

# 1 How the meek inherited the earth

Private property is as old as human civilization for human societies developed on the basis of private property systems. As Rousseau observed 'The first man who, after enclosing a piece of ground, bethought himself of saying, "This is mine", and found people simple enough to believe him, was the true founder of civil society' (1973, p. 76).

The first pre-emptive act must have occurred many thousands of years ago. Human beings have been settled upon the land, growing crops and herding animals, for over 10,000 years, and it is likely that claims to private ownership of land date back just as far. Certainly systems of private property were well established by the time the Ancients came to start recording their history.

Private property and human society have, therefore, evolved and developed in tandem. Furthermore, as Karl Marx recognized in the nineteenth century, the organization of private property has a significant impact on how the rest of a society is organized. In his view, all societies have been marked by a fundamental division between a minority who own property and a majority who do not. What the Roman slave, the feudal serf and the industrial proletariat all share in common is exclusion from ownership of property in their respective societies. It was because of this exclusion of the majority from ownership of property that Marx and Engels believed that every known society has been riven by class antagonisms. As they put it in their famous call to arms to the Western proletariat in 1848: 'The history of all hitherto existing society is the history of class struggles. Freeman and slave, patrician and plebeian, lord and serf, guildmaster and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another' (1970, pp. 35-6).

This is how things have remained for thousands of years – until recently. One of Marx's more successful predictions was that as capitalism matured, so competition would result in an economy dominated by ever smaller numbers of ever larger enterprises. One of his less successful predictions, however, was that this would sooner or later lead to the emergence of a centrally planned socialist economy. What has actually happened in Britain, as elsewhere in the West, is that the production and finance systems have become concentrated into a relatively small number of huge companies as Marx suggested they would, but that ownership of their assets has become remarkably diffused through the population as a whole. Rather than being owned by a few top-hatted plutocrats, or, indeed, by a few grey-suited commissars, the country's major enterprises have today passed into the



ownership of millions of individual workers.

Direct ownership by workers of holdings in banks and major companies is relatively insignificant in Britain, although around 20 per cent of households do now own some shares, mainly as a result of the 'privatization' of companies like BT, British Gas, British Airways and BAA in the years since 1979. More important than this growth in popular shareholding, however, has been the spread of indirect ownership. One of the problems faced by contemporary Marxist theory is that it is now so very difficult to draw the sharp dividing lines between 'oppressor' and 'oppressed' which Marx and Engels identified in 1848. There is no obvious 'capitalist class' in modern Britain. There are boards of directors, fund managers and company chairmen, and these people do often own shares, but the vast bulk of the assets which they manage are now owned, not by individuals, nor even by traditional wealthy families, but by institutions such as pension funds and insurance companies (see, for example, Ingham, 1984, ch. 3).

Most of Britain's capital assets are today owned indirectly by most of the people living in this country. The huge financial institutions invest billions of pounds of workers' money in all sorts of capitalist enterprises and government securities in Britain and abroad. The profits are used to pay people their pensions, to redeem endowment and insurance policies when they fall due, and so on.

The system of property relations has been fundamentally transformed over a few short decades. In 1848 Marx and Engels concluded the *Communist Manifesto* with the resounding cry to the workers of the world to unite - 'The proletarians have nothing to lose but their chains. They have world to win' (1970, p. 63). The slogan made sense then, for it highlighted the lack of any property interest among the masses of the nineteenth century. Even as late as 1929, when the Wall Street stock market collapsed and huge fortunes were lost, most people still lacked any stake in the property system. Many workers were of course badly affected by the closures and redundancies which followed the crash, but few lost their savings as a result of it. Yet when the Western stock markets teetered on the point of collapse in October 1987, millions of workers held their breath, for not only their jobs but their assets and their savings were at stake. Somewhere between 1929 and 1987, the working class finally became incorporated into the capitalist property system.

This incorporation, though significant, is nevertheless still only indirect. Most of us may have a stake in the capitalist property system as a result of our pension schemes, life insurances and endowment mortgages, but few of us even know which investments the stake is bound up with, and provide the cash is paid out at the end of the period, it is doubtful whether many of us even care. Collectively, we own the companies we see listed on the financial pages of our newspapers, but we most certainly do not control them, nor do we really identify with them. If we have purchased a few shares ourselves then we may take a little more notice of what is going on, perhaps checking the price movements of British Gas in much the same way.

as we might check our Premium Bond numbers, but even here we do not feel any real sense of identity with, or control over, the company. How could it be otherwise in a modern, large-scale economy?

There has, however, been a second major upheaval in the British property system during this century, and this has arguably had far greater *personal* significance for far more people than the expansion of direct and indirect share ownership could ever have had. This second upheaval – let us follow Pawley (1978, p. 7) and call it a ‘revolution’ – has gone to the heart of our everyday lives. It has entailed a remarkable and dramatic shift in the pattern of property ownership. Nobody planned it – there was no Lenin, no Khomeini – and (somewhat uniquely as revolutions go) nobody has ever been killed or called upon to die for it. As it has proceeded through the twentieth century, so this peaceful revolution has assumed its own momentum, and it has turned out to be one of the most popular revolutions in history. I refer, of course, to the remarkable growth of home ownership.

The principle of home ownership is not new. For most of our history, the ordinary people of Britain have built their own homes and have ‘owned’ what they built (though not necessarily the land on which it stood). In prehistoric times they built and lived in round huts with timber frames clad in turf, mud, or stone. Two thousand years ago they lived in ‘long houses’, with the family members eating and sleeping at one end while the animals were kept at the other. The Saxons too built their own homes on individual plots of land marked off by fences (Brindley, 1977, ch. 5), and during the late medieval period, the mass of the people were still housed in single-room huts of their own construction.

It was the enclosures of the countryside and the growth of the towns which together did so much to undermine this long tradition of self-provisioning and independent ownership. As hundreds of thousands of people were uprooted from the land to search for work in the new industrial cities of the eighteenth and nineteenth centuries, so houses were constructed for them by small building firms and were let to them by a new class of urban landlords. The squalor and overcrowding of much of this housing have passed into folklore, although as Engels (1969) noted in his review of working-class conditions of life in 1844, country cottages erected by farmers to house their workforce were often no better and were sometimes much worse than the basements and ‘back-to-back’ slums to which many urban workers and their families were consigned. It is important to remember, however, that it was not just the poor who rented, and that not all rented accommodation was low in quality and low in price. Private landlords catered for the middle class and working class alike, so that by the nineteenth century it had become the norm for members of all classes except for the rich to live in houses which they did not own. Burnett (1986, p. 147) suggests that by the end of that century there were no more than 14,000 owner-occupier households in the whole of London. For the ‘vast majority of people’, he says, renting was ‘normal’ and ‘inevitable’.

The home ownership revolution of the twentieth century should perhaps

therefore be seen more as a counter-revolution, a reassertion of the independent rights of ownership which for most people withered during and following the period of industrialization and urbanization. Of course, modern owner-occupation is very different in form and quality from its pre-industrial predecessor. Few people today build their own homes (although, as we shall see in Chapter 6, some do), and, in contrast with the labourer's cottage or the peasant's hut, modern housing represents both a means of shelter and a store of wealth. As we shall see in Chapter 3, owner-occupiers today generally enjoy ownership of a high-value tradeable commodity, which was never true of earlier generations of owners. Nevertheless, we should not lose sight of the fact that most people have owned their homes for most of our history and that the twentieth century has in this sense rediscovered a long tradition rather than establishing a new one.

How, then, has this revolution, or counter-revolution, come about? How successful has it been and how many people has it touched? And what have been its consequences for the economic, political and cultural life of contemporary Britain?

### The extent of owner-occupation

There are no completely reliable figures on the number of people in owner-occupation in Britain before 1961 when housing tenure was first included in the decennial Census. Most studies suggest that the home ownership rate at the start of the First World War was probably around 10 per cent, although Swenarton and Taylor have investigated the sources of this claim and conclude that it is little more than a guess. In their view, 'The national level of owner occupation prior to the First World War is still unknown' (1985, p. 376).

**Table 1.1** *Housing tenure change in England and Wales, 1914-86*

Year	Percentage of households in tenure			
	Owner-occupied	Public rented	Private rented	Housing association
1914	10	—	90	—
1939	32	10	58	—
1953	32	18	51	—
1961	43	23	34	—
1971	51	28	20	1
1981	58	29	11	2
1986	65	24	8	3

Sources: 1914 estimates — see Swenarton and Taylor, 1985; 1939 and 1953 estimates plus 1961-81 data from Holmans, 1987, table V.1; 1986 estimates from Department of the Environment, 1987a. Percentages may not add up to 100 due to rounding.

The 10 per cent figure is, however, all we have to go on. If correct, it would suggest that nine in every ten British households rented from private landlords during the first decade of this century; for although provisions had been made in various Acts of Parliament from 1866 onwards for local councils to build houses for working-class rental, the size of the public sector remained negligible until 1919 when councils were given subsidies for this purpose from the central Exchequer.

Table 1.1 reveals the extent of the revolution which has taken place since 1914. The three principal trends are clear. First, private renting has collapsed from around 90 per cent to 8 per cent of households in just seventy years.

Second, state housing has grown from nothing to embrace three households in ten by 1981. In Scotland (which is not represented in this table) the proportion of households renting their homes from the state had reached a staggering 55 per cent by 1981. These figures have fallen back somewhat during the 1980s due to reductions in new building coupled with sales of existing stock to sitting tenants. By 1986 the proportion of households renting from local councils or New Town Corporations had dropped to 24 per cent in England and Wales and to 49 per cent in Scotland.

Third, owner-occupation has expanded from around 10 per cent of households in 1914 to 65 per cent (63 per cent in Britain as a whole) in 1986. The first period of expansion came in the inter-war years. By 1939 around one-third of households owned or were buying their homes. This was the period of middle-class expansion into owner-occupation, for by 1939 around 55 per cent of middle-class households were home owners. Ownership was at that time still beyond the financial reach of most working-class people. Swenarton and Taylor (1985) show that average working-class wages in the 1930s were not enough to secure access to home ownership, although both they and Ball (1983, p. 36) accept that nearly 20 per cent of working-class households were nevertheless in this tenure by the time the war broke out.

The second period of expansion began in the 1950s and has continued ever since. In the years during and immediately following the war, owner-occupation rates probably fell back due to bomb damage and the government's decision to direct building labour and materials almost exclusively into the state sector. Swenarton and Taylor calculate that owner-occupation may have fallen from as much as 35 per cent in 1939 to as little as 27 per cent by the late 1940s. Ever since the 1950s, however, owner-occupation has been expanding, first at the expense of private renting, and more recently by eating into the state sector.

In this postwar period, home ownership has spread from the middle class to large sections of the working class. As Table 1.2 shows, all non-manual grades are today overwhelmingly to be found in the owner-occupied sector, but a majority of skilled manual workers too now own their homes, and even one in three unskilled manual workers own or are buying their housing. What this means is that over the last forty years, the basic tenure division between owners and council tenants has come to cut across familiar

**Table 1.2** *Housing tenure and socioeconomic group of head of household, 1985*

<i>Socioeconomic group</i>	<i>Percentage in each housing tenure</i>			
	<i>Outright owner</i>	<i>Mortgaged owner</i>	<i>Council tenant</i>	<i>Other</i>
Professionals	10	78	2	10
Employers and managers	17	70	5	8
Intermediate non-manual	12	67	10	11
Junior non-manual	16	51	20	13
Skilled manual and own account	14	52	28	6
Semi-skilled and personal service	12	34	41	13
Unskilled manual	11	22	57	10
Economically inactive	42	5	41	12

Source: OPCS, *General Household Survey 1985, 1987*.

lines of social class cleavage. It is true that most council tenants are working class – only 1 per cent of ‘economically active’ council tenants, for example, are to be found in professional or managerial occupations. It is also true, Table 1.3 shows, that there is still a clear relationship between level of income and housing tenure, for those in the lowest 20 per cent income band are still by and large unable to afford home ownership and therefore often have little choice but to rent from a local authority. But it is no longer true (if ever it was) that the middle class owns and the working class rents, the 20 per cent of working-class households who owned before the war have now been boosted to at least 50 per cent.

As we shall see in later chapters, this blurring of class cleavages by the spread of home ownership to manual workers may have brought about some significant changes in the character of British society. If it is the case, for example, that home owners have been able to accumulate wealth as a result of rising house prices, then this would suggest that large sections of the working class are today sitting on sizeable capital sums which they presumably pass on to their children. Similarly, it has been argued that the ownership of private property tends to undermine support for social politics and for collectivist solutions to social questions, and if this is true

**Table 1.3** *Housing tenure and household income*

<i>Tenure</i>		<i>Decile group of household income distribution</i>										<i>All</i>
		<i>Lowest 10%</i>	<i>11-20</i>	<i>21-30</i>	<i>31-40</i>	<i>41-50</i>	<i>51-60</i>	<i>61-70</i>	<i>71-80</i>	<i>81-90</i>	<i>Highest 10%</i>	
Council tenants	No.:	481	380	294	236	191	131	97	64	43	24	1
	%:	89	62	48	39	31	20	15	10	6	4	
Mortgaged owners	No.:	15	22	70	151	244	342	430	474	530	552	2
	%:	3	4	11	25	39	53	65	71	78	81	
Outright owners	No.:	47	208	253	213	186	172	136	131	105	106	1
	%:	9	35	41	36	30	27	21	20	15	16	

Source: Department of Employment, 1987. Percentages may not add to 100 due to rounding.

then the implications of the growth of working-class home ownership for the future of British politics may be quite profound. In short, the home ownership revolution, like the growth of institutional share ownership in industry, has gone a long way to undermine Marx's claim in 1848 that workers have 'nothing to lose but their chains'. Today, many workers have substantial capital assets in the form of housing as well as their stake in private enterprise represented by their pensions and insurances. The implications of this are addressed in later chapters.

