Housing accessibility versus housing affordability: Introducing universal housing care

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Abstract

In the paper, we argue that the issue of housing accessibility is increasingly becoming acute as a consequence of the gradual abandonment of welfare state policies that occurred in many European countries during the last decade. Against the background of a review of recent developments in the area of housing provision, we propose that the welfare state housing care system needs to be urgently resuscitated. We suggest that the resuscitation of the welfare state requires primarily shifting the emphasis from ‘housing affordability’ (the catchword of recent neo-liberal housing policies) to ‘housing accessibility’. We argue that affordability does not necessarily guarantee accessibility for all. In conclusion we also propose that the resuscitation of the welfare state should be complemented by the introduction of a universal housing care system along the principles of the universal health care system, which many developed countries take pride in.

Keywords: welfare state, housing accessibility, housing affordability, housing reform, neo-liberalism.

Introduction

Welfare state housing systems have, in recent decades, been subjected, at varying degrees, to drastic transformations in every single European country. The beginnings of the decline of the welfare housing policies of post-war Europe may be traced back to the 1970s (Edgar et al, 2002). In the majority of the European countries, welfare state policies that guaranteed, among other things, favourable housing subsidy systems have, for some time now, been gradually fading. The traditional view of social housing as subsidised by the taxpayer and allocated to tenants at below market rents has been modified and the role of local authorities has shifted from that of housing providers to housing enablers and regulators (Monk & Whitehead, 2000). These have been replaced, in many European countries by the so-called ‘enabling approach’. The enabling principle was also adopted and globally recommended by the General Assembly of the United Nations, as an appropriate strategy for the improvement of shelter problems (UNCHS 1988). Czischke’s (2009) comparative study discusses the consequences of the gradual transformation of the welfare state across Europe since the 1980s which, she argues, has resulted in a decline in the provision of social housing.

The decline of the welfare state, generally, has been fuelled by the implementation of neoliberal policies in pursuit of the ideals of the globalisation movement that gathered greater momentum world-
wide in the 1980s. During this period, we have witnessed an obsession of countries to do whatever it takes to board the globalisation train and fully participate in the global financial market. Essentially, globalisation has been manifested in the enormous pressures exerted by large transnational corporations, to reduce public services and enhance the role of the free market. These pressures have resulted, among others, in the privatisation and commercialisation of basic and essential services, including housing. The globalisation processes and its optimum goal of achieving competitiveness have pulled the rug under the traditional principles of the welfare state. The housing policy changes introduced in the 1990s that included the reduction of general subsidies in favour of targeted subsidies (Turner and Whitehead, 2002) resulted in: increased rents and a growth of owner-occupied house prices, a decline in the level of new construction and enforced the marketization of the operations of public housing companies. This inevitably had a significant impact on social housing policy. Edgar et al. (2002) have observed that:

Since the mid-1970s, the welfare state, which underpins the provision of social housing, has been subject to a series of external and internal pressures which have brought about major changes and may even threaten its future survival. Globalisation and the apparent inexorable demand for economic competitiveness, technological change, restructured labour markets, plus demographic and social changes and shifts in political ideology have all called into question the traditional forms of the delivery of welfare. These transformative societal changes have damaged, to a greater or lesser degree, the ability of the welfare states of all EU countries to adequately service traditional target populations and have presented these welfare structures with new demands unforeseen when they first emerged after the Second World War. (Edgar et al. 2002, p. 25)

This view is more concretely supported by Kenna’s (2005) observation:

There are now many countries where states are not ensuring that adequate and affordable housing is available to all. (Kenna, 2005, p.7)

Questioning the legitimacy of recent neo-liberal housing policies of the age of globalisation, Clapham (2006) argues that the traditional models of social democratic housing policy are ill equipped to meet the challenge posed by the dominance of the globalization discourse. He appears to suggest that their major weakness is their failure to take into account key issues such as risk, social solidarity and self-esteem.

