



# Rereading “The Housing Question” in Light of the Foreclosure Crisis

**Susan Saegert**

Graduate Center of the City<sup>1</sup>  
University of New York  
ssaegert@gc.cuny.edu

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## Abstract

This paper identifies productive and problematic strands in “The Housing Question”. My research in New York and throughout the U.S. during the financial and housing crises of the 1970s and mid 2000s led me to reread “The Housing Question” and see its continuing relevance for understanding these crises. First, recent Marxist scholarship is reviewed that compliments and extends Engel’s analysis by recognizing the role of housing markets and finance in capital exploitation. These more recent crises also revealed how neoliberal capitalism differs significantly from industrial capitalism in ways that require some rethinking of the housing question. Secondly, this paper critically examines Engels’ underlying masculinist ideal of the “free outlaw” worker as the necessary condition for revolutionary collective action and its overt lack of attention to women’s lives

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<sup>1</sup> I want to acknowledge the contributions of the milieu of Marxist geographers and feminist scholars that surrounds me at the Graduate Center and in the region, but especially the advice of Cindi Katz and the productive collaboration over some years with Desiree Fields and in the early phases of the work, Kimberly Libman. The faults of course are all my own.



and contributions. The role of housing in social reproduction was especially neglected, as was the whole topic of non-workplace value production. The conclusion explores the implications of these points for understanding the politics and possibilities of struggles around housing.

### **Keywords**

Housing; financial crisis; foreclosures; Friedrich Engels; masculinist "free outlaw"

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In the *Housing Question*, Engels (1878/1970) got so much right about the systemic nature of the harm done to poor and working class people by the machinations of capital. He also saw clearly the pretty obvious fact that individually poorly paid workers couldn't afford much in the way of housing. Yet in the U.S. policy makers, financial institutions, and philanthropic organizations seem to have believed in the magic of homeownership as a virtuous circle in which poor people could make money and financial institutions could make profits. The blithe denial of impending trouble by the government and financial sector continued up until Lehman Brothers collapsed forcing recognition of the U.S. led 2008 Siamese twin foreclosure/financial crises and exemplifying the dire consequences of practicing the housing economics of denial. For lower and moderate-income homeowners, as well as renters, the crisis had been unfolding for years. And as Engels predicted, it was just one more chapter in an on-going housing crisis for the poor and working class, now creeping its way into the perhaps mythical middle class. But the financial sector from the Chairman of the Federal Reserve Bank down to fly-by-night mortgage lenders acted as if the house of cards would not come down, perhaps aware that most in the housing finance industry would have already made off with the cash. The collateral consequences of financial regulatory changes and the finance industries' rapid exploitation of deregulation, as well as new technologies and business models made the details and mechanisms of housing finance extremely complex (c.f. Immergluck, 2008; Newman, 2009). Yet the fundamental mismatch between borrowers' capacities to pay, housing prices, and mortgage terms seems straightforward. Further, the differentially worsening consequences for the poor and working class were of course predictable. Yet multiple thick volumes could be filled with the quotations of two heads of the Federal Reserve Bank, numerous economists and financial executives, and even more politicians about the blessings conveyed on these very groups by subprime lending and the other financial innovations that ushered in the crises. The stunning and blunt applicability of a Marxist economic analysis provoked this paper along with the recognition that the crisis revealed the significance that US housing debt had in the global post-industrial capitalist economy.

My intent in this rereading of “The Housing Question” is not to critique Engels’ work as if he were a contemporary. Rather, I hope to identify the productive and problematic strands in this still influential piece. First this paper aims to connect Engels’ analysis with the work of more recent Marxist scholars that update Marxist thought for a post-industrial capitalist world. Broadly this endeavor endorses the wisdom of viewing housing crises as integral to capitalism and tracing the ways Marxist scholarship has advanced to recognize the role of housing markets and finance in capital exploitation. The other strand of the paper attempts to update thinking about class struggle for a post-industrial world and examine Engels’ underlying masculinist assumptions concerning class struggle. I will briefly examine four ideas that have arisen in rereading *The Housing Question* in light of the foreclosure crisis and drawing on my research in New York and throughout the U.S. during the financial and housing crises of the 1970s and 2008, both of which extend long beyond their recognized start dates. The first theme concerns the continuing relevance of Engels’ arguments for understanding the current crises. The second draws on current Marxist scholarship in understanding how neoliberal capitalism differs significantly from industrial capitalism in ways that require some rethinking of the housing question. The third theme looks at some taken for granted underpinnings of the assertions Engels makes about the role of housing in workers’ lives. The fourth interrogates the masculinist ideal of the “free outlaw” (Engels 1878/1970, 23) worker as the necessary condition for revolutionary collective action. The conclusion explores the implications of these points for understanding the politics and possibilities of struggles around housing.

