calling for a standstill (Crosland, speech at Manchester Town Hall, 9 May, 1975).

The impact of the subsequent cuts imposed was particularly damaging for local authority building programmes with the number of new properties constructed reducing from a high of 110,000 in 1975 to 49,000 in 1979 (Lund 2006:36). This reduction was particularly significant as in contrast to later periods, there was no expectation that private landlordism was a viable alternative. The precarious aspects of renting and the poor condition of many inner city properties probably informed a speech Crosland delivered in 1975 in which he stated ‘I do not believe there is a long-term future for the privately
rented sector in its present form’ (Speech in Eastbourne, 20 November, 1975). The background to the antipathy towards the private sector was of course the legacy of the Rachman\(^7\) era and a recognition of the serious disrepair within the sector (Simmonds, 2002).

Crosland became Foreign Secretary in April 1976\(^8\) and was replaced by Peter Shore. Accounts of his time in office suggest that housing policy was a less pressing issue for Shore during his period as Minister. As Malpass (2008:71) writes ‘Shore has often been seen as adopting a conservative stance on housing’ by signalling support for homeownership and resisting calls to address the inequities produced by maintaining mortgage interest tax relief for home buyers. His time at the Department of the Environment also coincided with Treasury demands to make significant cuts to local authority housing expenditure\(^9\). One significant success was in passing the 1977 Housing (Homeless Persons) Act which proved to be a major landmark in attempting to tackle the problem of homelessness (although introduced as a Liberal MP’s Private Members Bill and passed with government support in the Commons). The introduction of a statutory duty upon local authorities to respond to homelessness illustrated how the State was able to intervene effectively in local level decisions to the benefit of disadvantaged households (see for example Anderson, 2004).

**Assessment**

Despite the important initiatives outlined above, the Labour government inevitably confronted severe external constraints in implementing a progressive housing programme. In particular, there was a weakening of policy intent due to pragmatic electoral considerations, most notably the failure to address the cost and ineffectiveness of ‘Mortgage Interest Relief at Source’ (MIRAS). As Watson and Niner (2010) argue, Labour policymakers were reluctant to tackle the problems of MIRAS, which increased from £2.18 billion in 1975-6 to £4.19 billion in 1980/1 (Stephens et al 2005:20) for fear of the electoral consequences.

The verdict on Labour’s housing record is mixed. Opposition to the 1972 Housing Finance Act was seen as a contributory factor in the 1974 General Election results but as Malpass (2005: 103) comments this was ‘surely the last time housing, especially council housing would help Labour into office’. The Housing Finance Review, which was not published until 1977 (after Crosland’s death) has been described as ‘very conservative’ (Balchin and Rhoden, 2002: 99) and an ‘insipid document’ (Harloe, 1978). However, despite the considerable disappointment engendered by this document, it is evident that there was a determination (under Crosland) to effect change,

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\(^7\) Peter Rachman was a private landlord based in west London. In the late 1960s, he became infamous for his harassment of sitting tenants to gain vacant possession.

\(^8\) Harold Wilson resigned as Prime Minister in April 1976 and was succeeded by the Foreign Secretary James Callaghan.

\(^9\) This noted, Shore was responsible for the 1977 Government White Paper ‘Policies for the Inner Cities’ (DoE 1977a) which identified the structural causes of poverty and the need for public sector intervention to address its effects.
although the government was frustrated by economic circumstances. A housing bill was put to parliament in 1979 under the auspices of Peter Shore, but it was never passed, when Labour lost the election in May.

Crosland’s time at the Department of the Environment (DoE) has been the subject of considerable commentary with Foster (2006: 80-81) noting that ‘the department’s sheer size and scope would have defeated the most energetic and determined minister’. Foster writes that more effective legislation was prevented ‘because of pressure of Cabinet and urgent departmental business – and also his preferred methods of working - he would not spare enough time for progress meetings to steer it to avoid getting bogged down in official conservatism’ (p. 81). Foster’s analysis suggests that the explanation for the failure of policy is located in the institutional structure of government decision-making. In contrast, we argue that these constraints need to be seen in conjunction with a wider economic context, characterised by fiscal conservatism and short-term electoral calculations. In this instance these were sufficient factors to overcome the individual or collective political will.