The European Union has also played a major role in pursuing the globalisation objective. While the provision of social housing falls under national government competencies in accordance with the principle of subsidiarity, European Commission (EC) directives do include certain demands that require national policies to comply with international market regulations and policies at the EU level as well. EC competition rules impose major restrictions on social rental organisations, with the aim of maintaining a fair equilibrium of competition between social and commercial housing institutions. According to the EC report published in 2009, there can be no sustainable growth within Europe without effective competition in the single market. The EC competition mantra was stressed in the declaration

Competition policy must also help to guarantee accessible and affordable high-quality public services, which are fundamental to citizens’ well-being and quality of life and which also contribute to social and territorial cohesion. (EC, 2009, p. 5)

Needless to say, these EC requirements have inevitably collided with various national policies that are implemented in various countries in the area of housing care, with the EC challenging, on various occasions, the legitimacy of state support and calling on national governments to discontinue such practices. And in spite of the in the Altmark Ruling that decided that government support to housing organisations is not illegal, Gruis and Priemus (2008) came to the conclusion that the EC can still
impose restrictions on such support on the basis of the level-playing-field principle. Such actions have prompted Doling (2006) to accuse the EU of practicing ‘stealth housing policy’.

Market competitiveness thus constitutes the backbone the European Union economic policy, regardless of area of competence. According to Czischke (2009), the reinforcement of market principles has involved the decentralisation of housing policy in most EU Member States, from the standardised publicly financed production of social housing to contractual relations with individual providers. The logic behind these processes has been that the devolution of social housing provision to local housing organisations is a positive policy measure that will result in achieving greater efficiency of housing allocation. As suggested by Gruis and Nieboer (quoted by Czischke, 2009), the majority of social housing providers have welcomed these developments since they allow them greater freedom in delivering appropriate services to the local inhabitants. However, they have also expressed worries that the operations of local social housing providers may be hampered by a growing decline in the level of public financing for social housing. Czischke’s (2009) study confirms the validity of Gruis and Nieboer’s opinions. While, at least half of the organisations included in the study on social rental housing in the EU welcomed state withdrawal as an opportunity for the organisations to become key actors in housing provision, other organisations were experiencing difficulties in generating the required financial resources, due to decreases in public funding.

Decreased public funding for housing provision has led to serious housing shortages in many countries and greatly exacerbated the level of access to housing in some. With public support and subsidies for social housing cut to the minimum or totally abolished, the social housing sector is under threat of gradual extinction in some European countries, where it has always played a pivotal role in guaranteeing housing access to the most vulnerable and preventing homelessness. The seriousness of the current situation has been highlighted in the 2007 FEANTSA policy statement, which we summarise as follows:

- The number of people suffering from housing exclusion is growing rapidly throughout Europe, especially in (large urban areas.
- Many people, especially vulnerable people in rental accommodation, spend an increasing share of their income on housing and related costs.
- The number of people who are homeless is increasing in several countries (especially in Eastern Europe), stabilising in others, and decreasing in only a few countries. But the number of people who become homeless because of housing related problems, such as the affordability or the quality of housing, is growing in most European countries.
- The share of rental housing decreased consistently during the last few decades in most European countries.
- In most European countries, the social housing sector is in a crisis. Public support and subsidies for social housing have decreased. The number of social dwellings is in many countries at a record low.
- Increasing numbers of people living in poverty, certainly those experiencing extreme forms of poverty, such as homelessness, experience difficulties to access the diminishing stock of social housing. (FEANTSA, 2007).

These are worrying developments. If such trends are left to continue in the future, this will consequently lead to huge increases in the level of homelessness in many European countries. The vulnerable groups of the population and the poor will, of course, be affected most.

In this paper we argue that the neo-liberal policies that have been implemented in order to achieve the globalisation objectives have had a devastating effect on housing access. The major premise for our discussion is that the right to housing is a basic human right which has been declared so in various documents at the international level (e.g., the International Covenant on Economic, Social and
Cultural Rights, 1966; the Habitat Agenda, 1996), at the European level (e.g. the European Social Charter, 1961; the Vienna Declaration, 2004) and at the national level within individual states. At the national level, at least 40% of the constitutions of the countries in the world make reference to housing rights (FEANTSA, 2003).