The setting of my research in New York and in the United States limits the specific generality of these points. However, important work about the role of housing in class struggle over urban space suggests a broader relevance (Lopez-Morales, 2011) as does the extension of Marxist analysis of the global formations of capital accumulation through exploitation of both labor and land (Glassman, 2006; Harvey, 2012).

### **The Continuing Relevance of Engels (and Marxist thought) for “The Housing Question”**

I first read Engels’ “The Housing Question” in the 1980s while beginning research in an urban landscape often compared to Dresden after the bombings in World War II. A longer, less visible but constant and expanding crisis in housing lay behind and ahead of this devastation. Engels (1887) chronicled among other dreadful conditions the dilapidated, inadequate, and unhealthy housing of the working class in England during industrial capitalism. My first reading was anchored in the experience of the plague of housing, economic, social, and public health disasters inner city New York City households faced in the 1980s when capital and white flight emptied out neighborhoods and public coffers as landlords squeezed the last dollar from their buildings (Leavitt & Saegert, 1990). Research on the housing abandonment crisis led to the need to understand how the urban

landscape of desperation was shaped by the movement of capital out of the city, just as Engels saw the slums of his era as driven by the movement of industrial production to the cities. I also needed to understand those who remained in class terms. Reading Engels helped denaturalize the urban crisis and place it in a longer history of the movement of capital and the exploitation of workers. Yet those who remained in the inner city did not fit the "free outlaw" or the apolitical pre-industrial worker of Engels' narrative.

One then dominant narrative portrayed those left behind as "the underclass" (Wilson, 1987), an unproductive waste product of capitalism's dynamism left behind in ghettos unconnected to the mainstream economy (Marcuse, 1997). While Wilson implicated the movement of capital, jobs, and the African American middle class out of the city in the making of the underclass, he also portrayed those who remained in segregated enclaves as caught in the reproduction of habits of criminality, irresponsibility, and absence of a work ethic. Yet the people struggling to live in crumbling buildings in a crumbling city often contradicted this stereotype as they worked to save their homes and communities. And since so many who remained were single women heads of households or elderly women, their class position in Marxist terms was not at all clear.

Sitting in an officially abandoned building interviewing a resident leader who had organized with her neighbors to run the building and fight for its ownership, the irony that this building was officially designated as "abandoned" struck me. It was not people who abandoned the building but capital. State policies at that moment were teetering between an effort to finish the work of capital disinvestment by emptying the buildings and the influence that politically organized progressives and residents were trying to exert to save these occupied buildings and resurrect the empty ones for a growing number of homeless and precariously housed NYC residents (Lawson & Naison, 1986; Leavitt & Saegert, 1990; Saegert, 1989). The situation supported Engels' insight that struggle is born of desperation and has a class nature. However, grass roots struggles for local democratic control of property did not conform to Engel's ideas about class or to the idea that the workplace not housing must be the central arena of struggle.

In the years since the New York City version of the mid 1970s economic crisis and its grotesque devastation of inner-city housing stock and residential neighborhoods, the economy and housing market for New York City reversed course to become a shiny capitalist playground for the rich of the world. Pockets of blight remained, but these too regained their exchange value if not their use value. This period also gave rise to significant expansions of Marxist thought, perhaps most notably launched by David Harvey's *Social Justice and the City* (1973), shedding light on the nexus between capital and urban space. Neil Smith (c. f. 1996) tied the abandonment crisis to gentrification with his rent gap theory. Smith, Hackworth (c.f. 2007) and many others who studied gentrification drew out a Marxist theory of this transformation based on Harvey's innovations that brought land and the built environment into an understanding of capital accumulation and

exploitation. This move also challenges Engels' dismissal of housing struggles as secondary and will be discussed more below.