The present era

In seeking comparisons between historical periods it is important to note that the current housing agenda is quite distinct, not least because there has been a sustained period of welfare restructuring and retrenchment, on the pretext of reducing the structural deficit arising from the 2007/8 global financial crisis (GFC). In addition, a number of further differences can be identified between the Crosland and the contemporary era, the cumulative impact of which has been to transform the landscape for housing policy. First, a ‘rightward tilting of the bureaucratic field’ (Wacquant, 2012, p.73), has seen the State assisting those at the top whilst castigating those at the bottom. The punitive management of poverty as a component of neoliberalism (Wacquant, 2009) has been abetted by a shift in public attitudes towards welfare, incorporating declining support for social security spending and increasingly negative perceptions of disadvantaged groups (Clery, Lee and Kunz, 2013). Politicians have become increasingly reluctant to express support for welfare provision in general and social rented housing in particular, facilitating a redefinition of ‘affordable housing’ to include near (rather than sub) market rents and subsequently including low-income home ownership.

Changes to housing tenure provide a very different social context to the 1970s. As the supply of public housing has diminished, the private rented sector has played an increasingly important role in meeting housing need; by 2012 in England it housed 3.8m households compared to two million in 2001 (Smith, Albanese and Truder, 2014, p.10). By 2015 the private rented sector housed a third of people in poverty, compared to a fifth a decade previously (MacInnes et. al., 2015) and is regularly used to accommodate homeless households (Fitzpatrick et. al., 2013). With low-income groups increasingly housed in a private rented sector, despite its lower security and standards of repair (Smith, Albanese and Truder, 2014) the notion of the social rented sector as the main vehicle to meeting housing need has been further undermined.
Institutionally, the emergence of multi-level governance has introduced an additional layer of complexity. The devolution of policy since 1999 now means that governments can no longer pursue a UK-wide housing strategy and policy makers face a radically transformed institutional landscape (see Macleenan and O'Sullivan 2013). As different territories have developed distinctive patterns of governance and policy responses, the variegated initiatives offered limit the scope for governments to respond to common problems. This fragmentation of governance, accompanied by an increasing influence of private sector providers in public policy (Crouch, 2009; Meek, 2014), radically restricts opportunities to develop innovative strategies, regardless of other resource pressures.

The overall consequence of these developments is that a restructuring of housing has been accompanied by an assertion by policymakers that the modernisation and localism of delivery are the prime components in improving service provision. Consequently, policy has been delivered through piecemeal interventions, which have occluded the conflicts that arise when determining spending priorities. Whilst the 1970s saw a combination of events which frustrated decision making, subsequent periods have seen policies presented as wholly pragmatic interventions, based on an evidence base ostensibly free from ideological bias. As has been argued elsewhere the concept of ‘evidence-based policy’ is highly problematic (see for example Jacobs and Manzi, 2013), introducing new modes of governance, removed from the political arena and resting on a flawed concept of ‘depolarisation’ (Flinders and Buller, 2006). Contemporary welfare reform, despite variations in approach within UK territories, can be therefore be viewed as a form of what Raco (2009) terms ‘existential politics’ founded on individual ‘aspiration’, managed by the state, rather than a politics based on collective expectations of improvement.

For us, the new politics of housing are represented by a profound discursive shift, in tone, emphasis and content. The differing responses to economic crisis therefore offer a stark contrast. Whilst in one period, the imposition of public spending restrictions was seen as a necessary, albeit undesirable measure, later periods have seen a reduction in State intervention as a moral good. The occlusion of the political has enabled comprehensive (and largely retrogressive) housing and welfare reforms to be implemented with minimal opposition. Thus far, governments have been successful in achieving substantive reductions in welfare expenditure through the establishment of conditionality rules, punitive sanctions for under-occupation in the social rented sector and benefit caps. These initiatives are presented as economically, morally and politically desirable, reflecting increasingly unsympathetic public attitudes towards benefit recipients. The language of policymaking is thus situated within a transformed terrain, informed by managerialist imperatives and underpinned by an ideology of neoliberalism.  

10 See Lazzarato’s (2011) argument that contemporary neoliberal governmental practice relies on a logic of debt resulting in a transformation of social rights, with beneficiaries of
The state is therefore identified as a constraint on progress and public housing presented as uniquely problematic: 'It was more government that got us into this mess' as Cameron (2009) argued prior to the 2010 election.