Against this background, we argue that housing access cannot, and must not, be subjected and entirely devolved to the market-will-fix-it ideology. Policy, based on market housing, which is allocated according to price on a market that encourages competition among buyers and sellers as well as efficiency on the part of providers (Elsinga et al. 2009) cannot be a viable substitute to the previous welfare state housing policies which strove to guarantee access to housing, especially to the various vulnerable groups of the population. In the first part of the discussion, we present a brief review of the literature providing concrete evidence of the decline of the welfare state and the immediate effect on housing accessibility in numerous countries in Europe. We then go on to argue that the focus on housing affordability which has dominated the debate on housing provision in the past, indicates a failure by the housing research community to recognise fully the essence of the problem. We therefore suggest that instead of housing affordability, the focus of the debate should be shifted to housing accessibility. Finally, we propose the introduction and implementation of universal housing care systems as a mechanism for guaranteeing total housing access for all.

**The decline of the welfare state**

As has already been stated in the introduction, governments across Western Europe have been gradually abandoning direct housing provision policies throughout the last two decades, or so. As Edgar et al (2002) observe:

> The regulatory role of the state has been shaped principally to accommodate the market and to facilitate an increasing reliance on private finance in the delivery of public services. The process of decentralisation of responsibility, together with an increasing emphasis on individual responsibility (witnessed in the promotion of home ownership) and an increasing reliance on third sector housing providers, compromise the ability of the state to protect the vulnerable and economically weak sections of society in the housing market. (p.51)

It is almost unacceptable to conduct any debate or express any opinion about the notion of the welfare state without referring to Esping-Andersen’s (1990) welfare state theory. However, it is also true that the theory has been critically analysed and thoroughly debated by several authors (among them Harloe, 1995; Allen et al., 2004; Matznetter, 2003; Hoekstra, 2003) with some suggesting modifications to the original typology (for example Castles and Ferrera, 1996). As such, we do not engage here in any detailed discussion of Esping-Andersen’s theory and, indeed, this is not the purpose of our discussion in this paper. What we are discussing here is the fundamental mission of the welfare state and the need for its revival. We do, however, recognise the usefulness of the suggested categorisations (social-democratic, corporatist and liberal regimes), from which we pick the social-democratic model of the welfare state as the one that goes furthest towards the realisation of the housing provision policy that we propose in the conclusion to the paper.

The processes that have led to the decline of the welfare state in individual countries have been adequately documented in the literature by numerous authors. We highlight a few below.

After indicating preference for the social democratic model, it is all the more challenging to find that even the role-model states that were previously categorised under the social democratic regime (Scandinavian countries and the Netherlands) have also succumbed to the pressures of globalisation. The situation in Sweden has been described as follows:
For decades, Sweden’s housing policy has been known as ‘social’. From the 1940s onward, politicians aimed to establish a society without socio-economic classes, and municipal housing in Sweden has always been a tenure form for diverse groups, including vulnerable families. However in recent years housing policy has become less social and now no longer provides an alternative to policy in the rest of Europe. Sweden now follows the market-oriented mainstream, having cut tax benefits, interest subsidies and allowances. (Magnusson, 2002, p. 225)

In Denmark, another of the model welfare policy states, housing policy has, since 1945, been characterised by extensive subsidies to housing consumption intended for new housing construction (Kristensen, 2002). However, he finds, in continuation, that the extent of the subsidies that have been provided in the past for promoting owner-occupation as well as rented housing has been diminishing over the past 10 years.

In the case of the Netherlands, (Boelhouwer (2002) explains that the welfare state reached its zenith in the early 1970s while 1989 marked the year when government housing policy was withdrawn in favour of the market. Kempen and Priemus (2002) add that the government white paper which introduced fundamental changes in housing policy clearly spelt out the gradual retreat of central government from the housing market. The latter also state that property subsidies for new social rented dwellings were reduced and in 1995 even abandoned completely.

De Decker (2002) highlights, in the case of Belgium, the problem of the growing number of single-person and single-parent households which, he writes, clearly suggests growth in the number of single-income households with less money to spend on housing. This, he continues to argue, challenges housing policies which have traditionally focused on home-ownership predicted on dual-income household structures. At the same time, he points out, the social rental sector in Belgium which accounts for only 6% of the housing stock, is very much the little brother (p. 305).