The home ownership revolution has not only spread down the class structure, but has also permeated across all regions of the country. We have already seen that Scotland is somewhat unique in the British Isles for its remarkably high rate of council renting, and this reflects both lower average incomes and a strong Labourist and statist tradition of working-class politics in that country. A history of massive public-sector housing schemes ever since the First World War has resulted in more people in Scotland living in state-owned housing than in housing of their own, but in the rest of Britain the owner-occupancy rate is well in excess of 50 per cent in every region, and in the more affluent regions it is over 70 per cent (Table 1.4).

**Table 1.4** *Housing tenure in Scotland, Wales and the English regions, 1986*

Region	Owner-occupied	Percentage in tenure		
		Council rented	Housing association	Other rented
North	55.9	33.6	3.5	7.1
Yorkshire and Humberside	62.6	28.2	1.9	7.3
West Midlands	64.2	27.4	2.5	5.9
South-East	64.9	22.8	3.1	9.2
<i>Greater London</i>	55.8	28.4	4.9	10.9
<i>Rest of South-East</i>	71.1	19.1	1.8	8.0
North-West	65.8	25.4	2.8	6.0
East Anglia	66.9	21.0	2.2	9.9
East Midlands	67.5	23.2	1.9	7.5
South-West	70.4	17.9	1.9	9.8
England	65.0	24.4	2.6	8.0
Wales	67.5	22.8	1.7	8.0
Scotland	42.1	49.3	2.2	6.3
Great Britain	63.0	26.7	2.5	7.9

Source: Department of the Environment, 1987a.

Judged by international standards, a home ownership rate of 65 per cent is high, but not remarkably so. What is remarkable, however, is the speed with which the tenurial system in Britain has been transformed. To have moved from 10 per cent to 65 per cent home ownership in seventy years is unprecedented in any other country. Many of the nations with higher rates of owner-occupancy are found in the Third World where owner-occupation has a very different meaning than it does in Britain. As in Britain before the



Industrial Revolution, most of the population of these countries live in rudimentary houses which they have built for themselves. As Kemeny points out, it does not therefore make much sense to compare home ownership rates between developed and less developed countries, for we are not comparing like with like: 'Home ownership in peasant societies means something quite different from home ownership in the urban or suburban context' (1981, p. 3).

When we draw comparisons with other advanced industrial nations, Britain's home ownership rate is seen to be one of the highest and is comparable with those of the USA, Canada, Australia and New Zealand (Table 1.5). All four of these countries, however, have a long history of home ownership which reflects their origins in European settlement and immigration. Around the turn of the century, for example, when 90 per cent of British households were still renting from private landlords, nearly one-half of all Canadians and over one-third of all Americans were living in their own houses (Harris and Hamnett, 1987, p. 177). Home ownership has expanded during the twentieth century in all of these countries, but the rate of expansion has been far greater in Britain than in the others.

**Table 1.5** *International owner-occupancy rates*

Country	% owner-occupied	GNP per head (\$US 1981)	Rank order (tenure)	Rank order (GNP)	Year
Australia	70	11,080	8	8	1981
Bangladesh	90	140	1	19	1981
Brazil	60	2,220	11=	14	1970
Canada	62	11,400	10	7	1978
Eire	74	5,230	6	13	1981
Federal German Republic	37	13,450	18	3	1978
France	47	12,190	16	5	1978
Hungary	76	2,100	5	15	1980
India	85	260	3	18	1971
Italy	59	6,960	13=	12	1981
Japan	60	10,080	11=	9	1978
Netherlands	44	11,790	17	6	1981
New Zealand	71	7,700	7	11	1981
Pakistan	78	350	4	17	1980
Philippines	89	790	2	16	1970
Sweden	57	14,870	15	2	1981
Switzerland	30	17,430	19	1	1980
United Kingdom	59	9,110	13=	10	1981
United States	65	12,820	9	4	1981

Source: Boleat, 1985.

As we shall see when we consider the reasons for this phenomenal rate of growth, one factor has undoubtedly been the rising real incomes of British households through the twentieth century. It is, however, important to recognize that this alone cannot explain it, for there are other countries whose populations are wealthier yet where home ownership rates are considerably lower than in Britain. As Table 1.5 demonstrates, these include

West Germany, the Netherlands, Sweden and Switzerland. It is clear from this that there is no consistent relationship between rates of home ownership and the wealth of a society. Switzerland, the richest country in the world outside of the Middle East, has one of the lowest home ownership rates, but other wealthy nations such as the USA have comparatively high rates. The only consistent pattern which can be detected from the figures in Table 1.5 is the tendency for owner-occupancy to be relatively higher in the English-speaking countries than in other countries with comparable GNPs per capita (Boleat 1985, p. 462), and this would suggest that any explanation for international variations will need to take account of cultural as well as economic or political factors. As we shall see, the origins and causes of the home owner revolution in Britain are many and varied, but among them is probably the emphasis on individualism which is in some ways peculiar to English history.

### **The modern history of English home ownership**

The origins of the twentieth-century home ownership revolution lie in the rich nineteenth-century working-class culture of mutualism and self-help. As David Green has argued, the familiar image of Victorian Britain as committed to the principles and philosophy of *laissez-faire* needs to be complemented by an appreciation of 'a clear working class alternative, aiming to replace the hated Poor Law and the largesse of the well-to-do with the mutual aid of the friendly society and the trade union branch' (1985, p. 1). Integral to this working-class mutualist tradition were the building clubs. These were voluntary organizations of working men who frequently convened their meetings in a public house and who agreed to contribute regular subscriptions into a common fund from which each would eventually draw (the order being determined by lot or bidding) to build or buy a house. The clubs would stay in existence until the last member had been housed, after which they would be wound up. For this reason they were known as 'terminating societies'. The first recorded terminating building club was in Birmingham in 1775, and in the fifty years after that we know of the formation of 250 more which between them built or bought some 2,000 houses (Boddy, 1980, pp. 5-6).

Like other forms of working-class mutual aid, the building clubs tended to recruit from the higher strata of that class. Crossick (1978) tells us that the level of subscriptions required ruled out those who could not command a regular income above subsistence level. He also suggests that one motive which impelled the skilled artisans of Victorian England to seek home ownership was precisely their concern to distance themselves spatially as well as socially as far away as possible from the rest of the working class: 'The desire for home ownership was itself seen as a criterion for being a respectable and superior working man' (1978, p. 149).

Although the search for respectability and status certainly was one factor

in the growth of working-class home ownership, there were others, and it would be misleading to pretend that only the skilled artisans were involved in the nascent movement to own. As Mackenzie and Rose (1983, p. 166) suggest, another key motive was the desire for security against unemployment or old age. In Cornwall, for example, the tin miners saw a cottage property and a smallholding as the best available means for securing future family income (Rose, 1987, p. 137). And for some members of building clubs, housing represented an investment, for it was not unusual for more affluent working-class and lower-middle-class home owners to own more than one house with a view to securing an income in retirement (Daunton 1987, p. 34). Kemp (1987, p. 5) finds that most members of the Leeds Permanent Society in the 1880s were working men owning on average five houses each.

The spread of the building clubs was uneven across the country. In South Wales they accounted for one-quarter of all new houses built on the coalfield before 1914, and in Merthyr Tydfil this proportion reached 58 per cent (Daunton, 1983). In the Potteries there were more than forty building societies by the late 1870s, and working-class home ownership was relatively common (Burnett, 1986, p. 147). Other areas where a strong tradition of mutual aid sustained relatively high levels of working-class owner-occupation included the Lancashire cotton towns, railway towns such as Crewe and Swindon (Kemp, 1987) and parts of the north-east such as Sunderland (where home ownership by the late nineteenth century had reached 27 per cent - Daunton, 1983).

From the mid-nineteenth century onwards, however, the terminative building clubs began to give way to permanent building societies. The first permanent society was founded in 1845, and by 1873 there were 540 of them (Boddy, 1980, p. 7). Despite their legal status as corporations (confirmed by an Act of 1874), these permanent societies began to look more and more like banks (though they were non-profit-making) than friendly societies. The advantage of the permanent societies was that anybody could join at any time, for like banks they split the two functions of lending and borrowing. As the volume of business increased, so the new-style building societies moved away from their origins in working-class mutual aid. People invested in them, not as a way of buying a house, but simply in order to gain interest and their managements became more professionalized and more distinctively middle class. Williams (1987, p. 199) suggests that most of the societies soon fell into the control of middle-class directors, and Boddy (1980, p. ) quotes from a Royal Commission of 1872 which found that the growth of the permanent societies 'had altogether changed the character and altered the sphere of the building society movement'.

By the start of the twentieth century, over 2,000 permanent societies controlling assets of £60 million had virtually eclipsed the terminative clubs from which they had sprung. For the first twenty years of the century, their numbers gradually shrank (as a result of mergers and occasional spectacular collapse) while their financial power slowly increased.

By 1920 there were 1,271 societies with £87 million of assets and three-quarters of a million shareholders (Building Societies Association, 1988, table 1).

Although the building clubs had originated in the desire of working people to own their homes, it became common for the building societies to lend much of the money deposited with them to landlords, thereby supporting rental rather than owner-occupation. Holmans (1987, pp. 218–19) estimates that before the First World War over half of all building society lending went to landlords or commercial interests. The early growth of the permanent societies did not, therefore, contribute greatly to the spread of owner-occupation. On Holmans's estimates it seems that there were around three-quarters of a million mortgaged owner-occupiers in 1911 of whom no more than 150,000 had secured finance from building societies. It was not until the 1930s that the societies began to lend on a large scale for owner-occupation. The explanation for why this happened is bound up with the sorry fate of private landlordism in Britain.

Britain today has the smallest private rented sector (and the largest directly owned state rented sector) in the Western world (Coleman, 1988, p. 37). The decline of the private landlord can be dated back to the 1880s when rising local property taxes (following the extension of the franchise) and static wage levels (which limited the rents which tenants could afford to pay) combined to squeeze landlords' profits (Daunton, 1987, pp. 24–5). Furthermore, declining profits from housing investment contrasted with new sources of investment income which were opening up elsewhere. These included the building societies as well as stocks and shares and investment trusts (Hamnett and Randolph, 1988, pp. 51–2). These new investment opportunities undoubtedly syphoned off much of the lower-middle-class money which a few years earlier would have gone into investment in housing. As Hamnett and Randolph point out, not only did prospective landlords often find these alternative outlets more attractive, but so too did small savers who had often advanced cash to landlords through private mortgage arrangements. In other words, the growth of the building societies and other financial institutions both induced people away from housing investment and made it more expensive for those who still wanted to invest in housing to borrow the money.

In 1915 the 'push' of the profits squeeze and the 'pull' of better investment opportunities elsewhere were reinforced by government action to control rents. Introduced as a 'temporary' measure, rent controls in one form or another have been in force ever since. Although such controls were not the only factor leading to the demise of the private landlord in Britain, many commentators (particularly but not exclusively those on the political right) have seen them as the major factor. Combined with legislation which has progressively increased the security of tenure enjoyed by tenants, rent controls are seen to have choked off profitability and encouraged landlords to withdraw their investments from housing. Minford, for example, argues that 'rent regulation has suppressed rental returns below what is sufficient to

stimulate new lets or to maintain the present stock through relets' (Minford, Peal and Ashton, 1987, p. 41). Similarly Butler, Pirie and Young suggest that 'Government intervention in the form of rent control and security of tenure has ensured that the landlords were impoverished and their property effectively destroyed' (1985, p. 342). And for Donnison (1967, p. 175), 'No other country in western Europe [has] so consistently discouraged private investment in rented property.' The question, of course, is why have governments apparently attacked private landlordism so single-mindedly over the course of this century?

Some writers on the left have interpreted the 1915 legislation as a 'working-class victory' over a 'bourgeois state' representing the interests of a 'capitalist class'. Noting that rent controls were prompted by tenants' agitation over rising rents, notably in Glasgow, those who hold this view (for example, Damer, 1980) explain the state's attack on private landlords simply as the result of the working class flexing its muscle. Other Marxists, however, have disputed this claim, arguing instead that controls were brought in on behalf of industrialists and other 'dominant fractions' of the 'ruling class' who were concerned to dampen social unrest and to maintain low costs of living, and hence low wages (for example, Ball, 1978; Dickens, 1977). Neither position is especially convincing. It seems more likely that rent controls, like the controls on mortgage interest which were introduced at the same time, were simply a short-term response to the exigencies of running a semi-controlled war economy (see Holmans, 1987, p. 397; also Hamnett and Randolph, 1988, p. 55).

What is more puzzling than the question of why controls were introduced is why they were never subsequently lifted. After all, many other countries legislated to control rents during the war, but they scrapped these controls afterwards, and their private rented sectors have survived to this very day. Why did this not happen in Britain?