Social housing can therefore without contradiction be portrayed as reinforcing 'inequality and social division in society' (CSJ, 2008:7) rather than assisting in the reduction of social deprivation. The wide currency afforded to such comments reveals a stark contrast with the Crosland era, when government intervention could still be largely seen as benevolent. The perception of social housing as a 'place of intergenerational worklessness, hopelessness and dependency' (Duncan Smith, 2011) signifies a very sharp departure from the language of an earlier generation of policy makers who rejected the assumption that the tenure was intrinsically flawed. Attitudes have hardened, austerity is accepted as ineluctable and policy measures therefore attend to managerial rather than structural interventions. Yet as writers such as Anderson (2004) have argued, the imposition of neoliberal inspired policies is neither inevitable nor global in scope.

**Conclusion**

What conclusions can we draw from the analysis undertaken in this article. First, governments in the 1970s retained a commitment to increasing the stock of public housing. As Holmans (2005:2) comments ‘1975 was among the last days of the environment for council housing that has existed since 1945, the “Indian Summer” of what appears in retrospect to some as the “golden age’ of local authority housing’. In their pursuit of housing reforms, the government acknowledged that additional resources were necessary to address policy challenges. Whilst the 1977 Housing Policy Review was widely criticised for being insufficiently radical, Holmans is right to claim that ‘its virtue lay in demonstrating that there was no set of reforms to be had that would deliver better housing to more households at lower cost to the public purse without there being a large number of losers; and that no simple local authority subsidy system could be devised which would cope inexpensively with economic conditions like those experienced in the first half of the 1970s’ (Holmans 2005:6).

Second, a modification is required in respect of the orthodox explanation that the roots of neoliberal housing policy can be attributed to the IMF crisis of 1976; rising inflation and mass unemployment. The mid 1970s was an important but not necessarily irreversible turning point in UK social policy. Rather it can be seen as a period where the collective faith in the institutions of the state to deliver a more equitable housing system was still in large part evident. The financial crisis that engulfed the Conservative and Labour administrations in the 1970s was therefore addressed in a quite different way to that which followed the GFC of 2007/8. There were of course failures to address major issues. The ambitious proposals set out in the 1970s were substantially watered down (e.g. reducing MIRAS) as practical short-term welfare turned into debtors. This form of ‘patrimonial individualism’ (p.104) has enabled a moralisation of the unemployed as debt has become a universal power relation.
political considerations took effect but this should not detract from the achievements made. Crosland’s observation is still relevant today,

The intelligentsia, always prone to the liberal rhetoric of catastrophe, has adopted an apocalyptic mood, denying (against the facts) that reformist progress can be made and believing in any case that ecological disaster is just over the horizon (Crosland 1974:53).

Finally, in respect of methodology if we are to understand, in more prescient ways, the contemporary failure of British housing policy and the agency of governments, it is instructive to return to periods such as this for comparison. As Mahoney and Thelen (2010: xi) note important changes in policy take place through small, incremental adjustments which cumulatively and over time amount to significant transformation. Institutional change is often slow, piecemeal and subtle and wider social changes can therefore be identified though historical analysis (see Bell 2011 and Pierson, 2011). By contrasting the two periods it is evident that nowadays, there is a vastly lower expectation about the efficacy of government to reform housing policy as the State’s role in welfare has increasingly diminished. Policymakers now face a transformed political, institutional and socio-economic environment in which the opportunities to present a progressive reform agenda are increasingly constrained. The result is a focus on demand side measures and managerial interventions in service provision rather than supply and fundamental social reform.

And yet the similarities between the two eras are also instructive, including a sense of housing crisis with speculators able to make use of housing as a vehicle for wealth creation and in the process curbing opportunities for low-income households to acquire a home. We would concur with Aalbers and Christophers (2014) that the mid 1970s can still be seen as Fordist in that the most effective policy response remained the production of new council homes. For contemporary policymakers, in contrast spending shortfalls are now seen as a more or less permanent feature of the policy landscape rather than a temporary phenomenon before normal politics can resume. As Jessop (2013:134) has observed ‘Crises are multifaceted phenomena that invite multiple approaches from different entry points and standpoints’. Amongst the lessons we can learn from the mid 1970s is that a different housing policy agenda is not beyond our reach.

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