

## THE WORKING CLASS, ACADEMIA and HOUSING POLICY

In the 2019 General Election Labour obtained 34% of the social classes D/E vote compared to 47% won by the Conservatives ([YouGov, 2019](#)). This was an unprecedented post war 13% Tory ascendancy but Labour's vote share of social classes D/E had been in long-term decline. In 1997 Labour had a 38% lead over the Conservatives amongst social classes D/E voters, this was down to 14% in 2015 and, by 2017, had reached 9%. Using housing policy as an example, this article makes a connection between the long-term decline of Labour's working class support and Labour's political connections with academia.

### Fabian Socialism

Fabian Socialism is both a political creed and an academic approach. Its founders advocated gradual social change based on empirical investigation. Knowing the 'facts' of a situation, accompanied by inductive reasoning, would produce a logical answer each problem under examination, which, being rational, would go with the organic evolutionary grain towards a higher order involving the common good embodied in the state. Sydney Webb asserting that government must become 'more and more the business of elaborately trained experts, and less and less the immediate outcome of popular feeling' (Webb, 1908, quoted in Greenleaf, 1983, pp 359–60) and Beatrice Webb confided to her diary:

We have little faith in the 'average sensual man', we do not believe that he can do much more than describe his grievances, we do not think that he can prescribe the remedies ... We wish to introduce into politics the professional expert and through him extend the sphere of government.  
(Webb, 1948, in MacKenzie, N. and MacKenzie, J., 1984).

To the Fabians, 'Good government was essentially a matter of applying the appropriate expertise, based on scientific research and professional training' (Leach, 2015, p III). They viewed themselves as being intellectual elite who would permeate the existing institutions of society and guide social development toward its collectivist goal with the 'inevitability of gradualness'. This approach permeated academia.

### The Housing Market Renewal Initiative

[New Labour's 1997 Manifesto](#) proudly declared 'New Labour is a party of ideas and ideals but not of outdated ideology. What counts is what works'. Its housing policies had a strong Fabian tone and

relied on academic expertise to devise and evaluate policies. The Housing Market Renewal Initiative (HMRI) was the most striking example. Started in 2002 and abruptly ended in 2011, spent £2.51 billion in an attempt to restructure housing markets in 'low-demand' areas. It was the outcome of intensive lobbying supported by academic evidence by a group made up of the Housing Corporation, 18 local authorities, the National Housing Federation, the National House Builders Federation and a number of Registered Social Landlords in the North West of England covering the 'M62 corridor' commissioned academic research to identify the nature of housing market change in their areas. On the basis of the academic evidence supplied in *Changing Housing Markets and Urban Regeneration in the M62 Corridor* (Nevin, Lee, Goodson, Murie and Phillimore, 2001) it was claimed that there was a low demand for housing in some areas due to disconnected housing markets with the principal culprit being the terraced house.

The HMRI was a disaster for the working class communities in the chosen 'pathfinder' areas: Birmingham/Sandwell; East Lancashire; Hull and East Riding; Manchester/Salford; Merseyside; Newcastle/Gateshead; North Staffordshire; Oldham/Rochdale; South Yorkshire; West Yorkshire; West Cumbria and the Tees Valley. Most of the money was spent on acquisition for demolition rather than improvement; boarded properties blighted the areas; private landlords bought property to benefit from compensation and, on average, there was a gap of £35,000 between the amount of compensation existing homeowners received for their home when subject to a Compulsory Purchase Order and the cost of buying a suitable alternative property (National Audit Office (2007). MPs protested that the scheme was costing Labour votes (Telegraph, 2005). The Housing Market Renewal Pathfinder Initiative was an example of the imposition of a 'high modernist, grand design' (Scott, 1998) on working class communities. Their homes were not unfit but, the academic experts deemed that they required demolition to 'renew' the housing market. As [Foye](#) (2020) has commented: the evaluative framework applied to the HMRI 'did not consider the financial wellbeing of renters and aspiring home-owners who would, if anything, have suffered from increased house prices (or associated rents). Nor did it consider the financial well-being of those owners whose homes were demolished...'