Part of the explanation is that landlords were not powerful or influential enough to force British governments to rescind controls. According to Daunt, for example, 'The experience of rent control in the First World War and its maintenance in the 1920s and 1930s, along with the extension of security of tenure, confirmed that the private landlord had become a politically expendable fraction of capital' (1983, p. 122). In other words, urban landlords were treated as unimportant by governments because they were, by and large, small investors drawn from the lower middle class who could easily be stigmatized as uncaring Dickensian characters. As such they found it difficult to find a sympathetic ear in Westminster, Whitehall, Fleet Street. They were without political friends, for the Liberals saw *rentiers* as parasites to be taxed, while the Conservatives were intent on defending the traditional privileges of rural landed property.

No decision was ever taken to kill off private landlords; they were simply allowed to die out. Rent controls, introduced as a stop-gap emergency measure, were easier left in place than removed. The wartime controls were due to lapse six months after the end of hostilities. However, a postwar

shortage of some 600,000 houses (Short, 1982, p. 31) made it certain that immediate decontrol would result in substantial rent rises, so in 1919 the government renewed controls while extending them to 98 per cent of all tenancies. The only rents which were not controlled were those on newly constructed housing. In 1923 relets to new tenants were decontrolled, but by the end of the decade 69 per cent of all private lets were still subject to rent restriction. The effect on profitability was considerable, for by 1930 rents on controlled lets had been allowed to rise 50 per cent over 1914 levels, while free market rents had risen by nearly twice that amount (Daunton, 1987, p. 29). As Daunton argues, even though new lets had never been controlled, landlords were reluctant to invest in new housing given the distortions of the market. Private rental was withering as a result of regulations whose effects had never been intended but from which no government could extricate itself (see Minford, Peel and Ashton, 1987, p. 22).

There was a brief respite in 1933 when new legislation proposed to remove rent controls by stages on all but the lowest-value properties. This resulted in some return of confidence in the future of housing investment, and landlords began to borrow again against the security of future rental income. Thirty-nine thousand dwellings for rent were built for private landlords in 1934, and by 1938 this had risen to over 74,000 (Holmans, 1987, p. 400). But the confidence proved to be misplaced. With the outbreak of the Second World War, rents were again frozen, and this time they stayed frozen at their pre-war levels for eighteen years. A further brief period of partial decontrol (1957 to 1965) came too late to revive profitability, and since the 1960s increased security of tenure and rent regulation by means of local tribunals have together killed off the small landlord. Given the long-standing hostility of governments, it is now extremely doubtful whether individuals can ever again be induced to invest in rental housing.

The decline of private renting between the wars is one of the main factors which explains the growth of owner-occupation. Between 1914 and 1939 over one million privately rented houses (14 per cent of the total 1914 housing stock) were sold into owner-occupation (Ball, 1983, p. 23; Merrett, 1982, p. 16), an average of 46,000 every year. Most of these were sold to sitting tenants at substantial discounts. Before the First World War, a house with sitting tenants had been worth as much as (or possibly even more than) one without, for the value of housing was calculated according to how much rent it was likely to generate. Rent controls and security of tenure changed all that. Sitting tenants were now more of a liability than an asset, for even after 1923 it was impossible to raise rents for existing tenants beyond a level stipulated by law, and the increased security of tenure which they enjoyed made it increasingly difficult for landlords to replace them with new tenants at higher rents. Those landlords who decided to cut their losses therefore found that they could not sell tenanted houses at anything approaching their vacant possession value. Not only had their rental income been hit, but so too had their capital assets! Those who decided to get out had little option

but to sell to their sitting tenants at below market values. So it was that, as private landlordism declined from the 1920s, owner-occupation expanded.

The plight of landlords selling out to sitting tenants is not, however, the only explanation for the remarkable growth of owner-occupation in this period. A second factor was the availability of mortgage funds.

The building societies expanded rapidly during the 1920s, as small investors, deterred from putting their money into housing and attracted by favourable tax arrangements, flocked to deposit their savings. Between 1920 and 1930 the number of shareholders doubled to nearly one and a half million, while total assets rose from £87 million to £371 million (Building Societies Association, 1988). The problem, however, was what to do with the money. The societies existed in order to lend for house purchase, but one reason why so much money was being deposited with them at this time was precisely that so few people wanted to borrow to invest in housing. There was, as Hamnett and Randolph (1988, p. 63) suggest, an embarrassing build-up of funds with nobody to lend them to. The dilemma was finally resolved in the 1930s when the societies went out to attract owner-occupiers.

Faced with their build-up of surpluses, the building societies deliberately set out to nurture this new market to soak up their funds. They entered into arrangements with builders, they reduced the size of deposit they require and they extended the term over which mortgages could be repaid. Many analysts claim that mortgages were also relatively cheap at this time, but this does not seem to have been the case. Mortgages were cheaper than they had been during the 1920s, but interest charges of 5 per cent meant that money was still relatively expensive at a time when general prices were falling (Holmans, 1987, p. 225). Indeed, as Holmans points out, mortgages cost more in real terms in the 1930s than they did either before 1914 or in the thirty years from 1950.

The fact that so many people could afford to pay relatively high charges on their housing loans reflects the fact that real incomes for those in employment were rising steadily by over 1 per cent per year during the 1930s (Holmans, 1987, p. 58). Not only this, but the cost of housing was falling at the same time. Primary commodity prices fell by two-thirds between 1925 and 1934, land prices were depressed, and technical innovations in brickmaking, cement and roof tiles also reduced costs (Baker, 1983, p. 30). The index of building costs (1930 = 100) fell from 140 in 1920 to 90 in 1934 (Daunton, 1987, p. 105), and although costs rose slowly in the latter part of the decade, house prices remained at very low levels.

The availability of funds, the rising real level of incomes and the falling cost of housing construction all combined to stimulate the biggest private sector building boom ever seen in Britain. To the 1.1 million households who moved into owner-occupation by buying from their landlords were added another 1.8 million who bought new housing built for the owner-occupied market. Those private landlords who remained in business could hardly compete with this new wave of home ownership. The average level of mortgage repayments fell from 15s to just 10s per week between the 19

and the mid-1930s, while average rents rose from 6s in 1914 to 9s (in controlled lets) and 11s 6d (in uncontrolled lets) in 1930. As Hamnett and Randolph recognize, 'The cost of buying a new house was little different from the cost of renting a pre-war, rent-controlled property' (1988, p. 67). To have made profit, landlords would have needed to charge rents which were uncompetitive with mortgage repayments on owner-occupied homes. Not only, therefore, were they often prevented by law from levying full market rents, but they were also effectively prevented from doing so by the brute logic of competition from building societies offering mortgages.

Nor was the expansion of cheap owner-occupation the only competition faced by private landlords, for following the First World War they were also challenged by the growth of local authority rental housing which attracted many of the more affluent and reliable households among the pool of potential tenants. Council housing (as it has come to be known) owes its origins to legislation in 1866 which allowed local authorities to erect or improve dwellings for 'the labouring classes', although little happened until after the consolidating Act of 1890. By 1914 some 24,000 dwellings had been built, 90 per cent of them since 1890 (Merrett, 1982, p. 3), but in no year did the public sector build as many as 1,000 units (Short, 1982, p. 28).

Three Acts passed by Parliament in the first five years after the war stimulated the growth of this nascent public sector. The first, introduced in 1919 by Lloyd George's coalition government, imposed a duty on local councils to survey their housing needs and to make provision for them. The Act bound the central Exchequer to meet all costs above the product of a penny rate, and this proved to be its Achilles' heel. Completions of new council houses rose from just 576 units in 1920 to over 16,000 in 1921 and 85,000 in 1922 (Merrett, 1979, p. 37); but as the legislation took effect, so did the open-ended subsidy. In 1924-5 the Act cost the central Exchequer nearly £8 million pounds. As Robinson observes, 'The principle of subsidy having been conceded in the 1919 Act, the history of most of the remaining interwar period is of governments desperately trying to limit the considerable sums of money paid through subsidies to local authorities' (1983, pp. 78-9).

The next major Act came in 1923 following the election of a Conservative government. The level of subsidies was reduced, and subsidies were made available to private-sector builders as well as local authorities. Under this Act local councils were allowed to build only if they could demonstrate that private enterprise was not meeting a specific need. Over 300,000 houses were built by private builders under this Act, most of them for owner-occupation, while local authorities built another 74,000.

Finally, in 1924 the first ever Labour government introduced another housing Act in which central government subsidies to local authorities were increased on housing built for rent. Although the succeeding Conservative administration cut the level of subsidy in 1927, this legislation (together with the 1923 Act) remained in force until 1933 when the National Government abolished subsidies to local authorities. In the ten years to 1935, over 500,000 council houses were built as a result of the 1924 Act.



**Table 1.6** *Houses built in England and Wales, 1919-39*

Public sector	
Housing and Town Planning Act 1919	170,100
Housing Act 1923	75,300
Housing (Financial Provisions) Act 1924	504,500
Housing Act 1930	265,500
Other Acts	96,300
Total public sector	1,111,700
Private sector	
Built without subsidy	2,455,600
Built with subsidy under 1923 Act	362,700
Built with other subsidies	67,700
Total private sector	2,886,000
Grand total	= 3,997,700

Source: CDP, 1976a, p. 16.

Just as rent controls were introduced as a temporary measure in 1915 so it seems that the flurry of legislation providing for council housing after the war was similarly understood by many of those involved as a 'one-off' pragmatic effort to house the war heroes and their families quickly. Few of those in the postwar coalition government which did so much to boost council housing wanted or expected it to grow to house nearly one-third of the population. The 1919 Act 'was clearly conceived as a result of a short term economic malaise and moral obligations incurred at the end of the First World War' (Robinson, 1983, pp. 77-8). Addison, the minister responsible for the Act, saw the legislation in broader terms than this, but few of his Cabinet colleagues shared his vision. As Lloyd George observed of his departing minister when offered his resignation in 1921, 'He was rather to anxious to build houses' (quoted in Merrett, 1979, p. 41).

Daunton (1987, pp. 47-58) points out that the Liberal Party had never believed in municipal housing, for it threatened to undermine people's independence and their spirit of self-help. In a 1914 report the party had backed voluntary co-operative enterprise as the means for meeting working-class housing need. Nor were the Conservatives particularly favourable towards a massive extension of state provision, although there had long been some in the party who had recognized that private enterprise unaided was unlikely to fulfil the nation's housing requirements. The 1919 and 1924 Acts were, therefore, the product of short-term pragmatism. It was not until the Labour Party briefly assumed power in 1924 that council housing was pursued as a matter of political principle.

As Thane (1984) has demonstrated, many working-class people and socialist leaders before the First World War shared with the Liberals considerable reservations about state provision of housing and other services, but by 1924 the *étatistes* within the Labour Party had prevailed, and the voluntarist tradition of the friendly societies had been submerged. In the 1920s the Labour Party had come to see the choice in housing simply

terms of private as against state landlordism. Alternative forms of provision, such as co-operative housing, were not considered, and owner-occupation was ruled out as impractical for working-class people. Council housing was embraced with the same intensity with which private landlords were reviled, and it was hatred of the latter which led to the view that *all* working-class housing should in principle be supplied by local authorities (Daunton, 1987, p. 61). John Wheatley, who as Minister of Health introduced the 1924 Housing Act, 'wished to see the total replacement of privately rented accommodation for the working class by council housing' (Merrett, 1979, p. 45).

Labour's single-minded commitment to abolishing private landlordism and housing the whole of the working class in state-owned accommodation lingered in the party's collective subconscious for many decades. Indeed, by the time Labour next came to power in 1945, it had moved to a position where council housing was seen in much the same universalistic terms as the new National Health Service and state education system. As Lundqvist observes, 'The 1945-51 Labour government launched a comprehensive housing policy . . . Public rental housing - council housing - was to be the core . . . In Labour's view, the public rental sector should provide good housing for all at reasonable cost' (1986, p. 84).

For six years, this government controlled virtually all building through a strict licensing system which enabled it to direct both materials and labour into boosting the public sector while allowing both owner-occupation and private landlordism to dwindle. Private-sector builders and landowners were also hit by the nationalization of development land values, while private landlords were squeezed by the continued imposition of the prewar rents freeze. In the public sector, by contrast, the 1949 Housing Act enabled local authorities to build, not only for 'the working class' (as stipulated by all previous Acts) but for anybody in their area who wanted to rent. In this way, council housing was promoted as housing for all. For the minister responsible, Aneurin Bevan, 'council housing was for everyone' (CDP, 1976a, p. 16). Although Bevan went on record as saying that it was 'wrong to own somebody else's [house]' (quoted by Forrest, 1983, p. 206), he only ever applied this principle to private landlords, whom he despised. It apparently never occurred to him to apply the same principle to local authority landlords, whom he supported through a 167 per cent increase in subsidies and a new provision for raising loans at favourable terms.

The result of all of this support was the construction of just over 800,000 council dwellings between 1946 and 1951, compared with a total of just 180,000 private-sector completions (Merrett, 1979, p. 239). The relation between the two sectors had been reversed, for it was now council renting which was in the mainstream and owner-occupation which had become marginalized. However, the average of around 130,000 new council homes each year fell a long way short of the government's original target, and by 1951, when Labour left office, there were still 700,000 more households in England and Wales than there were units to accommodate them (Merrett, 1982, p. 25).