However, U.S. housing policy and political economic rhetoric between the housing and financial crises starting in the mid-1970s and on into the mid-2000's can be analyzed in part by drawing on Engels. Echoing the Proudhonists and Muhlberger in Engels's time, homeownership has been frequently prescribed for the working class and recently failed in the U.S. during the run up to 2008. Homeownership became the main pillar of housing provision in the political economy during a period when income inequality grew enormously (Stone, 2011; Marcuse, 2011). This gap between wages and the price of necessary goods (and high corporate profits) including housing was filled by an increased use of credit (Lucarelli, 2010) that became unsustainable.

In keeping with Engels' goals if not his advocacy of revolution as the only solution, Stone (2011) proposed earned income credits to redress inequality and with Marcuse (2011) a move to social housing with permanent affordability and non-speculative controls. I read Engels to argue that such governmental ameliorative policies are bound to fail under capitalism. The redistribution of income and the expansion of social housing would require state action when the activities of the state between the 1970s and the present have been necessary for the expansion of capital accumulation as it moved into the circuits of the built environment and finance as an engine of profit generation. An account of this history is beyond the scope of this paper but is captured especially well by Brenner and Theodore (2002) in their article "Cities and the geographies of "actually existing neoliberalisms". As these authors point out, the landscapes of actual cities bear the marks of local policies and politics as well as of globalized and ascendant international capital.

In New York City this is especially so given a very long legacy of protection and production of housing for the working class and poor, despite the constant compromises in each accomplishment. My research entered the scene in the 1980s when the long trend since the 1970s in New York as in the nation was already accelerating toward decreased investment in and diminishing supply of housing for low-income people. Yet the political struggles of 1970s and onward found some victories in the ambitious "10 year plan" to convert landlord abandoned buildings that became city-owned into housing for at least a substantial proportion of low income New Yorkers (Furman Center for Real Estate and Urban Policy, n.d.; Sites, 1997). The Division of Alternative Management Programs transferred ownership of occupied housing to tenants and non-profit community organizations, as well as to private owners. However, the 10-year plan in the long run seems to have benefitted developers and created up market housing in places where the market was weak. Still, it seems possible that New York would be an even more difficult housing environment for low-income people without the 10-year plan and the Division of Alternative Management (Sites, 1997).

Fields (2013) has traced the changing political landscape of housing struggles in New York City in the 2008 foreclosure/financial crisis when landlords overleveraged their buildings. The infrastructure of community organizations and the political culture of the city still bear traces of responses to the 1970s housing crisis. Poor tenants' lives are similarly disrupted and their homes neglected by landlords but the terrain of struggle has shifted as a result of the financialization of housing as a global investment vehicle. In 2014, NYC elected a progressive mayor who articulates a goal of stabilizing and increasing the housing supply for low and middle income New Yorkers. At present, there are some victories around rent control and some losses around subsidies to developers. But the extremely strong housing market and its global investment attractiveness proceed by leaps and bounds.

Since the recent crisis, scholars and policy makers turn to another echo of the tendencies Engels critiqued and deemed also bound to fail, regulatory protections against usury as for example predatory mortgage lending (c.f. Stiglitz, 2009). Engels makes a point that seems to bear reconsideration in this context: Problems of inequality and exploitation of the working class (referred to in U.S. politics as the lost golden middle class) cannot be ended by regulation alone. However, in making this argument Engels portrays usury as not a part of capitalist exploitation per se. National governments affected by foreclosure and the financial crisis have tried a variety of remedies and rules going forward to reign in exploitative financial practices but they emerge into the world blunted and full of loop holes. Instead of protecting consumers with modest means, these measures cohere around global financial institutions in hegemonic pursuit of stability, profitability, and expansion that decrease social expenditures and safety nets. In the U.S., foreclosure rescue programs have fallen far short of goals (Fields, Libman, & Saegert, 2010). The political and economic difficulty of enacting most reforms seems to illustrate the truth of Engels' position about the weakness of regulation alone, though it is possible that political mobilization short of revolution could change the situation.