## Understanding the Housing Market

New Labour also turned to academic expertise in its attempts to boost housing supply. The [Barker Review of Housing Supply](#) (2004) recommended that new Regional Planning Bodies should set targets to improve market affordability and that there should be improved intelligence on the operations of the housing market. New Labour implemented these recommendations setting up Regional Planning Bodies charged with producing Regional Spatial Strategies and a National Housing Planning and Advice Unit (NHPAU) to advise on housing affordability. The NHPAU had a

budget of £1,459,000 for its first year of operation and had twelve full time equivalent paid staff. Its Board consisted of 'the great and the good' from Housing Economics and Housing Studies. These initiatives foundered on the rocks of the 2008 recession and fierce opposition from the Conservatives and Liberal Democrats. In 2010 the Coalition Government abolished Regional Spatial Strategies and the NHPAU.

## Migration

The migration impact was missing from government sponsored housing affordability analyses. Immigration to the UK increased from 481,000 in 2001 to 589,000 in 2004 and remained about this level until 2010 with net migration increasing from 179,000 in 2001 to 256,000 in 2010 ([Migration Observatory at the University of Oxford, 2019](#)). Migrants who moved to the UK less than 5 years ago are much more likely to be renters (76%) compared to the average among all foreign born people (39%). Migrants who have been in the UK longer tend to have housing accommodation that is closer to that of the UK-born with, after 20 years or more, 71% in owner occupied housing, 11% renting privately and 18% in social housing ([Migration Observatory at the University of Oxford, 2019](#)).

The enhanced migration in the 2000s gave private landlordism a boost. The [Cambridge Centre for Housing and Planning Research \(2008\)](#) recorded a real increase in rents of 40.3% in South Holland and 34.7% in Boston between 1996/7 and 2006/7 with the acceleration occurring post 2003. However, New Labour emphasised the economic benefits of migration and did nothing to curb private renting, so useful in housing migrant labour. Indeed, In 2009 John Healey, Labour's Housing Minister said 'I'm not sure that's such a bad thing', adding:

So we need new choices in tenure.... That means increasing the diversity of tenures, it means allowing people to move more easily between tenures and it means putting them on a more equal footing with home ownership, as they are in other European countries.  
(Healey, quoted in the [Independent, 2009](#))

By the late 2000s immigration was number three on the list of public concerns with the per cent of working class people agreeing with the statement 'Britain has too many immigrants' above 70%, a 15% increase since 1999 ([Page, 2009](#)).

However, New Labour continued to emphasise the positive economic impact of immigration and the only assistance for areas experiencing the impact of migration was a £35 million Migration Impacts Fund (MIF) worth £35 million per year. It was very small gesture and, perhaps it was government neglect of the issue that fuelled working class notions that New Labour was not their party.

## A Peasant's Revolt?

Immigration was the number one issue for Leave voters in the 2016 Referendum ([Guardian, 2016](#)) and the contrast between the income and social class voting between Remain and Leave voters was stark. 64% of social classes D/E voted to leave and 57% social classes A/B voted remain ([Statista, 2019](#)). 62% of those with income of less than £20,000 voting to leave, but the percentage fell in steady stages until, by £60,000, the percentage was 35% ([Ipsos Mori, 2016](#)).

Some commentators detected a 'Peasants Revolt' in the 2016 European Union Referendum outcome ([O'Neill, 2016](#)). [Moody \(2017\)](#) stated:

From left to right, many have seen the large working-class vote for "Brexit" as a revolt against the elites responsible for the devastation of many working class communities and who have ignored the plight of the victims. On the left the British Socialist Workers Party weekly paper Socialist Worker declared the vote 'A Revolt Against the Rich' while the right-wing tabloid Daily Mail crowed that June 23 'was the day the quiet people of Britain rose up against an arrogant, out-of-touch political class and a contemptuous Brussels elite'.