Matznetter (2002) argues that in Austria, not only the welfare state can be said to be frozen, but also is housing policy.

Describing the situation in Britain, Pearl, (1997) has stated that the urge to cut down on public spending and promote private sector investment has been realised in the housing sector by loosening the grip of local authorities on housing provision. These consequences of these developments have been described by Forrest and Hirayama (2009) as:

To a great extent the privatisation of Britain’s state housing stock led the way towards a more fully fledged neoliberal agenda, which had increasing international resonance. The transfer of state housing to the market was buttressed by reductions in new building for social renting, combined with a targeting of subsidies in the homeownership sector. (Forrest and Hirayama, 2009, p. 1003)

And while Spain is traditionally known to be a predominantly owner-occupation tenure country with almost negligible quantities of public housing, Pareja Eastaway and Varo (2002) have underlined that the rental sector in Spain has experienced a dramatic decrease in recent decades.

The abandonment of the welfare state in Western European countries has been emulated by East and Central European countries. Following the collapse, in the early 90s, of the ‘disgraced’ command economy system, the pro-market reforms that were being implemented in the West were graciously embraced by the new political leaders of the former socialist states of East and Central Europe. At the time, there was a great rush in most of these countries, to make the fastest departure possible from the previous communist system and there was, arguably, only one alternative. The Western European countries, whose economic systems had been finally accepted as preferable by the former socialist states, were deep in the process of fading out their welfare state policies. The urge for the former socialist countries to join the globalisation bandwagon was only natural and irresistible. Under the circumstances, the majority of the East European countries introduced these policy changes literally
overnight. The two major policy measures that had the greatest impact on housing provision and housing access were the privatisation of the public housing stock and abolition or drastic reduction of state financing for housing care.

Hegedüs and Struyk (2005) have generally described the situation in the so-called transition countries (referring to former East European socialist countries) as such that these are faced with huge social housing problems, not only because of the affordability issue in terms of housing services (maintenance and utility costs) but also in terms of access to housing. They argue that widespread housing privatisation resulted in social housing policy losing its main asset, i.e., public rental housing.

Hegedüs (2008) explains this situation further:

After the political changes of 1989/1990, governments in Eastern Europe worked under constant fiscal pressure caused by the social and economic costs of the bankrupt socialist economy. As a consequence, the state had to “withdraw” from the housing sector. It cut subsidies for new public and private construction, privatised the building industry and the industry for building materials, liberalised prices for housing services, privatised public housing and the banking sector, etc.(p.145)

Describing the situation in Hungary, Hegedüs has concluded that the social rented sector will not be sustainable without substantial government support.

Lux (2003) describes the changes that were introduced in housing policy in the Czech Republic as a shift from an almost wholly state-controlled and state-financed system to one based on private ownership and the market. He finds that these reforms were often characterised by an amalgam of liberal and conservative approaches, hybrid strategies which eventually resulted in the complete withdrawal of public subsidies. He continues:

The main consequences of more restrictive public housing financing and liberalisation of construction and utility prices at the first stage of transition were that housing affordability decreased, as did the amount of new housing construction…..Decreased availability of dwellings with controlled rents meant that the doors were closed to newly established households looking for affordable housing and there has been a rapid growth of black market rental contracts. (p.249)

In Slovenia, Sendi (1999) specified the decimation of the of the social rented housing stock as one of the immediate effects of the privatisation of the public housing stock, which was executed as one of the key measures of the housing reforms that were introduced after the adoption of the market economy. He also points out as crucial the abolition of previous forms of financing housing provision which resulted in a drastic reduction in new dwelling construction and, consequently, in great housing shortages, especially rented housing. Cirman (2006) offers a comprehensive analysis of the housing tenure preferences that emerged in Slovenia following the introduction of housing reforms, stressing the unsustainability of very high levels of homeownership, at the cost of an almost negligible stock of rental housing. The lack of rental housing has created immense problems of housing access.