This deficit was cleared in the 1950s. The new Conservative government actually succeeded in building more council houses each year than Labour had done – only in four years between 1952 and 1964 did local authority completions dip below 130,000 and they never fell below 100,000. Meanwhile, abolition of licensing restrictions in 1954 resulted in a steady rise in the number of private-sector completions, from 90,000 in 1954 to over 200,000 in 1964 (see Merrett, 1979, p. 247). Both sectors, therefore, expanded dramatically in the twenty years after the war, and they did so at the expense of private landlords, whose numbers continued to fall at an even faster rate due to the combined effect of sales to sitting tenants and demolitions in slum clearance schemes. Between 1938 and 1960, two million privately rented houses disappeared, 400,000 through demolition and the rest through sales. Meanwhile, owner-occupation grew from 3.7 to 6.4 million dwellings in this period, while local authority renting also expanded from 1.1 to 3.6 million homes. By 1960, 44 per cent of households were owner-occupiers, 31 per cent were private tenants, and 25 per cent were council tenants (Merrett, 1982, p. 33).

A major factor behind the postwar expansion of owner-occupation was undoubtedly the rise in real incomes coupled with low interest charges and low inflation. In the thirteen years of Conservative government to 1964, real disposable incomes rose by 54 per cent, and this, together with the increased number of women going out to work, brought home ownership within the reach of many more households. If the 1930s were the period when owner occupation was extended to the middle classes, then the 1950s and 1960 were the time when it came within reach of large sections of the working class.

As we shall see in Chapter 4, the growth of working-class affluence reflected in the spread of home ownership led some observers at this time to speak of a process of *embourgeoisement* in which old familiar class identities were breaking down and the traditional proletariat was fast disappearing. It was this fear that the traditional working class was disappearing which eventually persuaded the Labour Party leadership to endorse the aim of mass home ownership, although the party still retained its support for council renting (manifested in the 1960s by the massive and disastrous programme of industrialized high-rise building) and, of course, its opposition to private landlordism (which it smothered in a new system of rent tribunals and security of tenure for furnished as well as unfurnished tenants).

Richard Crossman, the Housing Minister in the new Labour government elected in 1964, wrote in his diary that the party should switch to clear support for home ownership and that this would help it win the next election. The primary aim, he wrote, should be 'to increase the production of owner occupied houses; we only build council houses where it is clear they are needed' (quoted in Boddy, 1980, p. 19). It was this thinking which led Labour to exempt housing from its Capital Gains Tax, introduced in 1965; to bring in the Option Mortgage Scheme in 1967 aimed at subsidizing

low-income house buyers; and to exempt mortgage interest payments when it abolished tax relief on other interest payments in 1969. By the mid-1960s, therefore, all major political parties were committed to supporting the spread of home ownership.

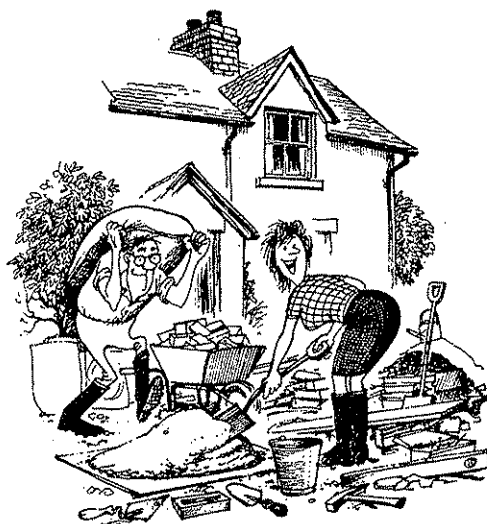
With the collapse of private renting, however, it became increasingly obvious during the 1970s that the future expansion of owner-occupation could only be achieved at the expense of council renting. As we shall see in Chapter 2, a number of Conservative-controlled local authorities in the 1970s launched enthusiastic sales drives aimed at their own tenants, and this fed through to the national party, which fought the 1979 election on a policy of forcing councils to sell their houses at discount to any sitting tenants who wished to buy. This proved too much for most members of the Labour Party, who strenuously opposed council house sales in areas where there was still unmet housing need. Forced to choose between its traditional principled commitment to state housing and its more recent pragmatic acceptance of private ownership, the party opted for the former.

In the years since 1979, however, the pressure from council tenants wishing to buy their homes has proved so strong that the Labour Party has now revised even this position and has reconciled itself to seeing owner-occupation grow at the expense of the public sector. Just as in the 1960s it belatedly accepted the goal of mass home ownership, so in the 1980s it swallowed hard and fell in with a strategy which for the first time ever is resulting in a reduction in the size of the public rented stock. With private landlords killed off and co-operative housing (such as through housing associations) never more than marginal, the titanic struggle for tenure supremacy has been fought since the war between council housing and owner-occupation, and the latter has now emerged triumphant. At 65 per cent of households and rising, the only question remaining appears to be when, if at all, owner-occupation will reach saturation point. This is an issue we shall consider in Chapter 6.

### **The causes of the growth of home ownership**

Why has owner-occupation prevailed? It is always tempting to search for evidence of intentionality to explain historical change. Sometimes, of course, such 'teleological' explanations of history are valid, for particular individuals or groups may successfully set out to bring about a certain change. More often, however, changes occur without anybody actually planning or even anticipating them. Such was the case with the twentieth-century expansion of home ownership in Britain.

Many commentators have denied this. Marxist writers in particular have often insisted that owner-occupation was deliberately and intentionally fostered by governments or by capitalist interests in an attempt to bolster the bourgeois social order. These theorists have between them identified five reasons why the 'capitalist class', aided and abetted by the 'capitalist state',



" IT WAS ORIGINALLY BUILT AS A LABOURER'S COTTAGE. "

sought to draw the working class into home ownership. None of these reasons, however, are convincing.

The first concerns the supposed ideological effects of home ownership. John Short's view, for example, it has long been the conscious strategy of the Conservative Party to try to secure working-class support for the private property system by making every worker a small owner: 'This tenure forms an important part of the Conservative strategy of ensuring social harmony by widening the basis of property ownership and legitimating the concept of such ownership. Moreover, owner-occupiers are seen as potential Tory supporters. It is believed that the encouragement of owner-occupation assures both social stability and future political support' (1982, p. 11). Similarly, Cynthia Cockburn thinks that all governments have encouraged owner-occupation out of ideological motives: 'Successive governments have used owner-occupation purposively as an inducement to workers to identify with bourgeois values' (1977, p. 45 n).

What Short and Cockburn are essentially arguing is that working-class people have been fooled by cunning capitalist governments. Their argument is based on the assumption that the working class is generally too stupid to understand the difference between private property in the form of a two-up two-down terraced house, and private property in the form of the worldwide holdings of a multinational conglomerate. In this view, the home-owning proletariat has been led to believe that if private ownership is legitimate in the first case, then it must also be legitimate in the second, and this has the effect of justifying capitalist social relations and undermining popular support for socialist alternatives.

Short and Cockburn are not alone in thinking this. According to Cowling

for example, 'The advantages of this tenure for capital are . . . of immense ideological importance. Home ownership helps underpin and legitimize the possession of private property so dear to the heart of every capitalist' (1979, p. 93). Berry agrees: 'At the ideological level, widespread owner-occupation has been instrumental in diffusing values and attitudes favourable to private ownership in general, and private ownership of land in particular' (1983, p. 100). Ball too believes that the spread of domestic property has helped underpin the capitalist property system as a whole: 'Ideologically, home ownership emphasizes the desirability of the private ownership of property and the philosophy of individual "self-help" and generates a group with a vested interest in maintenance of private property' (1976, p. 29). And in Harvey's view, mass ownership of small-scale property insulates large-scale holdings against any threat of nationalization:

Extended individualized ownership is, therefore, seen as advantageous to the capitalist class because it promotes: the allegiance of at least a segment of the working class to the principle of private property; an ethic of 'possessive individualism'; and a fragmentation of the working class into 'housing classes' of homeowners and tenants. This gives the capitalist class a handy ideological lever to use against public ownership and nationalization demands because it is easy to make these proposals sound as if their intent were to take workers' privately owned houses away from them.

(1978, p. 15)

This belief that home ownership encourages working-class people to identify with capitalist corporations is linked to the second argument found within the Marxist literature. This holds that owner-occupation has been encouraged in order to create or reinforce divisions within the working class. In particular, it is held that, by helping the higher strata of that class to achieve home ownership, they are effectively detached from others of their class, thereby weakening proletarian solidarity and defusing the threat to capital.

We have already seen that some of the nineteenth-century artisans were attracted to owner-occupation as a way of expressing their difference from lower strata within the working class. Such evidence is used by left analysts to argue that home ownership has provided governments and employers with a convenient 'divide-and-rule' strategy ever since. Boddy, for example, argues that 'The position of mortgaged owner occupiers has never formed a focus or provoked political activity of a radical nature. On the contrary, the rise of working class owner occupation tends to fragment class consciousness arising from the common position of the labour force in relation to the production process by overlaying groups arising from differentiated tenure categories' (1976, p. 34). Much the same idea is expressed by Bassett and Short: 'Owner occupation tends to divide and fragment the working class. Access to owner occupation is usually open only to the more privileged

strata of the working class, typically driving a wedge between skilled manual workers and white collar workers on one side and less skilled manual workers in more unstable employment on the other' (1980, p. 210). A similar argument has also been developed in the case of the USA by Edel, Sclar and Luria (1984, p. 14).

A third part of the Marxist view that working-class home ownership was deliberately stimulated by other more powerful classes concerns the likely effects of long-term debt. In her work on the USA, for example, Hayden argues that, after the First World War, 'Industrialists began to consider the strategy of offering white male skilled workers small suburban homes, to be purchased on home mortgages, as a way of achieving greater industrial order' (1981, p. 283). Much the same sort of assertion has been made in the case of Britain too. The mortgage system, it is argued, ties house buyers into a twenty- or thirty-year financial commitment which discourages any activity, such as strike action, which is liable to place their regular income in jeopardy. Revolutionary fervour is thus dissipated out of fear of losing one's home. This for Harvey helps explain why industrial relations in the postwar years have been calmer than in the inter-war period: 'The evident social discontent of the 1930s has, to a great degree, been successfully defused by a governmental policy which has created a large wedge of debt-encumbered home owners who are unlikely to rock the boat' (1977, p. 125). Similarly Berry suggests that mass home ownership has encouraged a narrow set of attitudes in which a concern with the size of the wage packet eclipses broader political issues: 'Widespread owner-occupation encourages the spread of economistic orientations among workers and functions as a mechanism of social control. A long term mortgage ties the material interests of the owner occupier to conditions favourable for the steady receipt of wage income' (Berry, 1983, p. 100). And for Bassett and Short, ownership of a home inculcates discipline at work: 'Owner-occupation is basically a form of debt-encumbrance for the mass of households in this sector. Repayment of the debt demands work discipline and job stability' (1980, pp. 209-10).

A fourth argument also commonly found in socialist academic writing holds that home ownership was fostered because it encourages workers to withdraw from collective life and turn their attentions inwards on home and family. The basic idea here is that the working class has been bought off with trifles. Workers, who in Marx's words had 'a world to win', have settled instead for a few square metres of freehold. With homes of their own, their concerns and efforts come to be focused on their own parochial patch of real estate, to the neglect of the public realm. As Colin Ward puts it, Marxists 'fear that the workers will be at home papering the parlour when they ought to be out in the streets making a revolution' (1983, p. 186). Owner-occupation, in other words, is thought to have individualized and privatized the working class.

This is a claim which we shall consider in some depth in Chapter 5, for it is by no means peculiar to the Marxist tradition. Within this tradition,

however, it has been used specifically to suggest that home ownership has been engineered as a way of breaking working-class solidaristic communities. The authors of the Community Development Project booklet *Profits against Houses* complain that home ownership 'defuses class action, rewards personal sacrifice with relative comfort later, puts a premium on acquiescence, privatizes hardship and gain' (CDP, 1976b, p. 42); while Agnew similarly argues that 'Homeownership creates a circumstance in which the capitalist ethic of "possessive individualism" can develop and flourish . . . homeownership encourages a consciousness of local events that effectively precludes much in the way of a "larger" social consciousness' (Agnew, 1981, p. 466).

The fifth and final theme in the Marxist analysis of the growth of home ownership is that owner-occupation has been encouraged as a way of creating a mass market for consumer goods. The privately owned home is at the basis of contemporary consumerism. According to David Harvey (1977, pp. 123-4), for example, the postwar economic boom depended upon an expansion of demand for the products of the new light industries, and this was achieved in the USA and elsewhere by encouraging suburban expansion. Not only did the spread of owner-occupied housing stimulate demand for building materials, but it also fed through into enhanced demand for cars, energy, consumer goods and so on. Similarly, Linda McDowell believes that in Britain owner-occupation was encouraged in order to create a population of compliant consumers: 'Home ownership and state suburbanization have opened up a new lifestyle based on family possession of consumer durables, thereby supporting the rise of vast new industries. The domestic ethic has been manipulated since the Second War to encourage the consumption of a new range of products' (1983, p. 157).

This Marxian version of Keynesian demand management theory has in recent years been coupled up with left-feminist thinking to generate a full-blown conspiracy theory. Watson, for example, asserts that 'Individual housing units clearly do act as an outlet for capital to first build and then to penetrate. Row upon row of family houses and flats are duplicated, each with their own washing machines, dishwashers, vacuum cleaners, ovens and freezers' (1986b, p. 22). This argument, which seems implicitly to assume that working people would prefer to share their freezers and go without their own washing machines, has now entered into left-feminist orthodox thinking. Marcuse, for example, sees in the spread of individual units of owner-occupied housing clear evidence of a patriarchal capitalist conspiracy:

What used to be provided as one item collectively now is sold in plural copies to multiple individual households. Not one laundry center but a washing machine and dryer in every basement; not one movie but a television set in every living room; not a concert hall but a hi-fi into every new home. And not efficient brick multi-storey apartment buildings, but free standing individual houses using more materials, more labor, more land, more maintenance, more heating, more financing.

