

HOMELESSNESS

— IS IT REALLY NECESSARY?

TUBERCULOSIS rates among the homeless in England and Wales are 200 times the level in the general population reports Crisis, the charity that champions the homeless. Consultant physician Kenneth Citron of the Royal Brompton Hospital, London, who co-authored the Crisis report, states that the rates are at Third World levels, and adds: "You only have to look at the US to see what will happen if it gets worse". **TONY CURRINGTON** explains that the housing problem can be solved.

IN EARLY post-war Britain homelessness was absorbed into the developing resettlement movement that was spearheaded by the growth of council homes and the proliferation of large estates. Full employment and a rising prosperity masked social deviations as the nation once again learnt to live with the hope of peace and the new economic affluence.

By the late 1960s religious, moral and social values were rapidly changing and the stability of family life was merely one area which felt the shock waves. The impact of Ken Loach's television play 'Cathy Come Home' highlighted a chronic but increasingly social housing problem and launched in its wake a flotilla of housing associations, co-op's and housing trusts as an alternative to council housing to accommodate those whose incomes would not stretch to the levels of private-rented properties, let alone buy their own.

Nevertheless, owner-occupation continued to increase. This was supported by growing financial assistance. The positive image of council housing declined as more and more publicity was given to dilapidating high-rise blocks and estates that had become cauldrons of crime. There was a shift of political emphasis towards encouraging this trend as the 'power' invested in local authorities earlier in the century of being landlords to the poor began to reduce their role towards having only

a 'duty' to the 'residuals' - jargon for the poor who could not obtain accommodation in the private sector.

Such policies were based on the belief among post-war governments in a more equitable sharing of the national wealth. However, as the supporting fiscal policies failed to fulfil this objective - in fact, they increased the divide between rich and poor - the result was an expansion in the number of 'residuals'. Numbers have been augmented by immigrants, asylum-seekers, those fleeing from civil wars as well as citizens from the Commonwealth and the EC.

Both the inflation of the 1970s and the unemployment of the 1980s hit the poor and vulnerable to a far greater extent than the better off and only exacerbated the situation.

WHEN THE Conservatives came to power in 1979, homelessness was changing from a chronic into a critical situation.

The seriousness of the problem had been hidden by the rapid growth of housing associations, which were monitored and funded by the Housing Corporation since 1974. All appeared well while socialist governments threw public money in their direction. But the halcyon days were passing as a gradually diminishing tax-base and a growing borrowing requirement reduced the funds that would be available. By the time John Major became Prime Minister in 1990

homelessness had reached crisis point.

The fallaciousness of Margaret Thatcher's anti-inflationary policies had "come home to roost". Unemployment soared upwards, home re-possessions touched 1,000 per week, and millions of those still in possession were falling behind with their mortgage repayments.

But it was the "front-line" homelessness which caused the Government to act as the media displayed evidence of rough sleepers in London's West End and those living in "cardboard cities" at the very heart of our urban centres. In tackling this more cosmetic aspect of homelessness they ignored the much deeper and underlying causes which, while presently dormant, still lie within the area of social housing. But then, causes have never been the forte of politicians!

ALTHOUGH hampered by the highly publicised relationship between central and local government throughout this century - a relationship shown to be complex, subtle and problematic - there have, nevertheless, been attempts to recognise an area of social need which in the 19th century had, at best, been mostly left to a few private philanthropists made wealthy by Victorian prosperity.

It was within the rise of this prosperity that modern homelessness

really began. With the completion of the land enclosure movements by the middle of the century, the landless peasants and artisans of rural England became the backbone of the industrial expansion as they swelled the ranks of the densely populated towns and cities. The overcrowded hovels in which they lived were damp, fetid, full of vermin and disease. When help finally came, it was not via government housing policy (there was no policy until the First World War), but out of the self-concern of the ruling classes who were frightened that the pestilential epidemics of cholera and typhoid in the urban centres might spread. Consequently, any improvements came through public health and sanitation legislation.

