P. King: Housing policy transformed

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This short, brazenly written book (122 pp. incl. index) is a political essay which revisits the conservative ideals that underpinned the Right to Buy (RTB) policy introduced by the Thatcher government in the 1970s. This policy has been maintained by successive UK governments, enabling the sale of 2.5 million council houses at a substantial discount to their sitting tenants. It is the latest instalment on this issue by the author. He contemplates the future of RTB amidst the current financial and property crisis but in the main sets out to justify its longevity, which is equated with success.

The book is dedicated to the Institute of Economic Affairs, an established free market think tank. It begins in a triumphant and dismissive tone which persists through most of its seven chapters, with a brief pause for reflection in Chapter 5. King does not aim to reconcile differences with critics of RTB or present balanced arguments with competing empirical evidence. Rather he promotes “ideas and positions that are seldom, if ever heard” (p. ix), which in the current political context are likely to hold increasing cachet. Perhaps these ideas are provided as a refresher for those new policy makers who may need reminding of a more glorious era. In a more modest tone, King wishes to “be very careful in what I claim for the RTB and to make sure I can back it up” (p. x). Indeed, he argues strongly that RTB has been sustained by various governments and the electorate despite criticism from the intellectual Left. Yet does this make this hegemonic policy beyond criticism or a ‘winner’? King seems to think the latter and goes on to tell us why. Yet his contribution simply provides fodder to keep a receding policy on track, rather than address the many problems it faces in an era of sustained economic turbulence and serious housing crises.

Following a loose and anecdotal introduction to RTB, the second and longest chapter is dedicated to the virtues of ownership, encouraging otherwise passive council tenants to become more responsible, competent and capable in making decisions (p. 7). Ownership (tenure) is “central to the manner in which we seek to debate and understand housing” (p. 15). Yet its definition is only elaborated in terms of private individual home ownership.

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Of course, he admits, there are specific cultural conditions which promote an Anglo-Saxon predisposition towards this form of tenure and King argues that the intellectual Left has ignored these attributes, thereby marginalising itself from the policy debate. Furthermore, he argues, there is no popular support for social housing. Thus it has been conservative ideas which have remained at the wheel of policy, steering it towards broad based home ownership and the dismantling of council housing.

Yet what has this left behind? Increasingly liberalised mortgage markets and highly volatile housing market conditions have promoted not only household indebtedness amongst low income households but also severe affordability problems and negative equity, especially amongst young and single income households labouring in an increasingly casualised workplace. The substantial erosion of social housing stock by 2.5 million discounted sales has undermined a resource that may not have provided ideal tenure conditions but did provide an alternative for a broad range of households. Targeting of remaining resources has inevitably led to a narrowing tenant base bringing on a whole new set of policy concerns and drivers. King argues that such arguments are made elsewhere and need not be repeated, yet they receive some attention in Chapter 5.

The author asserts that individual (mortgage financed) ownership of a dwelling makes us socially responsible for our home and household. Consequently, renters must be considered as somewhat less responsible and social—not a claim that would go down well in Switzerland, Denmark and Germany or amongst tenants in the UK. Allen (2008) has carefully investigated the issue of home and class identity through the lens of state sponsored urban renewal and gentrification in the council estate of Liverpool. He raises concerns that the (forced) expansion of ownership has been far from emancipatory: commodifying the notion of home, absorbing increasing shares of household budgets, exacerbating social divisions by tenure, and concentrating wealth amongst those fortunate to own or inherit property in winning markets (ibid:24). Allen's arguments about home, dwelling and being pose a real challenge to King's claims concerning the inherent superiority and positive social values of ownership.

Fundamentally, by elevating the virtues of individual responsibility and control over one's environment, King naively ignores a world beyond the front door. The essay gives limited space to contemplate the necessary and contingent relations which sustain RTB as a policy and strongly mediates the allocation and cost of opportunities for individual home ownership. His neo-liberal view of markets and meritocracy permits only superficial attention to the perils of constrained housing supply, uncompetitive mortgage markets, family breakdown, and casualised labour relations which concentrate the risks of housing loss upon purchasing households. Further, little mention is made of influential fiscal relations governing the actions of the dual state which have sustained RTB sales.

Chapter 3 outlines in glowing terms the nature and intentions of Thatcher's conservative government in launching RTB as "intellectually confident, firm in the belief that history, and the British people was on their side, seeking to transform what they saw as an ossified and derelict state which was dragging down the British people to mediocrity" (p. 47). It reviews official election propaganda to provide a perspective on the justification and reasoning given during the mid 1970s for the massive sale of council property. This included the breaking down of class identification with the Labour Party which was sustained by communities living together in council estates. Chapter 4 reports how decades later, local authorities have become dependent on RTB sales in a financially constrained social housing system, thereby capturing their support for a policy once vehemently opposed at the local government level.

In Chapter 5, King commendably presents a range of criticisms (Williams, 2003) of RTB but flippantly argues that in the main individual households have gained, while organisations, which can be morally treated differently, have had to take the back seat. Further, issues concerning the fiscal and financial interdependency of the RTB policy are not fully examined and again superficially dealt with: “the money is long gone and there is nothing we can do about it” (p. 95).

One of the most promising aspects of the book concerns the arguments of social constructionism, discourse analysis, and the critique of ideology, concepts and methods which can help us understand or even explain different types of tenure dispositions. Unfortunately this is not developed further, perhaps being out of place in a political essay.

The remainder of the book rehearses the arguments for RTB, why the author believes it was successful and the lessons learnt potentially for other areas of public policy. It is even more discursive in style, but does not seriously address the issues raised by the current crisis or those concerns in Chapter 5. Rather this book remains a memoir to Thatcher’s Britain, the virtues of property ownership, and the breaking down of working class identities via the sustained and thereby ‘successful’ implementation of RTB.

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