In Bulgaria the retreat by the state from the provision of housing promptly resulted in a massive decline in housing output. According to Elbers and Tsenkova (2003) the production of new housing decreased dramatically from seven units per 1,000 in the 1980s to a record low of 0.6 units per 1,000 in 1998. They add:

Neither the state, nor the local authorities have a legal obligation to provide new public housing and ongoing privatization continues to erode its ability to respond to these needs. (p. 121)

One of the issues that deserve particular attention in relation to the decline of the welfare state is the impact it has had on young peoples’ opportunities to access housing. The consequences of the withdrawal of welfare housing policies are increasingly manifested in the rising levels of parental-
home non-leavers, a phenomenon sometimes referred to as ‘hotel mamma’. According to Choroszewicz and Wolff (2010) 51 million (approximately 46%) young adults aged 18-34 in the European Union, still lived with at least one of their parents in 2008. The authors suggest that these are young adults that are at risk of poverty, who stay with their parent(s) in order to avoid actual poverty upon deciding to live an independent life. Among the reasons for postponing the decision to leave the parental home, Choroszewicz and Wolff suggest inadequate jobs that do not provide enough financial resources to guarantee self-sufficiency and the limited availability of affordable housing.

The seriousness of this situation may, once again, be illustrated with the data on those countries which have always been commended for their welfare policies. While, according to the same data source, the Scandinavian countries have the highest percentage of young people who have left the parental home, Sweden with (18%), Denmark (22%), and Norway (23%), also have a relatively high percentage of young adults at risk of poverty. These percentages are a clear indicator of one of the grave consequences of the decline of the welfare state.

The role of welfare state policies in encouraging young people to opt for independent living has been discussed by various authors. Mandić (2008) maintains that welfare state provisions are crucial in lessening the potential risks (unemployment, low pay or homelessness) of leaving home. Forrest and Hirayama (2009) focus on the effects of neo-liberal policy and the globalisation market economy on welfare provision and the role of the family system in facilitating housing access. Recognising the significant growth in adult children remaining at home for longer periods in Britain and other European countries, they find that:

> The tendency of parent generations to support offspring generations in securing housing has expanded. This has arguably played a considerable role in substituting for government housing measures (p. 1008).

In continuation, they observe that:

> The critical issue in relation to housing, however, is that these new generations will be entering homeownership, and thus, (potentially) building up an asset base, at a generally later stage than their parents. This may be all the more critical given the increasing need to call upon household financial resources in more-market oriented and individualistic societies. This latter issue also highlights the family or informal consequence of neo-liberalism. (p.1010)

The views expressed by Forrest and Hirayama appear to imply homeownership to be the principle or desired objective of young people. While this may well be the case in several European counties (especially in the East and Central European countries) the arguments we are presenting here relate to housing access in general, albeit with a slightly stronger emphasis on rental housing. Having stated that, Forrest and Hirayama’s views provide an additional perspective on the consequences of the adoption and implementation of neo-liberal policies, the decline of the welfare state and the resultant impact on housing access for young adults.

**Affordability versus accessibility**

In recent decades, the debate on housing provision has been largely approached from the perspective of ensuring housing affordability. The use of the word ‘affordability’ has, of course, been inevitable since housing and housing provision, under the age of globalisation, have been increasingly seen as a free-market issue. The transfer of housing provision to the market has been described by some as the commodification of housing (Forrest and Murie, 1990; Mulpass and Murie, 1999; Chiu, 2001; Allen, 2006). Edgar et al (2002) have defined have the complex process of the commodification of housing as:
the increasing dominance of the market in the distribution of housing. This process is apparent, albeit unevenly, in all EU countries and reflects the withdrawal of the state from direct provision of housing. (p. 33)

Malpass and Murie (1999), for example, note that most housing in Britain is today distributed through the market mechanism, with the result that the amount, quality and location of housing which consumers can obtain depend upon their ability to pay, which make price and affordability central questions to the housing problem. The notion of ‘housing affordability’ has indeed dominated the debate on the issue of housing provision, since the 1980s (Cowan and Marsh, 2001; Malpass and Murie, 1999). Notwithstanding its centrality, however, Malpass and Murie are critical of what they see as a notable absence in the debate of an agreed definition of the term affordability. They, nonetheless, quote a definition suggested by Maclellan and Williams, while cautioning, at the same time, that the definition ‘serves mainly to clarify the questions to be answered:

Affordability is concerned with securing some given standard of housing (or different standards) at a price or rent which does not impose, in the eyes of some third party (usually government), an unreasonable burden on household incomes. A number of judgements and assumptions are made in putting the concept into practice, and, in broad terms, affordability is assessed by the ratio of a chosen definition of housing costs to a selected measure of household income in some given period (Maclellan and Williams, 1990: 9). (Malpass and Murie, 1999: 162)

If this was indeed intended to be a definition of affordability, it is not possible to gather from it what the notion of affordability really means. Instead of defining the term, the wording is essentially a description of what affordability is ‘concerned’ with. Furthermore, the ‘unreasonable burden on household incomes’ would need to be specified in order for the definition to be precise and helpful.

The problems of defining affordability have been highlighted by other authors as well. Edgar et al, (2002) have pointed out that:

The meaning of affordability in relation to housing presents difficulties both conceptually and operationally. The conceptual difficulty resides in the need to establish a normative definition of the housing good and what households should pay for that good. The normative definition of adequate or decent housing determines the nature of affordability and yet this is a vague and relative concept. (p. 59)

Against this background, they make the following attempt at defining the notion of affordability:

If the definition of adequate, decent and sanitary housing can be determined, then a simple definition of affordability is that the price of that unit of accommodation (net of state subsidy) is “not an unreasonable burden on household income”. (Edgar et al, 2002., p. 59)

As may be understood from the phrasing quoted above this is a conditional definition which requires defining in advance other indicators (adequate, decent and sanitary). Then there is the problematic reference to the “unreasonable burden on household income” that is apparently borrowed from the Maclellan and Williams’ definition quoted earlier on.

There have also been other attempts to define the term. In his effort, Reeves’ (2005) first admits that:

Affordable housing is, out of its proper context, an odd phrase. After all, most housing is affordable by someone …if there were properties which were genuinely not affordable, they would be empty. (p. 16)

He then proceeds to suggest that affordable housing:
means the number of houses and flats which households who can’t afford to compete in the market need. (p. 17)

This is a precise, straight-forward definition which, at first sight, appears to be adequate. It does, however, remain inconclusive. With the phrasing ‘can’t afford to compete in the market’ it appears to imply that affordable housing is not market housing. The question then arises whether it is possible to talk about affordability in a non-market context. It this presumption were to be true, it needs to be clearly explained because it is essentially vital to the debate.

Indeed the use of the term in the literature generally suggests that affordability basically relates to the capacity to be able to purchase housing. In the United States, for example, Green and Malpezzi (2003) make reference to the National association of Realtor’s (NAR) housing affordability index as the most frequently cited indicator of the ability of a typical family to own a house. Barring inheritance, homeownership is normally acquired through purchase on the market.

The definition suggested by Hafner and Boumeester (2010) demonstrates clearly the relationship between affordability and the various market variables:

The term ‘affordability’ as it is used here, concerns the annual price or a rent paid for housing consumption. It could involve the user costs as price of housing consumption, or the cash flows, out-of-pocket expenses or outlays needed to finance access to housing (Hancock, 1993; Hulchanski 1995; Stone, 2006a). (p. 800)

This is a more concrete definition which clearly states cost, price and cash flows as the key indicators of housing affordability. It shows that the basic indicator of affordability of access to housing is the price/income ratio.

Green and Malpezzi (2003) have also suggested a precise definition of affordability:

If households are observed to pay a given amount, then, from the economist’s viewpoint, they can afford to do so. (p. 136)

This is, in fact, a reverse definition of the term which appears to describe affordability as a consequence of paying for a good rather than the capacity to be able to pay. This definition and the one by Hafner and Boumeester (2010) quoted above, provide purely economic perspective and honest interpretations of affordability. Both definitions lead us closer to the essence of our argument, which seeks to shift the emphasis from affordability to accessibility. Affordability does indeed mean being able to pay for something. Simply put, therefore, affordable housing ought to be defined as housing that people can pay for. If affordability means the capacity to pay for some thing, then housing affordability must mean being able to purchase housing or pay rent for a rented dwelling.