The national and local specificity of the foreclosure crisis as well as the integration of capital at a global scale are illustrated by the fact that the foreclosure aspect of the crisis did not spread to all other nations. Canada is often cited as an example of prudent policies leading to avoidance of crisis as it affected both housing and banks (Walks, 2014). Indeed, Walks reveals that banks were destabilized and that the regulatory structure allowed a substantial bailout without public knowledge. Further AIG had entered the Canadian market. Thus secondarily Canadian financial institutions benefitted from the U.S. bailout. As in the U.S., the shadow banking system played an invaluable role in increasing financial sector profits and keeping them off the books. As in the U.S., the cost of housing has gone up as a result of its financial rather than its use value, and more homeowners have become heavily indebted. Walks' study, rather than supporting the success of the state in reigning in the financialization of housing, actually contributes to the

Engels' larger point about how the organization of economic production rather than state laws govern economic facts. This is a feat that can be accomplished in many ways, as demonstrated by Lopez-Morales (2011) in a Latin American context.

Engels' position may be too sweeping. However, 1) governments throughout the world have not been extremely effective in avoiding, ending, or containing financial crises; and 2) the steps taken by governments in this crises often diminish conditions of life for poorer and working class households through lay-offs and cut backs in public services, absence of effective foreclosure prevention and home equity restoration, and unclear effects on quantity and quality of working class jobs.

I conclude this section on Engels' ongoing relevance with observations about anachronisms and lacunae in "The Housing Question". Part of Engels' brief against homeownership, even collective ownership, rested on a belief that workers should be free to move to pursue opportunities to work and to revolt without being tied to community or place. This objection applies today as many workers are tied to homes that have lost value that they feel they cannot afford to walk away from. Failure to pay debt has increased consequences, as the financial sector alongside a wide variety of businesses have ratcheted up the ubiquitous and punitive use of credit scores in ways that jeopardize workers' abilities to obtain either home or work. But I think it would be hard to argue as Engels does that "the ownership of house, garden and field, and certainty of a dwelling place, is becoming today...not only the worst hindrance to the worker, but the greatest misfortune for the whole working class (Engels, 1978/1970, 13)." Increases in homelessness in the United States and loss of millions of homes through foreclosure show that uncertainty of a dwelling place is a problem. Changes in the political economy related to mobility of capital (Katz, 2001b) appear more likely candidates for wage depression and other diminishment in the quality of life for the less well-off than ties to home. Glassman's (2006) analysis of primitive accumulation framed by Harvey (2003) as accumulation by dispossession notes that workers often resist moving off the land and into more lucrative work because of the real losses in independence, the poor working conditions, and the absence of opportunity for primitive accumulation for themselves. My question then is whether Engels's commitment to a (mostly male) proletariat as a vanguard of revolution requires some rethinking.

The next section draws a line through the contributions of Marxist scholars inspired by and drawing upon Harvey's larger oeuvre that connects capital accumulation first to land, the built environment, and housing, and then to the role of finance, and the imperative of debt to changes in the housing landscape.

### **Housing as A Critical Arena for Capital Accumulation**

Engels' lens of industrial capital may distort our view of two issues: One is his understanding of debt as irrelevant to capitalism; and the second is his dismissal of worker struggles for housing as relevant to the overthrow of capitalism. Two

strands of Marxist theorizing are particularly relevant concern 1) uneven development and the monopolistic nature of land markets and 2) the financialization of housing.

“The Housing Question” in the context of the mid 1970’s crisis opened up new forms of analysis of housing within a capitalist society. Three contributions are of most significance for revisions of Engels’ treatment of housing as peripheral or irrelevant to class struggle and capital accumulation: 1) Harvey’s discussion of how over-accumulation crises required new circuits of capital accumulation in a post-industrial society (Harvey, 1978), with the secondary circuit of investment in the built environment especially important for the housing question; 2) Harvey and Chatterjee’s (1974) analysis of housing markets in inner city Baltimore which led to the argument that landlords have an exploitative position with regards to low income tenants because of their class monopoly power over land and housing, which implicitly but not explicitly suggests that resistance around housing can be important; and 3) Harvey’s (2006, 2008) concept of accumulation by dispossession makes explicit the way that one accumulation strategy of capital involves forcibly taking property with the help of practices aided by and also outside of the law. Harvey’s 1974 paper with Chatterjee laid an explicit basis for understanding tenants’ struggles for housing as geographically specific class struggles. As with Engels, Harvey’s 1978 paper, and much subsequent work dismisses the possibility of the working class gaining from anything short of overthrow of the system of capitalism. In *Rebel City* (2012), Harvey stepped forward to claim the implications of treating speculative land and housing ownership as a class relation based on land as non-renewable or expandable resource and accumulation by dispossession as bases for struggles in opposition to capitalism.