With little or no regulations, therefore, the reforms brought only high rents for the tenants and vast profits for the jerry-builders who erected, masses of cheap back-to-back terraced housing, little better than the old ones. A Royal Commission of the time reported: "The old houses are rotten with age and neglect. The new houses are rotten from the first." Thus the rapid confluence of urbanisation and increasing population (which in England doubled between 1800 and 1841) what had been seen as problems of pauperism and vagrancy became one of homelessness proper. Even so, these conditions were only symptoms emanating from a more fundamental cause that was determined centuries before.

History shows that homelessness is man-made. To have a home you must first have land. In Saxon England you could obtain land on which to live and till the soil to make a living, and you were actively encouraged to do so. They realised the necessity of land for the fulfilment of human and social life, which made for independent families rather than families dependent on the community for welfare.

After the Norman Conquest the land, instead of being held in trust of the king, became owned by the king -

terre regis. A significant difference under feudal ownership was that you could now have no land without a lord. It was the beginning of landlordism and a diminution of freedom for the ordinary citizens. The vitally important and noteworthy point about the Conquest is that the change of land tenure from "trusteeship" to "ownership" - although happening in practice to some extent beforehand - was effectively sealed with the Conqueror. While it had no immediate effects for the mass of people, it was a sea change which over the centuries would gradually erode that freedom of choice beloved by the Saxon peasant and become the paternal seed that would father many social and economic changes. One offspring was homelessness.

The causal instrument was the gradual enclosure of land from the 13th to the 19th centuries which created a monopoly in land - one of the two primary factors necessary for the production of all human wealth. By the monopoly of one came the eventual monopoly of the other - labour. The effect on wages was to reduce them to the minimum acceptable level and create the conditions for the growth of capital as a viable factor of production.

If the Black Death (1348-51) gave a century of "natural" relief to those who lived by labour - wages were high and prices were stable - the balance swung back in favour of landowners by the time of the Tudor monarchs. Their vast enclosures and high inflation brought large profits to landowners, whose change from arable to sheep farming caused the first widespread drift of landless families to the towns. Of these, the old nursery rhyme was first repeated

*Hark! Hark! the dogs do bark.
The beggars are coming to town.*

Whereas in the past any "homelessness" was by individual choice, with the new swath of enclosures the freedom of choice was removed. There was no house and no work: a visible first result of

enclosures.

It was also a time when the division of labour developed. The "capitalist" artisan came into being; and of great consequence, a growing class of dependent wage-earners with only their labour to sell. This in miniature was the scenario for the 19th century when the fulfilment of the enclosure movements and the results of the Agrarian and Industrial Revolutions created the conditions from which we are still suffering today.

Now, five years before the end of the 20th century, the housing situation seems no better than it was at the beginning - even after something like 36 Housing Acts since the first one in 1915.

SINCE 1979 when the Conservatives came to power, homelessness and the social housing problem as a whole has been a continuing embarrassment to the government.

Wishing to avoid Labour's policies of subscribing unlimited public funds, in keeping with its overall philosophy of privatisation and competition, they have moved towards a predominantly market housing system. They have shifted the responsibility from local authorities to private housing associations with the onus of approaching the financial markets directly at commercial rates of interest.

This is a situation fraught with as much danger as for the National Health Service. Competitive nostrums are applied to socially created problems. Public funding really needs to increase as the effects of Government fiscal and other economic policies will result in a deteriorating housing situation and greater homelessness. What happens when surpluses are squeezed, reserves fall, costs increase and interest rates are exorbitant? As in all commercial businesses, something has to be sacrificed. In social housing - and in the NHS - the soft option is service, the very *raison d'être* for the existence of housing associations.

The "flagship" of Conservative

legislation on homelessness - Part 3 of the 1985 Housing Act - which centred on Intentionality and Priority Need, has fallen apart and is under revision.