(1987, pp. 238-9)



Whether people would actually prefer to live in 'efficient multi-storey' blocks is something Marcuse neglects to consider.

What is immediately striking about all five of these assertions is the lack of evidence to back them up. All five arguments are variants on the same theme – namely, that governments and capitalist interests worked in unison to incorporate or weaken the working class by enticing workers into individual home ownership. Yet rarely is any evidence produced to show, first, that working-class home owners have been successfully incorporated or, second, that this was the government's intention.

On the first issue, there are good grounds for believing that many of the effects attributed to owner-occupation are non-existent. The argument that home ownership has created political passivity is difficult to sustain, for example, in the face of evidence of extremely high rates of owner-occupancy in areas of traditional working-class militancy, such as the Welsh mining valleys (Ball, 1983, p. 28). Indeed, industrial militancy may be exacerbated rather than reduced by widespread home ownership, for workers with some degree of independence may prove more difficult to control than those who are dependent on the state for their accommodation. Furthermore, if workers now have a 'stake in the system' it also follows that they will fight that much more tenaciously so as not to lose it. The bitterness of the 1984–5 miners' strike may partly be explained by the fact that pit closures threatened to devalue miners' houses as well as strip them of their jobs.

Much the same sort of point can be made as regards arguments about indebtedness. As Ginsberg suggests, a mortgage 'ties the worker to a debt, but equally it can be the spur to greater militancy in the wages struggle' (1983, p. 47). The only attempt to assess the effects of debt empirically is Pratt's work in Vancouver where respondents were asked whether they believed that a mortgage was likely to make someone a more stable employee (Pratt, 1986c). Most did, but such evidence is of limited value since it tells us only about what people think is likely to be the case and says nothing of whether it actually is the case.

Not only is the evidence on working-class incorporation shaky, but so too is that on the intentions and objectives of governments. As regards the period up to the Second World War, the only evidence which Marxists have produced to support their claims that home ownership was used in order to secure the social order consists of a few quotations from prominent politicians and others which show that some political leaders were aware of the possible or likely sociological and political effects of the spread of home ownership. Some writers quote Neville Chamberlain, who as Minister of Health was responsible for the 1923 Housing Act, and who defended owner-occupation in an article in *The Times* in 1920 by suggesting that 'every spadeful of manure dug in, every fruit tree planted' undermined the appeal of revolution (Merrett, 1982, p. 6). Others cite the Conservative peer Viscount Cecil who suggested in the 1930s that the spread of home ownership 'must contribute appreciably to national stability' by giving people a conscious 'stake in the country' (Short, 1982, p. 40).

These and other comments like them are not without significance, of course, but they do not constitute convincing evidence for the arguments which have been based upon them. As Michael Ball (1983, p. 283) has noted, analysts who at other times would give little credence to the utterances of politicians have nevertheless assumed that these scattered comments are an authentic guide to the motives impelling governments during this period.

There are, in fact, two compelling reasons for believing that owner-occupation in Britain *could not have been* deliberately brought about in the inter-war years in order to bolster the capitalist social and economic order by incorporating the working class.

The first is that government had precious little to do with the growth of home ownership before the Second World War. The only direct stimulus which it provided was in the form of subsidies to builders under the 1923 Act, but as we have seen, these were available for housing built for rent as well as for purchase, they had in any case been phased out by the 1930s when the home ownership boom took off, and two and a half million houses (85 per cent of the total built by the private sector between the wars) were constructed without benefit of subsidy. Financial support in the form of tax relief for home owners only became significant in the 1960s, so this cannot have had much effect either. From the formation of the building clubs in the late eighteenth century through to the owner-occupier boom of the 1930s, it is possible to find Conservatives and industrialists applauding the growth of home ownership, but they never did much to bring it about.

The second reason for rejecting these claims about owner-occupation as a strategy for securing capitalism is that before the war it was the middle class rather than the working class which moved into home ownership, and the middle class never did pose a threat to social stability and the economic order. As Swenarton and Taylor point out, the growth of owner-occupation sharpened rather than blurred lines of class cleavage: 'By 1939 owner occupation had become more, not less, middle class; less, not more, working class. If any class was successfully "incorporated" by owner occupation in this period, it was not the working class' (1985, p. 392).

Taken together, these two simple historical facts are sufficient to demolish many of the left-wing myths about the origins of the home ownership revolution. By the time government *did* begin to support home ownership and the working class *did* begin to move into owner-occupation in large numbers, such a momentum had been established (not least by the continuing sale of private rented housing to sitting tenants) that there was no need for anybody to set out to encourage the trend. This is not to deny that recent governments *have* done much to support home ownership, nor that one motive in this may well have been a desire to incorporate the working class into bourgeois values about property, thrift, hard work and the rest. But this has not been a primary factor in explaining the spread of home ownership during the twentieth century.

Marxist explanations for the growth of home ownership are, then, found

wanting on a number of empirical grounds. The evidence suggests that mass owner-occupation did not develop in response to a plan to ensnare the working class, and that it has not in any case had many of the effects which Marxist analysis attributes to it. Like so many other social changes, the expansion of home ownership was planned by nobody, and its consequences have been largely unintended and often unforeseen. Clearly, certain people or groups – such as the building societies in the 1930s – have made a significant impact on the expansion of owner-occupation at particular crucial moments in its history, but even they were responding to events as much as they were shaping them.

Anthony Giddens has argued that people's actions are not always consciously motivated, and that even when they are, they do not necessarily produce the consequences they intend. This means that 'Human history is created by intentional activities but is not an intended project; it persistently eludes efforts to bring it under conscious direction' (1984, p. 27). This insight has a clear application to any analysis of the growth of home ownership over the last one hundred years. When working men founded the early building clubs they could never have envisaged that they would evolve into permanent societies controlling £140,000 million worth of assets by 1986. Similarly, when Parliament introduced 'temporary' rent controls in 1915 it was never the intention that they would still be in force seventy years later, nor that private rented housing would be whittled down from 90 to 8 per cent of the total housing stock. Yet we have seen that, although nobody intended them to happen, the growth of the building societies and the squeeze on private landlords are two of the key factors which have stimulated and sustained the spread of owner-occupancy in Britain. Clearly the growth of home ownership has been a largely unintended outcome of a complex and interrelated series of human actions.

From the evidence already outlined in this chapter it is possible to unravel six of the main factors which together helped to produce the dramatic shift to a home-owning society. Two of them, as we have seen, were the growth of the building societies and the collapse of private renting. The other four were demographic change, rising affluence, government financial support and popular values and expectations. Britain's home owner revolution can adequately (though not fully) be explained as the outcome of the interaction of these six factors.

The importance of the *building societies* lies in the relative ease with which people in Britain have been able to achieve access to credit for house purchase. Oxley (1988) has demonstrated the significance of this by comparing the system of housing finance in the United Kingdom with those found in West Germany, the Netherlands, France, Denmark and Ireland. Employing econometric modelling techniques, he is able to show that 'Differences in the cost and availability of mortgages are vital in explaining variations in home ownership rates between countries' (1988, p. 3). In Denmark, Ireland and the UK it is possible to buy a house with a small initial deposit and a long-term credit arrangement, and it is in these

countries that owner-occupation is highest. Elsewhere prospective purchasers have to spend longer saving for a bigger deposit, while less time is allowed for repayment of mortgages.

The reason for the difference lies in differences in the historical development of housing financial institutions in the six countries. In West Germany, for example, the *Bausparkassen* operate a contract system under which borrowers must first save for a number of years before a loan is granted, and this 'closed' system of housing finance tends to be far more restrictive than the 'savings bank' system which has developed in the building society movement.

The second important factor is the collapse of the *private rental system* in Britain, for as we have seen, owner-occupation has expanded both through new building and through large-scale transfers from private landlords to their erstwhile tenants. Oxley's analysis is again relevant here, for he shows that the sticks and carrots which drove British landlords to sell up have not generally been present in other countries where the owner-occupancy rate has remained lower. Again taking West Germany as our example, there has not in that country been the sort of legislation which has crippled private renting in Britain, nor has there been the buoyancy of house prices which has encouraged landlords to cash in on their assets.

These two factors – the availability of credit and the ready supply of housing for sale – were necessary but not sufficient conditions for the phenomenal growth of owner-occupation in Britain since the First World War. It still remains to explain why so many people came to seek this credit in order to buy these houses.

One reason can be found in *demographic trends* through the twentieth century; for, as Merrett recognizes, 'One of the most potentially powerful motors in accelerating the effective demand for owner occupied dwellings is population growth' (1982, p. 45). In fact, raw rates of population increase since 1918 have been sluggish, but what has changed is the average size of households following the virtual disappearance of domestic service and the reduction in average family size. Furthermore, people have been marrying younger, and this too has had an impact on aggregate demand for housing. Between 1921 and 1938 the number of families in the UK increased by three and a half million, thereby increasing the demand for the smaller suburban houses which thousands of speculative builders began to provide at that time (Daunton, 1987, p. 105). After the war, too, the demand continued to rise. Between 1951 and 1981 the number of potential households increased by nearly four and a half million, or 32 per cent (Holmans, 1987, p. 103).

It was not inevitable, of course, that this increased demand for housing should have been met by an expansion of owner-occupation. One reason why so many of these new households did, in fact, end up buying their homes was that they, unlike their parents or grandparents, could afford to do so. As we shall see in Chapter 3, ordinary people have become much better off over the last fifty years – *average real incomes* after tax doubled in the thirty years from 1954, for example (Nationwide Building Society, 1985).

Harris and Hamnett suggest that it was rising incomes, coupled with availability of mortgage finance, which were of 'decisive importance' in stimulating the growth of owner-occupation on both sides of the Atlantic (1987, p. 180), and they are almost certainly right. Also crucial, however, has been the rise in the number of women earners; for, while *individual incomes* have risen considerably in real terms during this period, *household incomes* have probably risen even faster owing to the growth in the number of dual- and multi-earner households. As Pahl (1984, p. 231) has suggested, differences of income based on class may well be eclipsed by differences of income between households with varying numbers of earners. It is the growth of household incomes, and not just of individual incomes, which has enabled such a rapid spread of owner-occupation beyond the middle class since the Second World War.

The enhanced capacity of people to buy their homes also reflects the impact of *government policies* such as provision of tax relief on mortgage payments and exemption from taxation on imputed rental value. State financial aid like this has some effect (how much effect is disputed) in boosting people's spending power and thus helping them to meet the costs of house purchase.

As we have seen, the existence of such state support does not mean that governments deliberately set out to foster owner-occupation. As Duncan MacLennan observes, 'The growth of owner occupation is . . . a dominant and long-standing feature of the housing system in Britain. However it is only really in the 1970s that there has been a conscious government policy for expanding the sector' (1982, p. 173). What seems to have happened is that policies which originated with no intention of supporting home ownership have nevertheless over time come to have this effect, and as owner-occupation has spread, so governments have found it difficult to amend them.

Mortgage tax relief is a classic example of this process. Until 1969 all interest on loans was tax deductible – there was nothing special about mortgage lending. When this general concession was abolished, however, the Labour government at the time could not bring itself to remove tax relief on housing loans, since so many people were by then benefiting from it. Nobody ever intended that those buying their homes should benefit to the tune of £5 billion per annum by the late 1980s, and most politicians and their advisers would like to dismantle this subsidy, but as yet nobody dares to. So it is that government has come to be stuck with an increasingly expensive commitment which nobody planned and few politicians support (we discuss mortgage tax relief and associated fiscal issues in more detail in Chapter 6).

These five factors were all important, but a sixth was still necessary if the home ownership revolution was to take place. More households were demanding houses; people's incomes were rising; they could get credit; the housing was coming on to the market due to the collapse of private landlordism; and government subsidies increasingly provided an additional inducement to buy; but without the *desire to own*, it is unlikely that so many

households would have switched tenures in so short a time. The scale and pace of this change are unparalleled in any other country this century. It could not have happened without an insistent 'pressure from below', for this was above all a popular revolution.

Perhaps the most distressing aspect of the Marxist accounts of the growth of home ownership discussed earlier is their consistent denial of the authentic spirit and determination of generations of working people who have struggled to achieve a house of their own. This spirit has been captured in the work of Damaris Rose (1980, 1981, 1987), who, with specific reference to Northamptonshire shoemakers and Cornish tin-miners, has shown how working-class people in the nineteenth century often tried to buy a house (or several in the case of many Northampton workers) as a means of increasing their financial security and as a way of establishing an area of their lives free from domination by employers and landlords. Her studies document 'the emergence and development of desires and pressures for home ownership by working people themselves . . . this way of occupying housing was historically created, actively sought after, fought for' (1981, pp. 3-4). As she says, little attention has been paid to this push from below, yet it was a crucial sixth factor in bringing about the move to a home-owning society.

The popular desire to own a house has always reflected a number of different factors. One is economic rationality – a straightforward financial calculation that in the long term it is cheaper or more beneficial to buy than to rent. As Hamnett and Randolph (1988, pp. 88-90) point out, many of those who bought from private landlords in the 1930s and the 1950s had to be convinced that it was in their financial interests to do so; for they had long since lost the culture of independent ownership bequeathed by the generations who lived before the Industrial Revolution, and their decision was shaped by a calculus of financial advantage more than by any other factor.