The trends that we have presented in the previous pages do however show that there are a growing number of households in various countries in Europe which are not capable of paying for housing, regardless of tenure. Discussing affordability, Forrest and Lee (2003) concede that:

The fundamental difficulty remains that many households in all societies cannot afford adequate housing either at some stages of their housing careers or at any stage. (p 135).

This statement shows that the debate on housing affordability has, probably unconsciously, ignored the fact that there always have been and will always be certain groups of the population that can not afford housing, be it for purchase or rent. As such, the debate about the provision of housing for vulnerable groups can not be centred on housing affordability. The biggest problem here lies in the very fact that these discussions and the policy proposals that have emerged from them have been
presumed to be aimed at dealing with the problems of housing provision for the vulnerable sections of the population. Even Edgar et al, (2002) whose study focuses especially on housing access (such focus has been rare up to date), also relate the notion of affordability to vulnerable households, as may be read in the following statements:

The increasing uncertainty and volatility of private housing markets and the declining importance of private rented housing emphasises the pivotal role of social housing in ensuring access to affordable housing for homeless people and vulnerable households. (Edgar et al, 2002. p. 51)

Access to decent housing for vulnerable and low-income groups depends on an adequate supply of affordable housing. (Edgar et al, 2002. p. 59)

The ability of vulnerable households to access affordable rented housing is clearly compromised where the rented sector is small or is declining (Edgar et al, 2002, p. 61).

The preoccupation of some of the housing researchers, in the recent decades, with the notion of housing affordability can be easily explained. It is important to remember that this is the period during which we have witnessed an intensification of the implementation of neo-liberal policies of the globalisation movement and the accompanying gradual disintegration of the welfare state. As has already been explained, this is the period during which housing and housing provision have increasingly been devolved to the sphere of the free market. It is as such, logical, that issues concerning housing provision, including that for the vulnerable have been addressed in a market-oriented manner. Within this context, housing affordability has been a fairly convenient notion to adopt and apply to the debate on housing accessibility.

Indeed, it is a debate about accessibility, housing accessibility and not housing affordability. It has already been stated that the right to housing is a basic human right. Housing rights are referred to in the Constitutions of at least 40% of the countries of the world. However, the implementation of neo-liberal policies that have led to the erosion of the welfare state is increasing the danger of the violation of this basic human right. The level of this threat is indicated in the following statement:

The right to housing has often been interpreted as a right to State provision of a house or adequate housing for all. Increasingly, new housing is provided by the market in European countries, and a smaller and smaller level of social housing is provided by the State. This ‘enabling approach’, largely involving the purchase of mass-produced housing as a commodity, provided by large scale and international developers, is gaining currency world-wide, and is promoted by the World Bank and others. Indeed, the role of European States is geared predominantly towards facilitating the market as the producer and allocator of housing, except in areas of market failure. Of course, housing rights also apply to the market. …….But key questions arise in relation to the willingness of some European States to promote and implement housing rights in the market context. (Kenna, 2005, p. 11)

These observations highlight the dangers posed by the growing reliance of governments on the capacity of the market to deliver the required services, including the provision of social housing. The inadequacy of the notion of affordability is most clearly exposed in the following statement:

A key principle of social cohesion is that all citizens should have access to adequate housing at a price they can afford. This principle falls short of guaranteeing the right to housing. (Edgar et al., 2002, p. 11)

It is, therefore, vital to emphasise the fundamental difference between the notions of affordability and accessibility. Affordability is a market concept related to capacity to pay. Something is affordable for the individual who can pay for it. If one can pay for a certain good, then that particular individual gains access to that good. On the contrary, those who cannot afford to pay for a certain good cannot
gain access to it. If that good is housing, that means that those who cannot afford to pay, cannot gain access to housing. And as has been demonstrated in this paper, such is the situation that has been gradually evolving in most European countries in the last few decades. The implementation of neo-liberal policies, whose principle aim is to achieve optimum efficiency, market competitiveness, cost-effectiveness and profitability has forced governments to withdraw welfare state policies, including those that were previously intended for guaranteeing access to adequate housing for the disadvantaged and vulnerable. In the process, housing provision has also fallen victim to the pressures of the globalisation objective. Housing has become a market commodity. As such, the notion of housing affordability that has been applied to deal with the issues of housing provision is, a market notion. At the same time, however, there is a growing proportion of the population in European counties that cannot afford to pay for housing on the open market. Those who cannot afford to pay for housing, cannot access it either.