## The Vanguard Party

To Marx and his followers there are two main social classes: the bourgeoisie — the owners of the means of production necessary to accumulate wealth — and the proletariat without such assets. Marxist thinking on housing made a strong impact in academic circles during the late 1960s and the 1970s and continues to have influence (see [Madden and Marcuse, 2016](#)).

The idea of the Vanguard Party developed in Marxist theory with Lenin and Trotsky arguing that Marxism's complexity and establishment antagonism made it necessary to form a cohesive, disciplined group to promote and safeguard the revolutionary ideology — a Vanguard Party (see [The Leninist Concept of the Revolutionary Vanguard Party](#), 1993). Working class spontaneous rebellions against their conditions required organisation and direction. The working class needed to be cleansed of their "false individual consciousness" and a revolutionary class consciousness instilled in them: they needed to be raised from amateurs to revolutionaries.

Distrust of the working class permeates academic Marxist thinking on housing. Much of the Marxist discourse is highly theoretical appearing to be communicating amongst an elite rather than spreading the messages. Working class perceptions of good tenure forms are dismissed. Recent polls have

shown that between 80% and 86% of respondents wanted to be homeowners within ten years ([Council of Mortgage Lenders, 2016](#)) and that 'the property is mine' and 'I can do what I want' top the list of the reasons why homeownership is considered desirable but Marxists refer to homeownership as an 'ideology' foisted on the working class as the ideal tenure but, in reality, holding workers to particular area thereby preventing them from maximising the value of their labour power ([Engels, 1872](#)); maintaining the values of individualism; promoting political legitimacy and ensuring social stability (Kemeny, 1992: [Renton, 2012](#), Marcuse, 1987).

## Homeownership and State Housing

In contrast to this attitude to homeownership, Marxist Political Economy defends state housing (in the UK, municipal housing), perhaps because it is allocated according to need (at least in theory) involves community retention of enhanced values and offers the possibility — as yet unrealised — of tenant control. However, council housing (now bracketed with housing association supply as 'social housing') is not popular with the working class.

Concluding on the results of polling and focus group work for the Affordability Commission ([Caluori, 2019](#)) comments:

The struggling blue-collar renters we spoke to who don't qualify for social housing are far from happy. Instead of saving for a deposit they are stuck living in expensive and often poor quality privately rented accommodation. They describe being at the mercy of landlords, unwilling to report problems for fear of being moved on. Yet this group do not aspire to return to the stability of a socially rented home. They tend to see social housing as a residual product, housing mostly drug addicts and undesirables. When asked if they'd support building more council housing they are lukewarm. Perhaps for other people, they say, but not for me. This is despite the fact that most had grown up in council houses – such is the 'othering' of social housing tenants. Interestingly, they are also hostile to ending the right to buy if it denies a right to a family living in social housing who had 'done all the right things'.

Likewise, the frustrated first-time buyers we spoke to are desperate for properties they can afford so they can move on with their lives. They are also stuck in the PRS, perceiving housing costs and the wider cost of living as eclipsing their incomes year on year. Many are making sacrifices on their quality of life and delaying important life decisions such as when to start a family, without the guarantee that their sacrifices will ever come to fruition.

These couples want to buy...

Influenced by Momentum — somewhat of Vanguard Party within Jeremy Corbyn's Labour Party — the [2019 Labour Party Manifesto](#) devoted three times more words to 'council and social homes' than to homeownership. Its 'council and social homes' commitment was specific with the manifesto stating:

Labour will deliver a new social housebuilding programme of more than a million homes over a decade, with council housing at its heart. By the end of the Parliament we will be building at an annual rate of at least 150,000 council and social homes, with 100,000 of these built by councils for social rent in the biggest council housebuilding programme in more than a generation. We will establish a new duty on councils to plan and build these homes in their area, and fund them to do so, with backing from national government.