Such calculative instrumentalism is not, however, the only explanation for why people have bought when offered the opportunity. As we shall see in Chapter 2, home ownership may also be desired for its own sake, as an emotional expression of autonomy, security, or personal identity. It can even be argued that the desire to own is one manifestation of a deep-seated and 'natural' disposition to possess key objects in the immediate and personal environment, although such explanations are rarely even considered in the social science literature in Britain today.

Somewhere between these two kinds of explanation – the coldly rational and the deeply emotional – lies a third. Whatever else it is, and whatever the other causes which produced it, the desire to own a house is an expression of a specific set of cultural values. We saw in Table 1.5 that the countries in the developed world which were originally settled by the British – the USA, Canada, Australia and New Zealand – all share with Britain high rates of home ownership, while many continental European countries have much lower rates. It was suggested in our earlier discussion of these

figures that this pattern could probably be explained by an analysis of the different cultural traditions of these various nations. To achieve this it is necessary to appreciate the significance which has long been attached to ownership and individualism in the English-speaking cultures. My focus here will be on England itself, but for a useful discussion of American individualism (which, of course, has the same historic roots), see Gan (1988).

The popularity of the twentieth-century tenurial revolution in Britain is testimony to the strength of 800 years of a cultural tradition which is distinctive from that of mainland Europe. This is not to suggest that the continental European cultures do not also carry strong individualistic values nor that their peoples have not desired to own their homes. Before the First World War, for example, German factory workers apparently 'yearned' for small private houses of their own (Moore, 1984, p. 285). However, only around 40 per cent of the West German population has even today fulfilled this yearning, and this does suggest that the desire for individual private property may run deeper in English culture than it does in the German.

The working men in England who set up the first building clubs in the eighteenth century, the skilled artisans who sought a home of their own in Victorian times, the clerks who purchased the suburban semis in the 1930s and the council tenants who are buying their homes from their local authority landlords today all stand in a long tradition of English individualism. Their striving for a home of their own reflects and helps keep alive an ethic of individualism which dates back at least as far as the thirteenth century and which is in many ways distinctive to this country.

According to Macfarlane, 'A central and basic feature of English social structure has for long been the stress on the rights and privileges of the individual as against the wider group or the State' (1978, p. 5). He argues that the social, economic and legal institutions which developed from the thirteenth century onwards in England were very different from those which developed in Asia, eastern Europe, the continental countries and the Celtic nations. He denies the conventional view (found, for example, in both Weber and Marx) that England was a peasant country which somehow stumbled into industrial capitalism around 1700. Rather, according to Macfarlane, a fully developed system of individual private ownership was present by the sixteenth century, and the peasantry had to all intents and purposes disappeared as early as the fourteenth. He concludes that individualism in England has its roots long before the Renaissance, the Reformation, or the Enlightenment: 'The majority of ordinary people in England from at least the thirteenth century were rampant individualists, highly mobile both geographically and socially, economically "rational", market-oriented and acquisitive, ego-centred in kinship and social life' (1978, p. 163). Individualism and a concern with private property and acquisition have, therefore, been a key feature of English culture for several centuries, although Macfarlane admits that he has no idea how these values took root in the first place.

Macfarlane's argument is not without its critics (for a review, see Abercrombie, Hill and Turner, 1986, pp. 99–104), but it is now widely accepted that individual rights and liberties – such as the right to sell land and the freedom to bequeath as one saw fit – were more developed in medieval England than has often been acknowledged. It is also generally accepted that English history exhibits some marked 'peculiarities' – the smashing of Catholicism, the intellectual tradition of dissent, the political economy of the market – which reflect and have sustained a distinctive cultural tradition (for example, see Thompson, 1965).

It is impossible to understand why home ownership has grown so far and so fast in Britain during the twentieth century if we fail to understand this cultural tradition. As we shall see in Chapter 2, there is a strong popular desire to own, and this was an essential factor in the mushrooming of the owner-occupied sector. Once people have been able to afford to buy, so they have bought. Rising incomes, the availability of credit, the exodus of the private landlords and so on were all important factors contributing to the growth of owner-occupation, but these seeds were sown in the rich soil of an English cultural tradition which nurtured and sustained them.

Commenting on their research among working-class families on the Isle of Sheppey, Pahl and Wallace write: 'There was a strong element of working class individualism among our sample . . . That people's primary concern is with their homes, their families and the individual life events of themselves and others accords with the particularism of the individualistic English . . . the English may be seen to be more individualistic than most of their fellow Europeans' (1988, pp. 138, 147). The desire to own a house has deep roots in English popular history. To try to explain it away as some ideological mystification conjured up by capitalist interests over the last few decades is to ignore the evidence of seven centuries.

### **The three towns survey**

In this chapter we have outlined the evidence regarding the growth of home ownership in Britain and we have considered the main factors which together help to explain why and how it happened. In the chapters which follow, our focus will shift from the problem of causes to the question of consequences. Our aim is to investigate the effects of the home ownership revolution on three main areas of contemporary British society – the distribution of wealth and material life chances, political attitudes and alignments, and ways of life and cultural values – and in this way to come to some conclusions regarding the changing character of the British social structure.

In the course of our analysis, we shall be drawing upon two types of evidence. First, we shall bring together existing data from government statistics, academic surveys and other secondary sources. Second, we shall be reporting on the results of a new household survey conducted by the



author and a team of colleagues in three English towns in 1986. In this final section of this chapter, the background to this survey is outlined and explained, although technical details of sampling method, sample size, questionnaire design and so on have been reserved to the appendices at the back of the book.

Many social scientific surveys are based on national samples in the sense that they try to identify a group of one or two thousand people across the country who are in some way representative of the population as a whole. The three towns survey did not attempt to achieve this. For a start, it included only owner-occupier and council tenant households – private tenants, tenants of housing associations, people living in tied cottages and residential institutions were all excluded from the sample. Moreover, no attempt was made to gather a nationwide sample. Instead, the research was concentrated on just three English towns – Slough, to the west of London, Derby, in the East Midlands, and Burney, in the North-West.

The reason for excluding private tenants was simply that our theoretical interest is concentrated on the two main tenures which have come to dominate the housing system since the war – owner-occupation and council renting. As we have seen, the private rented sector has been squeezed to a point where it can no longer act as a residual pool feeding the expansion of the other two tenures. Today, owner-occupation and council renting confront each other in a 'zero-sum' relation such that one can grow only at the expense of the other. This relation is structured by two sets of dichotomies – ownership against renting, and private sector against public sector. These are the basic parameters of the contemporary housing system, and they are the dimensions which inform our analysis in this book.

The decision to focus on three towns, rather than to spread interviews more thinly across a wider area of the country, reflects a growing recognition in urban sociology in recent years of the significance of locality variations. The social sciences are concerned to develop generalizations. We talk, for example, of changes in 'the' working class while all the time recognizing that such a term glosses over many individual differences between members of that class. Similarly, we rarely hesitate to talk of developments in 'British society', yet a moment's reflection reveals to us that British society is far from homogeneous and that developments may be going off in one direction in one part of the country but taking an entirely different direction in another.

None of this is to deny the usefulness of such generalizations. Indeed, social science would be impossible if we had all the time to take account of differences at the individual level. There does come a point, however, where generalizations can become so broad and ill defined as to be misleading. This is a particular danger when dealing with high levels of aggregation such as nation states. When we begin to break down national-level data, we swiftly discover important regional and local divergences. We came across one example of this earlier in this chapter where we saw (Table 1.4) that the owner-occupation rate in Britain as a whole stands at 63 per cent, yet this

average figure disguises a range from just 42 per cent in Scotland to 71 per cent in the South-East of England. And of course, it is possible to find equally wide variations within regions as well.

Sometimes, social differences between areas or regions simply reflect differences in their social composition. We know, for example, that middle-class people are more likely to own their homes than are working-class people, and it should therefore come as no surprise if we find that areas with a high proportion of middle-class residents also exhibit high owner-occupation rates. In cases like these, generalizing at a high level of aggregation need not be misleading. If, for example, middle-class people tend to buy their homes no matter which part of the country they live in, then we are presumably justified in searching for general explanations for this correlation without worrying too much about locality effects.

Variations between areas are not, however, always so simply explained. Consider, for example, the traditionally high rates of working-class home ownership in South Wales as compared with the very low rates in Scotland. Both areas have substantial working-class populations based in a heritage of heavy industry, but it seems that these populations have been behaving very differently according to which part of Britain they happen to live in. People sharing similar social characteristics nevertheless exhibit very different styles of life according to where they happen to live. The Welsh tradition of home ownership, which was apparent as early as the nineteenth century in the spread of the building clubs, has no parallel in Scotland. In cases like these, it seems that there are important *cultural* variations which can only be explained by analysing the distinctive histories of different places. As Allen recognized some years ago, 'Each of the regions of Britain has at bottom a detectable set of interwoven attitudes, a distinctive trend in its underlying psychology, which is long-enduring and which imparts a certain special look or direction to virtually every kind of human activity carried on by its inhabitants' (1968, p. 8).

It can, therefore, be very misleading to talk simply of 'British society', for the whole consists of an aggregate of diverse parts. Increasingly in recent years, researchers have become sensitized to the importance of these locality variations. This is certainly the case in the analysis of housing questions, for housing markets vary widely across different parts of the country, and the desire for this or that type of accommodation tends to vary with them.

It seems, for example, that tenure preferences vary quite widely between different areas and regions. To some extent, these differences reflect factors such as housing costs and the quality of the housing stock – in a low-price area, low-income households can more easily achieve access to owner-occupation. But there is more to it than this, for, as Forrest and Murie (1986, p. 58) have argued, there are local cultural differences in the degree to which people want, hope and expect to buy their own homes. There is a popular tradition of home ownership in some parts of the country, and not in others, and it is the transmission of this culture across the generations which helps reproduce differential patterns of regional housing tenure. The

low rate of home ownership in Scotland, for example, has more to do with local culture and history than with present-day property prices.

Not only may the desire for home ownership vary in different places, but so do its sociological effects. The arrival of mass home ownership has undoubtedly affected British society in many ways, but these effects are mediated through different local cultures. We shall see in Chapter 4, for example, that home ownership may influence political attitudes, at least among certain social groups, but this may well happen differently in different places. Mike Savage (1987) has recently suggested that owner-occupation may strengthen support for the Conservative Party in the more affluent parts of the country while reinforcing support for the Labour Party in less affluent regions. He shows that in towns like Barnsley, St Helens and Bury, Labour's vote in 1983 was up to 19 per cent higher than would have been predicted from statistics on the class composition of the local populations, while in southern towns like Bournemouth and Plymouth, Labour did 13 per cent worse than would have been predicted. His explanation is that northern home owners who wish to safeguard their investment may vote Labour in the hope of stimulating the local economy and the local housing market, whereas in the south they are more likely to support the Conservatives in an attempt to prevent new development and keep property taxes down.

Location, then, seems to make a difference to what kind of housing people want and to how they respond when they get it. This then raises the question of *how* location influences the way people think and behave.

The simple answer is that different places have different histories which are reflected today in different local cultures. Doreen Massey (1984) uses a metaphor of 'layers' to express this idea – particular patterns of development and investment get 'laid down' at different times in different places, and each leaves its historical mark, a residue, which can be detected in the physical landscape and the culture and ways of life of these places today. This means that our actions inevitably carry the imprint of our location. All social life is embedded in geographical contexts which help shape it.

The implications of this argument are highly significant. It means, for example, that there is no such thing as a national 'working-class culture', for the norms and values which have developed over 200 years in, say, a Yorkshire mining village will be very different from those which have been shaped by the conditions of life in a Lancashire textile town or a Cornish farming community. As Massey puts it, 'The reproduction of social and economic relations and of the social structure takes place over space, and that conditions its nature' (1984, p. 58).

Social life in Britain today has, of course, been 'nationalized' to a considerable extent. Local economies often depend upon decisions taken by company head offices in London, Tokyo, or Detroit. Local political decisions are subject to the constraints and determinations of governments and administrators in Whitehall and in Brussels. Local education is subject

to a national curriculum, and mass media take the form of national newspapers and TV companies. Town centres, municipal housing estates and local railway stations all look increasingly similar whether we are standing in Birmingham, Glasgow, or Southampton. It would be a mistake to overemphasize the significance of locality variation.

Nor, however, can we afford to ignore it. How, for example, could we begin to understand the bitter conflict between the Nottinghamshire and Yorkshire miners during the 1984-5 strike without recognizing that men working in different pits and living in different areas carry with them very different sets of values and social identities? As John Urry warns in his consideration of class relations across Britain, 'There is a danger of committing the fallacy of composition if one does not investigate the diverse forms of local class structure. When added together there may be a "national class structure" which is not in fact pertinent to anybody's specifically local class experience' (1981, p. 464).

What Urry says of social class is true also of housing tenure. We should expect the experience and meaning of home ownership to vary across different parts of the country, in which case any analysis of the sociology of British home ownership must recognize location as an important variable. It was for this reason that the research on which this book is based was carried out in three different towns in England, each with a very different history. A national survey was ruled out, since no nationally representative sample could hope to take account of the specific local factors which help shape people's housing experiences. Nor was it possible to identify any particular towns or areas which could be taken as 'microcosms' of the wider society, for every town has its own unique history and character. There is no such place as 'Middletown'.

As we have already noted, the three towns selected for this study were Burnley, Derby and Slough. They were chosen according to two key principles.

The first was that the research should include towns which developed in different phases of industrialization and which are today experiencing different patterns of prosperity or decline. It was important, in other words, not to skew the research findings in favour of one kind of local economy or to bias them by looking only at prosperous or poor localities. It was also deemed desirable to avoid dramatic or 'extreme' cases.