Four other moves developed in Marxist geography bear on a critique of Engels. These moves connect housing ownership and finance to a financialized economy and disconnect the use and exchange value to an extent not imagined by Engels.<sup>2</sup> First, Smith’s (1979, 1982, 1996) rent gap theory explains how capital exploitation of uneven development results in landlords who have class monopoly rent in the inner city allowing their property to become empty. When the people who live in the buildings have incomes so low that exploiting them through rent is impossible, then holding the property vacant until it regains value can be the most profitable long-term strategy. Some landlords may not have the capital to hold on to their buildings nor be lucky enough to find a speculator who will buy them out at a high enough price to pay off taxes or other debts. But as the neighborhood becomes more deeply devalued the next round of land reinvestment gains the potential for greater profitability (the rent gap). Gentrification then heated up housing markets in urban areas. As property regained exchange value,

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<sup>2</sup> Kathe Newman contributed much to this line of thought and for that I thank her much.



reinvestment in housing increased but as the authors below describe increasingly in the context of global markets for housing investment.

Second, Wyly, Atia, Foxcroft, Hammel, and Phillips-Watts (2006) unpacked the way that investment in housing no longer flowed through landlords as individuals or a class. Banks and other financial institutions not landlords evicted people from their homes during the foreclosure crisis. The fact that they often did so not as owners of the loans but as fee receiving servicers of debt that had been sold internationally as an investment opened up in many cases tangled issues around loan ownership and the legal right to foreclose. Rarely however did that save homeowners from losing their homes. Financial institutions even placed money on the likelihood of foreclosure through financial instruments that allow them to hedge their potential losses related to ownership of mortgages destined for default. Thus homeowners who sought to escape the clutches of predatory landlords found their imagined autonomy deflated by banks that after all were the senior partner in their ownership. Thus homeownership decried by Engels for tying workers to their place became a mechanism for depriving them of place. "Capital is the landlord" (Wyly et al, 2006, 109) and the value of property comes more from its speculative value increasingly severed from its use value, and even from its location. Real estate investment vehicles seek to balance portfolios in ways designed to reduce ties to the fate of any particular place. The process of turning capital into the landlord does not stop with homeowners. Highly leveraged multifamily rental buildings suffer the same fate (Fields, 2013).

The rent gap theory explains some level of speculation but still assumes that the property will regain use value for somebody. Vestiges of the linkage between exchange and use value remain in the argument by Wyly et al (2006). Fields's (2013) extension of this issue to rental housing weakens it and places the "user" of housing in a really troubled position with regard to action and options. The independent life of debt may well be severing the exchange and use value link. Newman (2009) argued convincingly that debt such as mortgages has become the valuable commodity produced by housing finance, more highly valued than housing itself. In turn, of course, the market for bad debt opens up an even more serious disconnect. Debt does not require a relationship with land in a specific place. It just has to be somehow collected and organized into a market; financial mavens will model the marginal utility and price it accordingly. Aalbers (2008) presents a properly fragmented analysis of housing finance. The market for housing debt is global. At the neighborhood level, micro geographies of race and gender were exploited (c.f. Wyly et al, 2006). The geography of subprime loans (a major culprit in the foreclosure/financial crisis) was opportunistic building on concentrated financial vulnerability due to the historical accretion of spaces of class and ethnicity (c.f. Schafran, 2013). Squires and Kubran (2005) provide a detailed review of how public policies and private financial institutional practices over time form neighborhoods with low wealth and multiple liabilities. Though written before the financial crisis, the paper lays the groundwork for understanding

geographies of vulnerability in the crisis. Each opening of access to credit preyed on the frailties of the borrower and of the locale. For Hispanic construction workers commuting long distances in Florida, their suburbs came into being through a combination of workers with full (often more than full) employment, moderate prices for gas, a housing bubble, and exotic loans. For black grandmothers in inner city neighborhoods with few residential options, it depended on housing in need of repair, desperately low incomes, the smooth talking non-truth revealing sales pitch, and fairly often outright fraud (Immergluck, 2009; Saegert et al, 2009). The devil of certainty of a secure home has been removed. Are these then not the free workers then who have nothing to lose? Harvey returns us to the geography of class by way of monopoly rent. Wyly, Fields, Newman and Aalbers return us to the geography of class but complicated by race and gender. But they do not retheorize class struggle.

