



Drawbacks of Welfare Housing

A. J. CARTER

HAVING PRODUCED over fifty of its Hobart papers, the Institute of Economic Affairs is less able than it was to find completely new subjects on which to throw a fresh light. It has to turn to subordinate aspects of themes already expounded. Inevitably this means some loss of excitement, though not necessarily of interest.

In the latest paper* Dr. McKie, of the Department of Land Economy at Cambridge University, talks about the "twilight areas" of housing, the elderly, run down, usually terraced houses which are one degree better than slums. There is no easy logical path through this paper, and the reader has to work rather hard to hack his way through, but one gets the central message, which is that twilight area housing may have a necessary role to play in meeting the needs of people who cannot, or do not wish to, spend more on their homes. The current orthodoxy is that after getting rid of the slums we must immediately start on the twilight areas in order to carry on raising the standard of housing. It is the chief virtue of Hobart paper 52, as of so many before it, that it questions the received wisdom.

Dr. McKie accepts the necessity for clearing slums which, presumably by definition, are a danger to public health. What he challenges is the extension of this philosophy of mass clearance—what he calls the "sanitarian" approach—to housing which is not such a danger, though it may indeed lack certain standard amenities. It appears that many people are satisfied with their twilight area houses, largely because of their convenience to the town centre, and that the disadvantages that most concern them are external rather than the poor facilities of the houses themselves. By redeveloping the twilight areas and rehousing their inhabitants in houses built to a higher standard, local authorities shift people to higher cost accommodation, interfering with the preference of those who can afford the higher cost but had chosen not to pay it and having to subsidize the rents of the remainder.

It is not only where public health is at stake that there is a legitimate public interest in housing. This may be the main reason in practice, but in theory such an interest is justifiable wherever housing has any kind of social consequences. This is not made clear in the paper. Where there are no direct social consequences, it is difficult to dispute that the choice of housing should rest with the individual. If a family prefer a victorian house without a bathroom at a price they can afford to a new house with all mod. cons at a price that will cripple them, that is

their affair. Moreover, to sweep away all houses without bathrooms may be to deprive many people of any house at all. Rehabilitation and gradual redevelopment may each play a part but to knock away the bottom rung of the housing ladder may be to prevent many families from ever beginning their climb to better things.

Logically, we must acknowledge the validity of Dr. McKie's argument, yet deep in our consciousness we are committed to the virtue of improvement. We feel instinctively that bathrooms are better than no bathrooms, that more space is better than less, that properly heated houses are superior to icy cold ones. There is nothing wrong with this instinct; what is wrong is the assumption that improvement must be compulsory and that the only way to bring it about is to concentrate our collective resources on indiscriminate destruction of what is sub-standard and its replacement by something more to our collective taste. This is one example of the contemporary misconception that because something is desirable for us as a society therefore *the state* must do something about it.

The one sustainable objection to freedom of choice in housing is that substantial sections of the population are too poor to provide themselves with decent housing at all. The slums are all occupied and nearly all overcrowded. The emphasis should be not on the disruption of comprehensive redevelopment but on tackling the problem of poverty and eliminating hindrances to the supply of housing such as the shortage of available land. To alleviate poverty, Dr. McKie favours a cash housing subsidy in place of intervention in the housing market, but this smacks a little of the paternalism which elsewhere he condemns and seems inconsistent with his support for people to spend what they like on housing. A more democratic alternative is the establishment of a minimum income through a "reverse income tax," but this also has its drawbacks and should be only an interim measure.

Poverty must be traced to its roots and those roots weeded out. Reforms in planning and taxation could make more land available, stimulate its fuller use, and encourage rather than discourage the improvement of houses now left to decay. A good wage in people's



pockets and a reduction in the cost of housing would lead to a progressive increase in housing standards and the eventual transformation of the twilight areas, but in response to the wishes of housing consumers and not in opposition to them.

**Housing and the Whitehall Bulldozer* by Robert McKie Hobart Paper 52, The Institute of Economic Affairs., 50p.