In contrast, Labour's proposals on homeownership were vague with the manifesto stating:

We will build more low-cost homes reserved for first-time buyers in every area, including Labour's new discount homes with prices linked to local incomes. We will reform Help to Buy to focus it on first-time buyers on ordinary incomes. We will introduce a levy on overseas companies buying housing, while giving local people 'first dibs' on new homes built in their area. We will bring empty homes back into use by giving councils new powers to tax properties empty for over a year.

## The 2019 General Election

General Elections are fought in primary colours, with many factors contributing to election outcomes but insistence on a second referendum when the working classes had overwhelmingly voted Leave in the first referendum made a significant contribution to the 2019 General Election result. The 'top down', left-wing impositions of solutions to the housing issue may also have contributed to an alienated working class deserting Labour. There was a 12.8% swing from Labour between the 2017 and 2019 General Elections in the North East. In 1997 Labour had an 80/20 advantage over the Conservatives in the votes cast in the North East. By 2019 the split was almost even ([Uberoi et al, 2019](#)).

The Conservative's offered specific help to struggling towns in the form of the £3.6 billion Towns Fund with the list of towns chosen for help reading like an inventory of Tory 2019 election gains. A one billion pound cultural fund was offered by Labour

At 61.9% owner-occupation in the North East is the second lowest in the UK. At 210%, the growth in private landlordism in the North East from 1996 to 2016 was the fastest in UK, followed by the West Midlands at 150%, with London at 100% ([Barton, 2017](#)). Yields from private renting are 5.1% in the North East compared to 4.2% in London ([This Is Money, 2019](#)).

### What Can Be Done?

The decline in homeownership and the rise in private renting are class related ([Green \(2017:Rhodes, 2015\)](#)). Labour's somewhat vague promise to refocus Help to Buy on lower income households has merit but there are other ways to curb private renting and boost owner-occupation. In 2015 then Chancellor of the Exchequer, George Osborne announced a reduction in business expense tax reliefs, a phased reduction in mortgage interest rates to the standard income tax rate and a 3% extra Stamp Land Duty on second homes.

Watchers of *Homes Under the Hammer* will know that house speculators purchase properties to improve and rent. Low income first-time buyers and frustrated 'second steppers' find it difficult to acquire sufficient capital to buy and improve older homes. In the 1970s there was an extensive system of improvement grants available for homes with low rateable values. These were means-tested in the middle 1980s and the resources available were severely cut by the Conservatives and New Labour. Properties needing refurbishment are cheaper than other homes on the market. Restoring improvement grants to low-income households would help them become homeowners.

There is an imbalance between the everyday financial support available to low-income homeowners and renters. Renters have been able to claim Housing Benefit now being absorbed into Universal Credit as it is rolled out nationwide. In 2019 £7.7 billion was spent on housing benefits for private tenants, £5.5 billion for local authority tenants and £9.1 billion for housing association tenants with, on average, private tenants receiving £118.24 per week, local authority tenants £85.51 and housing association tenants £98.32 ([Stephens et al, 2019](#)). With a rent of £120 per week housing assistance stops at a gross income of 820.30 for a couple with two children, at a rent of £160 per week it stops at 913.67 per week ([Stephens et al, 2019](#)).

478,000 people with jobs claimed housing benefit in 2009/10. This increased to 962,000 in 2014 and was expected rise to 1,238,000 by 2018-19 ([Independent, 2014](#)). Some of this expenditure could be diverted away from landlords to support low-income homeowners by allowing them to claim Housing Benefit on mortgage interest.

When used as a noun, housing simply means 'houses' but, used as a verb, 'housing' refers to a process or activity — to quote one dictionary definition, 'to take or put into a house' (Wordnet, 2004). Labour's links to academia via Fabian Socialism and Marxist Political Economy has meant that housing used as a verb has been dominant. 'Top down' solutions to the housing issue have been implemented with the working class — especially its poorer members — over-parented into housing schemes that fit a system. Surely a 13% deficit to the Conservatives amongst working class voters will change this attitude?

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