Accessibility, on the other hand, is a humanitarian concept. The notion of housing accessibility essentially implies the objective to guarantee the right to housing for every individual. It recognises that housing is not a market commodity, but a right that must be guaranteed for every human being. It is important to stress here that notion of housing accessibility applies to the entire population including all those groups that are, in various ways, often restricted in realising their right to adequate housing. The notion of housing access also covers households or individuals that may be housed but whose housing conditions exhibit a lack of access to adequate housing. Adequate housing here means housing that conforms to basic standards with regard to security of tenure, availability of services, facilities and infrastructure, habitability and also affordability. Affordability, in this regard, refers to the proportion of a household’s net income spent on housing costs. According to Eurostat data, 12.2% of the EU-27 population in 2009 lived in the household that spent 40% or more of their equivalised (i.e. per individual) disposable income on housing (from 2.5% in Cyprus to 24.4% in Denmark). These data indicate relatively high levels of housing cost overburdening. Housing cost overburdening, of course, impacts on the amount of the household’s disposable income, its living conditions and, potentially, its access to adequate housing.

**Conclusion**

It has been shown that the implementation of neo-liberal policies in the majority of European countries has resulted in the abandonment of the welfare state and abolition of its social policies in the area of housing provision. Current trends (strongly influenced by the ongoing global financial crisis) indicate a worsening of the situation in the future unless some drastic measures are implemented. Housing provision can not, and must not, be left entirely to the machinations of the free housing market.

Guaranteeing access to adequate housing for all requires shifting the emphasis from housing affordability to housing accessibility. This re-adjustment enables housing researchers and other experts to explore other avenues and policy alternatives beyond those restricted to the confines of the market. It rejects the ‘market-will-fix-it’ ideology that has constituted the backbone of neo-liberal policies in the area of housing provision in the past decades.

The adoption of the accessibility approach calls for the resuscitation of the welfare state. Governments must maintain policies that guarantee access to adequate housing to all, especially those groups of the population that can not secure such access by themselves. As has been emphasised by the UN Committee on Economics, Social and Cultural Rights (UNCESCR), vulnerable members of society

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1 The housing cost overburden rate is defined as the share of the population living in households where the total cost of housing (‘net’ of housing allowances) accounts for more than 40% of household disposable income (‘net’ of housing allowances) (Eurostat, European Commission, 2011)
must be protected States by the adoption and implementation of appropriate policies even in times of severe economic contraction. Housing is a right and the right to housing can be fully realised only through the implementation of measures that guarantee access to adequate housing for all. Such measures can be implemented only through the reintroduction of the welfare state policies that have been abandoned in the last decades. The social-democratic typology of Esping-Andersen’s (1990) categorisation which, for decades, was acknowledged world-wide as the model social care system would be particularly recommendable as it presents a suitable background to the introduction of a universal housing care system. If the right to housing is a human right, then that right must be realised at all costs. To achieve this objective, we propose the introduction of a universal housing care system that would be similar to the universal health care system that has been effectively implemented in Europe and other parts of the world, since the period following the Second World War. Like universal health care, universal housing care would be introduced as a government system intended to guarantee that every citizen or resident has access to adequate housing. The principle mission of the system would thus be to ensure universal coverage in guaranteeing access to housing for all, irrespective of economic or social circumstances, as is the case with universal health care. The introduction of such a system would also lead to the elimination of discriminatory and sometimes stigmatic etiquettes such as ‘the vulnerable’.

Like universal health care, the organisation of universal housing care systems would also vary form country to country. The common denominator would be government involvement in the financing of the system. In this paper, the proposal remains at the stage of a concept. The practical organisation and implementation of the system would require conducting detailed preliminary analyses. This should be the next task for researchers engaged in the search for solutions for guaranteeing access to housing for all.

References


‘Mixité’: an urban and housing issue?


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