Many of the old industrial towns of England which grew up around industries such as coal, shipbuilding and textiles have for most of this century been experiencing relative economic decline as revealed in above-average rates of unemployment, below-average wage levels and net population loss. Most of these towns are to be found in the northern regions, and their housing stock often includes a large number of old and relatively cheap properties. In parts of the South-East and East Anglia, by contrast, local economies have been buoyant in recent years as new service and 'high-tech' industries have grown up or moved in which offer high wages and good conditions of employment. In these areas, new house building has



Fig 1.2 Study areas.

been expanding, and property prices are high. Between these two extremes are those areas, many of them in the Midlands, which developed around engineering, electronics, motor manufacturing and so on in the period between the mid-nineteenth century and the 1930s. These were often relatively prosperous towns until the oil crisis and world recession of the post-1973 period, but in recent years they have begun to register rising unemployment rates and factory closures or rationalizations. The housing stock here is generally more mixed, and house prices are considerably lower than in the South-East.

The research design was structured so as to include one old industrial town which has been in long-term decline (Burnley), one new industrial town which is riding the wave of economic growth and prosperity (Slough) and one mature industrial town which has encountered recent problems of economic slow-down or recession (Derby). In the case of Derby (which is approximately twice the size of the other two towns), a decision was made to focus on the southern part of the town (defined by the Derby South parliamentary constituency), since this is where the major industries are located.

House prices in these three towns vary markedly. Slough's location on the booming 'M4 corridor' between London and Bristol is reflected in its high house prices, which at the time of the survey averaged approximately twice those in the other two towns (see Table 1.7). Table 1.7 also reveals the high rate of new building taking place in Slough (as compared particularly with

Burnley), and again this is indicative of the relative state of these local economies. In Slough the housing market is buoyant; in Burnley (and to a lesser extent in Derby) it is relatively depressed.

The second principle of selection was that each town should contain a substantial proportion of working-class inhabitants. As we saw earlier in this chapter, the middle class began to achieve access to home ownership in the 1930s and is now overwhelmingly concentrated in this tenure. A study which seeks to analyse the sociological significance of the growth of *mass* home ownership must therefore look beyond this class to those – the skilled manual workers, the routine white-collar workers and increasingly the younger semi- and unskilled manual workers in dual-earner households – who represent the pool from which new generations of owner-occupiers are being drawn.

**Table 1.7** *Local housing statistics, Burnley, Derby and Slough*

	<i>Burnley</i>	<i>Derby</i>	<i>Slough</i>
Housing tenure (1981)			
% owner-occupiers	69.6	57.6	56.9
% council tenants	22.5	27.8	33.3
% other tenures	7.9	14.6	9.7
Average semi-detached house price (1985)	£25,800	£24,250	£48,410
New house building (1986)			
Private-sector starts	110	591	595
Public-sector starts	21	92	90
Total starts per 1,000 population	1.49	3.15	6.98

\* Derby figures are for the whole city except housing tenure which is for Derby South constituency.

Sources: Tenure figures from 1981 Census. House prices from figures supplied by Nationwide Building Society. Building figures from Department of the Environment, 1987.

For this reason, it was decided that the research should focus on predominantly working-class towns, for it is the working class which has been moving into home ownership in recent decades. A study which looked at home ownership in strongly 'bourgeois' towns like Tunbridge Wells or Winchester would therefore be of limited interest. Industrial towns with a large local working class are not difficult to find in the Midlands and the North, but they tend to be few and far between in the South-East. Slough is one of the few places which fits the requirement. Furthermore, like Derby, Slough has the additional advantage of a sizeable 'ethnic-minority' population, and this opens up the possibility of examining how predominantly Asian immigrants and their descendants are faring in the local housing system.

As Table 1.8 demonstrates, the three towns all have substantial working-class populations, many of whom are engaged in manufacturing. All three

are 'under-represented' in classes I and II as compared with Britain as a whole where 4.5 per cent are in class I and 18.8 per cent are in class II. All three were correspondingly 'over-represented' in classes IIIM and IV where the equivalent figures for Britain are 26.2 per cent and 12.2 per cent. All three towns also reveal a much higher proportion of their populations in manufacturing (British average = 27 per cent) and a much lower proportion in service employment (British average = 34 per cent).

**Table 1.8** *Occupational class, employment sector and ethnic composition, Burnley, Derby and Slough*

	Burnley	Derby*	Slough
Occupational class (%)			
I Professional, etc.	2.2	4.6	3.5
II Intermediate	14.4	15.0	16.6
IIIN Skilled non-manual	7.8	7.9	8.3
IIIM Skilled manual	29.2	28.7	28.4
IV Semi-skilled manual	15.6	15.3	18.3
V Unskilled manual	4.9	5.5	4.1
Armed forces or inadequately described	1.6	1.3	1.8
Economically inactive	24.3	21.7	19.0
Employment sector (%)			
Manufacturing	45.5	43.2	39.7
Distribution and catering	18.3	16.5	19.0
Transport	4.2	6.6	9.2
Other services	24.0	25.3	23.5
% born in New Commonwealth and Pakistan	3.6	17.3	20.9

\* Data for Derby are for the city as a whole except ethnicity which is for Derby South constituency.

Source: 1981 Census, constituency data and 'key statistics for urban areas'. Data refer to 'heads of household' (see Appendix II for a discussion of this).

These, then, are predominantly working-class manufacturing towns. Clearly they are in no sense 'representative' of the country as a whole, for they have been deliberately selected in order to focus on certain groups in the population in certain kinds of local economies. In particular, they have been selected as towns where we should expect to find distinctively working-class traditions and cultures and where the influence of 'bourgeois' ways of life is unlikely to be marked. All three towns elect Labour councils to run them, and until 1983 all three returned Labour members to represent them in Parliament (local political traditions are outlined in more detail below).

Taken together, these three towns represent ideal 'testing grounds' for examining the impact, if any, of the growth of home ownership on working-class life-styles, standards of living and political values. If in all three towns we find that home ownership<sup>3</sup> has raised living standards, has changed ways of life, or has shifted traditional patterns of political alignment, then we may justly conclude that the growth of mass home ownership is bringing about significant changes, not just among more privileged or affluent sections of

the British population, but among large and important sections of what Pahl (1984) has referred to as 'the middle mass' of British society.

Given that the local economy and local housing market are buoyant in only one of these three towns, these research sites represent a severe test for those theories which have suggested that working-class households are now achieving significant material gains as a result of the expansion of owner-occupation. If working-class owners in Derby and Burnley are gaining out of house purchase, then we may be fairly sure that millions of other working-class households in more affluent parts of the country are gaining also. This is an issue which is addressed in Chapter 3.

For the remainder of this chapter we shall sketch a few historical details regarding the three towns in the survey; for, although all three share much in common as predominantly working-class manufacturing areas, their histories and trajectories are very different.

### *Burnley: 'Fourth Division England'*

On 24 February 1988 the *Guardian* newspaper began a series of articles which it called 'Fourth Division England'. The logic of this title was that the growing economic inequalities between the regions are now reflected in the four divisions of the English Football League, the bottom division of which is largely composed of clubs based in declining northern industrial towns. Predictably, the series opened with a feature on Burnley, whose local team won the league championship in 1921 and again in 1960 but which came within one match of being demoted into non-league football at the end of the 1986-7 season. Like its football team, the town is small, has a proud history and has been in decline for years.

Burnley is a town of 70,000 people located in Lancashire, some fifteen miles north of Manchester. Until the 1780s it was a small market town, but it expanded throughout the nineteenth century, reaching a population size of 21,000 in 1851 and peaking at 106,000 in 1911. This growth was based upon three main industries – cotton, coal and ironworking.

Lancashire was, of course, the home of the British cotton industry, and Burnley was one of its major centres. Initially the town concentrated on spinning, and by the mid-nineteenth century there were fifty spinning firms controlling 400,000 spindles (Bennett, 1951, p. 95). Gradually, however, competition from Oldham led many Burnley firms to switch to weaving, and by 1886 the town's 50,000 looms were producing more cloth than any other town in the world. 'It was said that the Burnley weavers clothed Britain before breakfast and spent the rest of the day clothing the world' (the *Guardian*, 24 February 1988).

This level of output was made possible by the giant steam engines which powered the looms. These were fuelled by locally produced coal. In 1850 Burnley had 1,600 men employed in coal-mining, and this rose to 2,400 by the turn of the century when ten pits were being worked (Bennett, 1951, p. 109). This coal also went to produce coke for the iron foundries which



grew up through the nineteenth century to make the looms for cotton mills throughout the world. Not only did Burnley produce more cloth than any other town in the world by 1880, but it also produced more looms. By the end of the century there were five firms making power looms, twenty-one machine-makers and ten iron and brass founders (Bennett, 1951, p. 114).

This nineteenth-century industrial base helped create and reproduce a distinctive local culture which persists to this day. According to the standard work of local history, this culture is characterized by a 'spirit of endurance and enterprise', together with 'an independence of thought and action' (Bennett, 1951, p. 249).

Burnley is today a Labour town, and it has returned a Labour MP at every election bar two (1931 and 1935) since the First World War. In 1987 Labour polled 48 per cent of the vote. In the nineteenth century, however, Burnley was a Liberal stronghold, and this reflected a culture which emphasized independence, self-help and mutual aid.

Workers in the cotton industry, for example, made repeated attempts to set up their own co-operative factories in the years between 1848 and 1887. Most of these initiatives ended in failure, but co-operative stores proved much more successful. In the thirty years from its establishment in 1860, the Burnley Co-operative Society expanded to 6,400 members who between them owned twenty-eight shops. Also successful was the Mechanics Institute, founded in 1834, which went on to provide a library and various lectures and courses taught mainly by unpaid volunteers.

As in a number of other cotton towns, Burnley also threw up some early building clubs. The first, a terminating society limited to sixty members, was established in the 1790s, and this was followed by another started in 1815. Following their legalization in 1846, two permanent societies were founded in the mid-nineteenth century and both grew rapidly through the following decades (Bennett, 1951, pp. 215-17). By the 1880s home ownership among Burnley's artisan class was common, and a 1908 Board of Trade inquiry reported that, together with Bolton and Oldham, Burnley was renowned for its high level of working-class owner-occupation (Swenarton and Taylor, 1985, pp. 378-9).

The tradition of home ownership has persisted through the twentieth century - 35 per cent of Burnley households owned their houses in 1939 (Swenarton and Taylor, 1985), and in 1981 the figure was 70 per cent. As Waller notes, 'It is a local tradition that newly marrieds buy their own inexpensive houses, and it doesn't imply affluence' (1987, p. 376). The inner part of the town consists of dozens of streets of two-bedroomed Victorian terraces built with local stone and selling in 1986 for between £6,000 and £8,000. At prices like these, owner-occupation is well within the reach of many working-class families, although the low prices can bring their own problems. In particular, householders may find that it is not worth spending money to repair or modernize their homes, since the outlay exceeds any increase in the value of the house. In nearby Blackburn, where this problem is more marked, houses selling at £5,000 need a further £6,000 spent on

them, yet end up still worth only £9,000 (see Walker, 1985, p. 15; also the *Independent*, 20 August 1987; and Forrest and Murie, 1987a, p. 14).

There are three main reasons for the low level of local house prices. The first is relatively low wage rates. The second is the high level of unemployment. The third is the surplus of older housing consequent upon a falling population.

The low wage rates both create and reflect a high level of female participation in the workforce. Low male wages drive wives out to work, and this in turn keeps wage levels down. There was a tradition of low-waged female employment in the textile mills in the nineteenth century, and this has been carried over today into other areas of manufacturing. At the time of the 1981 Census, nearly 70 per cent of Burnley women of working age were 'economically active' – a staggeringly high figure. They are found working in electrical engineering, metal goods, textiles, rubber and plastics and motor vehicle components (Lucas is the town's biggest private employer) as well as in public-sector services.

At 15 per cent in 1986, unemployment in the town is substantially above the national average, and this too tends to depress house prices. This is particularly true at the bottom of the market in the inner areas where most of the unemployed live; some inner-area wards have unemployment rates above 30 per cent (see Burnley Borough Council, 1986). In the five years to 1981 the town lost 8,000 jobs, mainly in manufacturing; and although this trend has slowed since (a further 2,500 were lost between 1981 and 1985), these jobs have not been replaced by equivalent growth elsewhere in the local economy.

The surplus of low-cost housing reflects the falling population since the First World War. The twin pillars of cotton and coal have both collapsed over the course of this century. Many of the cotton mills closed during the inter-war depression and never reopened, while others went into liquidation more recently under the pressure of competition from the Far East. Today, a highly automated mill at Brierfield still employs a few people manufacturing medical gauze and swabs, while the Queen Street mill now functions as an industrial museum. Even these pitiful traces of a once mighty industry are more than now remains of the coal industry. Of the ten pits in 1900, six were still operating in 1950, but none remain today.

Like the mill owners in the 1930s, the Coal Board has sold off its housing to its former employees. This has further boosted the owner-occupancy rate, but young people have been leaving Burnley for years, and the demand for these houses by new purchasers is low.