Unfortunately, the Government has ambivalent policies on housing, all subsumed by the creed of low inflation. If it wishes to tread the path of market self-dependency for housing associations and their tenants, it will create an even larger debt burden for itself unless economic growth at least doubles per annum to the one now forecast. More importantly, its current inclination to involve the private-sector in its plans for the homeless will only ensure that the public funds spent will end up in the pockets of private landlords as unearned rents.

A FURTHER problem which needs addressing now and in the next two or three decades is the poor condition of the nation's housing stock. Most inner city terraced properties are now more than 100 years old and showing their age. Currently one in 13 dwellings are officially unfit for human habitation. The cost of dealing with the disrepair backlog, current repairs and of meeting the comprehensive standards required by building societies for mortgages, is estimated at £101 billion¹ This excludes future housing decay. If such costs cannot be met privately they will have to become a further burden on the government purse.

So, what should the government do? As there can be no wealth without labour its first aim should be for full employment. The main obstacle preventing this is the burden of employment-based taxes on business activity - particularly the small and marginal firms. At 1994/5 tax rates the burden for an employer paying tax for a single man without a mortgage is 53% - when expressed as a percentage of takehome pay (i.e., real wages).

By removing this deadweight of taxation from wages and profits at the margin and levying it on the economic

rent, where at the margin it is minimal, it would raise real earnings for employees and provide real profit incentives for employers. In turn, economic rejuvenation at the margin - where wages and prices are set - must spread to other businesses across the spectrum and further reduce unemployment. As unemployment is responsible for £11 billion² of the £80 billion social security expenditure it would also reduce part of our greatest national burden.

Business success - like all improvements - increases the economic rent, and thus the base for taxation would increase. A reverse trend! More importantly, shifting taxation on to economic rent would reduce the cost of land and increase the supply of sites for building or refurbishment to housing associations. These more affordable prices would be passed on to tenants as more affordable rents. Another reverse trend! It would also stimulate a natural and much-needed recovery in the building trade. And for the government it would all be non-inflationary!

INDIVIDUALS and families need security and incentive. Full-time employment would provide the security, and optimum wages from a just tax system would provide the incentive. After all, if the government insists on pursuing a market-based housing policy requiring tenants to pay market rents, tenants need to receive market wages. With the government directing homeless families into private-sector leased properties at market rents, with over 70% of the families on housing benefit we end up with a simple transfer payment of public funds into the pockets of private landlords.

Another move government could make is to allow local authorities to spend some, at least, of their "frozen" capital assets from their sales of housing stock. They could be specifically monitored towards stock refurbishment or other schemes like

Care in the Community.

But whatever funds are available it takes houses to eliminate homelessness. At present there are over 800,000 empty homes in England alone - 600,000 in the private sector. If an impost was levied on private landlords for non-use it would have the effect of bringing many of these properties on to the market - for leasing or selling.

To the historical causes of homelessness the 20th century has added another of greater complexity. This is the break-up of the traditional family structure. Society is losing its vehicle for religious and moral values. Combined with the rise of sexual liberation and the consequent growth of single parenthood, we see how many social problems have arisen. While it is perhaps unfair to blame governments for this situation, their pandering to fashionable, but destructive, behaviour and weak legislation has done little or nothing to genuinely encourage self-responsibility or restore family values.

Fortunately, there have been many individual Christians - often non-conformists - who have been active in areas of social need: in the formation of trades unions or in founding housing associations, for example. In 1942 Archbishop William Temple even advocated the taxation of land values. But overall the church has only shadowed governments in trying to mitigate the effects: they have failed to understand the causes. While such widespread ignorance is common, homelessness is not only likely to persist, it is likely to increase.

REFERENCES

1. From an article in *Inside Housing*, June 1994, by Sheila Mackintosh, Philip Leather and Sue Rolfe, researchers at the School of Advanced Urban Studies, Bristol University.
2. Employment Policy Institute report (Sept. 1994) by Prof. David Piachaud of the LSE.

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