Not all is gloomy, of course. There are, it seems, two Burnleys; for out in the suburbs where houses change hands for £30,000 or £40,000, life can be sweet. Set in the rolling green countryside, these avenues and closes are where the one-sixth of the population in social classes I and II live. Many of them are public-sector employees enjoying nationally negotiated wage rates. For them, the cost of living seems low, and they enjoy the benefits of low mortgages as compared with their southern counterparts. Nor are these

suburbs exclusively middle class in composition, for many working-class people too share in the comparative affluence of this suburban life-style. Burnley may carry clear reminders of its nineteenth-century industrial past, but it also bears witness to some of the major trends of the twentieth century – the expansion of the middle class, the growth of state-sector employment and the rising living standards of ordinary working people.

*Derby: 'a middle-of-the-road place'*

With a population of over 200,000 in 1981, Derby is by far the largest of our three case study sites, and this is reflected in its official status as a city (granted in 1977). As already noted, however, the research was focused upon the Derby South parliamentary constituency which has a population of just 93,000 – comparable to the other two towns.

Just as Burnley reveals its own distinctive culture, so too does Derby, but it is far from a dramatic or exciting one:

There is no feeling here of either the North country or the South. Close to the middle of England geographically, it is very much a middle of the road place in politics and attitudes. The absence of the 'pleasure of fancy and folly' in its buildings reflects the spirit of its people, who could be accused of apathy but rarely of unkindness or intolerance. Moderation in all things might be the motto of Derbeians, whose stock reply to enquiries about their health is a cautious 'middling'. It may seem a slightly negative approach to life, but its effect has been an almost complete absence of serious industrial disputes or riots throughout the city's long history.

(Christian, 1978, p. 23)

If Burnley is stoic, Derby is dour.

In the eighteenth century, Derby was primarily a hosiery town. The first silk mill opened in 1702. By 1789 there were twelve such mills in and around the town, and it was their workers who provided the one exception to Christian's observation regarding the lack of major industrial disputes in Derby's history when they went out on prolonged strike in 1833–4. Derby also developed cotton mills in the Derwent valley, but both the silk and cotton industries faded in the nineteenth century when Manchester was able to exploit the advantage secured by the construction of its canal links.

The decline of hosiery was amply compensated by the coming of the railways. Because of its location, Derby had long been a staging post, and once the railway arrived in 1839 it soon became established as a major rail junction. Just as the old cotton masters had patronized the town by building schools and churches, so the railway companies – and especially the Midland Railway – came to make their presence felt in local affairs by endowing orphanages, founding institutes and dominating local politics (Christian, 1978, p. 38). If Burnley's tradition was one of self-help and mutual aid, Derby's was more one of deference and dependence upon company

benevolence. Where Burnley's Mechanics Institute was formed in 1839 by local artisans, for example, Derby's institute was provided much later by the Midland Railway for its employees.

The first railway engineering works were opened as early as 1840. In 1851 Derby began building locomotives. Within ten years 2,000 people were employed at the Derby works, and their numbers doubled over the next forty years (Leleux, 1984). At the turn of the century some 12,000 people were employed at the works, and their numbers continued to grow, reaching 20,000 by 1920. Today, British Rail Engineering remains one of the biggest employers in the city, although the workforce has fallen to around 6,500.

Derby had been expanding before the railways arrived – the population rose from 11,000 in 1801 to 24,000 thirty years later (Burnett, 1986, p. 10) – but it was railway engineering which triggered the major population growth of the nineteenth century as workers from Ireland, Wales and Tyneside were attracted into the town. In 1851 the population stood at 41,000. By 1891 it had grown to over 100,000, and unlike Burnley's population (which was not much smaller at that time) it continued to grow into the twentieth century.

The most significant reason for this continued growth was the arrival of Rolls-Royce in 1908. 'Royce's', as it is known locally, has expanded to be the city's main employer. By 1972 it was employing three times as many workers as British Rail Engineering. In that year, however, the company faced impending collapse following its failure to stay within the costings on a major aircraft engine contract, and the Conservative government of the time executed a famous 'U-turn' by deciding to step in to save the firm from bankruptcy by nationalizing it. In the different circumstances of the 1980s, Rolls-Royce has now been returned to the private sector, although more redundancies were declared in the run-up to the re-privatization. Nevertheless, the massive Rolls-Royce factory complex remains by far the biggest employer in the city and it is still the company's centre for the manufacture of its gas turbine aero-engines.

Like Burnley, Derby was suffering an above-average unemployment rate of around 15 per cent at the time of the research in 1986, and this figure reached 30 per cent in some inner-city wards. There is a substantial Asian population in the city, and most of them live in the Derby South constituency in areas like Normanton to the south of the city centre. Derby exhibits a wide range of housing types from the two-up, two-down Victorian terraces in inner neighbourhoods such as Normanton, through inter-war owner-occupied and council-owned suburban semis in areas like Peartree, to postwar suburbia in more outlying areas such as Littleover. At 58 per cent in 1981, the home ownership rate in Derby South was around the average for the country as a whole. There is no strong local tradition of working-class home ownership as there is in Burnley, although, as in Burnley, the Co-operative Society movement has deep roots in the town.

Derby South has consistently returned Labour Members of Parliament since the war, but the city is not a Labour stronghold. In 1987 the party won

a slender majority over the Conservatives of just 1,500 votes, while the Derby North constituency was won for the first time by the Conservatives in 1983 and was held by them with an increased majority in 1987. Despite the high profile adopted by Derbyshire County Council's Labour leader, who represents a city ward, this is not fertile ground for political passions or histrionics. Derby is a solid provincial city whose people harbour few illusions or pretensions. It is, in one sense, the natural home of those whom Pahl (1984) has dubbed 'the middle mass' of British society.

### *Slough: 'Mars Bar City'*

Nestling just off the M4 motorway, near Heathrow Airport to the west of London, Slough has no history to compare with the tales of Burnley and Derby. At the turn of the century, when the other two towns were each home to over 100,000 people, Slough was still a small country town with a population of around 7,000. It was not until the inter-war years that it began to attract industry and expand in population, and since then it has come to be associated by many with lower-middle-class suburban sprawl and respectable working-class sobriety and dullness. For years, the municipal leaders have had to cope with the sneering legacy of Betjeman's cruel and well-known poetic jibe:

Come, friendly bombs, and fall on Slough,  
It isn't fit for humans now . . .  
Mess up the mess they call a town –  
A house for ninety-seven down  
And once a week a half-a-crown  
For twenty years.

In fact, the poem says more about Betjeman and the class snobbery of British society than it does about Slough. A better flavour of what the town is like can be gauged from the sadly defensive and rather naïve poetic retort to Betjeman by Eugene Johnson, published in the borough's *Official Guide*:

A poet once condemned our town,  
Before he got his Laureate's crown.  
He is a wit, I hear you cry,  
And he had a sharp perceptive eye.

But he made a very nasty crack  
About a town that could not talk back.  
We are ordinary people here, by far,  
In a nice town under the morning star.

Like Burnley and Derby, the 'nice town' of Slough is based squarely on its manufacturing economy. The truckers and Ford Capri drivers who relieve

the tedium of the M4 motorway by talking with each other on their CB radios refer to the town as 'Mars Bar City', for the largest single employer is the Mars confectionery factory (employing 3,000 people), and much of the industrial estate on which it is located is pervaded with the aroma of cocoa. Many of the 21 per cent of the town's ethnic-minority (mainly Asian) population are employed in shifts at Mars or the surrounding factories.

Unlike Burnley and Derby, however, Slough's industrial growth did not begin until after the First World War (when Burnley's staple industries were already going into steep decline). The population had been growing slowly – from 3,425 in 1861 to 7,400 in 1901 – as the rail link to London enabled early commuters to settle in the town, but there was no local industry in the nineteenth century apart from some small-scale brick-making (Fraser, 1973). The change came when a development company bought up and cleared a 600-acre army mechanical depot and vehicle dump in 1920. Following an Act of Parliament in 1925, the company (which became Slough Estates Ltd) began to develop the land as an industrial and trading estate. It laid roads and drains, provided its own power supply and constructed advance factory buildings. It also set aside land for 2,000 houses and launched a unique Industrial Health Service to which firms were invited to subscribe. By 1930 one hundred firms had moved on to the estate, 8,000 were employed there, and the government had opened an Industrial Training Centre which was attracting young people from the depressed regions, especially South Wales, in large numbers.

Slough's growth since 1930 has been sustained and rapid. There were 33,000 people in the borough in 1931, 55,000 in 1939, 68,000 in 1955. In 1985 the figure was estimated at 98,300 and rising (Slough Borough Council, 1985). The industrial estate is now almost fully developed and accommodates 390 companies in 800 factories employing 25,000 people. The main industry is light engineering, but a wide variety of firms manufacture a diversity of products including food, drugs, clothing and toiletries. In common with the rest of Berkshire, Slough has also been attracting new 'high-tech' industries in recent years including computing and biotechnology firms. It has been estimated that 10 per cent of the county's workforce is employed in the high-tech sector (Barlow, 1987, p. 32).

Slough was for many years after the war a 'red enclave' in the blue suburbia of the Home Counties, and it returned noted left-wing socialist members to Parliament including Fenner Brockway (1950–64) and Joan Lester (1966–83) (Waller, 1987, p. 240). In 1983, however, the seat was won by the Conservatives, who held it in 1987 with 47 per cent of the vote, giving them a comfortable 4,000 majority over Labour. The Borough Council, however, is Labour-controlled, with 23 Labour members as compared with just 12 Conservatives and 4 Liberals in 1986.

Despite its political leanings, it is tempting to paint Slough as the epitome of what we might call 'Thatchertown'. The local economy is thriving, there is a new town centre which is buoyant, and there seems to be a spirit of entrepreneurship and modernism which Prime Minister Thatcher would

most certainly approve of. There is also, by and large, an affluent working class in the town, and on the council estates over 2,500 houses (20 per cent of the 1980 stock) were sold to tenants between 1980 and 1986.

However, just as Burnley is not all gloom, so Slough is not all boom. There were 4,500 people registered as unemployed in the town in 1986, and most of them were to be found living on the depressed and run-down council estates built in the inter-war years to house the influx of new workers. It is on the postwar suburban estates, local authority and private that Slough's affluent dual-earning working-class households are to be found, but in other parts of the town, as in many other parts of the country there is a substratum of the population which has been left behind in the rising wages and spiralling consumer spending boom of the 1980s.

## Conclusions

For the first time in the country's history, the majority of people in Britain today own a substantial property holding. This is made up in part of the shareholdings in various enterprises held on our behalf by the pension fund and insurance companies to which most of us now subscribe, and in part by personal ownership of domestic land and buildings. Both capitalist property and domestic property have thus become diffused during this century, the one indirectly, the other directly. In terms of the impact which this has had on British society, the spread of home ownership has arguably been the more significant of these two trends, for the growth of owner-occupation has provided nearly two-thirds of households with a personal and tangible property holding.

The spread of home ownership has occurred at a speed unmatched in any other country. First the middle class and then, since the war, the working class have seized the opportunity to buy their housing. Critics of mass home ownership have tried to explain its evident popularity by suggesting that people's wants and preferences have in some way been manipulated by powerful groups. Many Marxist critics down the years have argued, for example, that 'the ruling class' has deliberately fostered home ownership so as to incorporate working people more securely into the bourgeois order. There is, however, no evidence for this. Indeed, for most of the period under discussion, neither governments nor anybody else appear to have pursued a coherent long-term tenure strategy. As with so many other historical transformations, the home ownership revolution was intended by no one.

It was suggested in this chapter that, while there are many factors which explain how and why home ownership spread so swiftly in Britain, six in particular stand out. Demographic change entailing a rise in the number of households was clearly important. So too was the precipitate decline of the private landlords, many of whom chose or were obliged by circumstances to sell out to their sitting tenants at prices well below vacant possession value.

That these households were able to take up the chance to buy their homes itself reflected two further changes. One was the growth of real incomes of most working-class and middle-class employees, which, together with the rise in the number of women going out to work, meant that growing numbers of people could afford to buy. The other was the growth of the building societies, which, from the 1930s onwards, facilitated the switch into owner-occupation by lending for long periods on low initial deposits. In recent years, house purchase has also been supported to some extent by government subsidies such as exemption from tax on interest payments.

None of this, however, is sufficient to explain the home ownership revolution, for in addition we have to understand a sixth factor – the desire of people to own their homes. Ever since the thirteenth century there has been a distinctive spirit of individualism in English society. Its strength has waxed and waned, and it has been sustained more strongly in some parts of the country than in others. Nevertheless, it is this cultural inheritance which goes some way to explain why it is that so many people are so keen to own. Having lost control over their housing during the Industrial Revolution, many ordinary people have seized the opportunity to reclaim it during this century. In recent years, we have seen the meek begin to reinherit the earth.

In this chapter we have, however, also emphasized that the desire to own may be stronger in some areas than in others. In Scotland there is still a strong tradition of public-sector rental which accounts for half of all households, whereas in South Wales working-class home ownership has been strong ever since the nineteenth century. National-level generalizations can be dangerous, and it was for this reason that the original primary research for this study was done in three contrasting towns with their own specific histories.

Slough, Derby and Burnley are all predominantly working-class manufacturing towns, but they vary in their current economic fortunes. The choice of these three towns as our research sites enables us to consider the implications of the spread of home ownership down the class structure while at the same time staying alive to the possibility that home ownership may have a different significance in a declining industrial region than it does in one which is booming. In the chapters which follow we shall draw on over five hundred interviews with householders in these three towns, and together with material assembled from various secondary sources we shall begin to analyse the ways in which Britain's twentieth-century home-owner revolution has touched the lives of ordinary men and women in different walks of life in different parts of the country.