Only Fields (2013) begins to theorize the ways that the disconnect between exchange and use value and between the geography of ownership of exchange value and the geography of occupation and use value severely complicate the geography and organization of class struggle. The housing abandonment crisis of the 1970s in New York City unfolded against the ongoing history of a vigorous rent strike local movement as well as legacies of experience with the Civil Rights movement, organizing associated with the urban unrest and the subsequent federal Community Action Program, and the local control movement associated with squatter actions and also the Black Power movement. The lynchpin was holding landlords and local governments accountable for failing to deliver adequate affordable housing for low-income people and for neighborhoods of color. While the outcomes of these mobilizations did not turn the tide sufficiently to avoid the onslaught of neoliberalism, some local gains were made and oppositional solidarities as well as organizations were fostered (Sites, 1997). When neither landlords nor the state have title to the property or authority over the globally diffuse and anonymous holders of convoluted forms of title, new forms of organizing are required. In the absence of widespread opposition and effective strategies, policies at the local, national and global levels have further disempowered oppositional movements and enriched capitalists (Peck & Brenner, 2013; Weber, 2010). This situation could be seen as a justification for Engels' dismissal of housing as a proper forum for collective action against capitalist control. However, during the same period, contingent and precarious labor grew, labor unions declined and labor protections were reduced in significance and in the US many corporations moved employment to countries with cheaper labor and fewer worker protections. In short, many people found themselves with weak leverage with regard to capital both around issues of their homes and communities and around work.

## Problems of Social Reproduction and Masculinist Bias in Engels

The hand weaver who had his little house, garden and field despite all political pressure; he doffed his cap to the rich, to the priest and to the officials of the state and inwardly was altogether a slave. It is precisely modern large-scale industry which has turned the worker, formerly chained to the land, into a completely propertyless proletarian, liberated from all traditional fetters, *a free outlaw*; it is precisely this economic revolution which has created the sole conditions under which the exploitation of the working class in its final form, in capitalist production, can be overthrown (Engels, 1878/1970, 23, italics in the original).

One aspect of “The Housing Question” most in need of rereading has to do with the neglect or even disdain for spaces and practices of what in Marxism is called social reproduction. The tone and phrasing of “The Housing Question” valorizes not the actual working man but the imagined “free outlaw” that to Engels’ disgust many actual working men would rather not be. This disdain pays little regard to the great amount of labor (and some land) required for his existence nor the women who provide at least one and sometimes both of these necessities of life. Gibson-Graham’s (2006) define rereading as follows: “Techniques of rereading adapt a stance of curiosity rather than recognition toward claims of truth. Rereading offers us something new to work with, especially useful if we are trying to produce raw material for other (political) practices.” (xxxi).. As part of their rereading project, Gibson-Graham and colleagues (Gibson-Graham, Erden, & Ozselcuk, 2013, 4-5) identify in Marxism “a tendency of economic determinism in which caring and household labour have been conceived as functional to the reproduction of the capitalist work force” that makes it inconceivable at the level of theory to imagine a social dynamic emanating from the household sphere, which might jeopardize the capital-labour relationship in any significant way”. Taking a different tack, Nancy Folbre (2009) has traced the rhetoric and actions of Engels and Marx as they simultaneously critiqued patriarchy as a product in their period of capitalist property relations that would be solved by working men fighting for control of the state and the economy and dismissed feminist socialism and women’s emancipation as not relevant to scientific socialism. While Engels’ justification lay in a stage theory of capitalist overthrow, the emotional tone suggests a charged alliance with patriarchal ideology. The thrilling imagery of the “free outlaw” finds its opposite expression in Engels’ statement that when working class men performed household duties “One may well imagine the righteous indignation of the workers at being turned into eunuchs” (Engels quoted in Folbre, 2009, 222).

In times of housing crises, non-capitalist alternatives are imagined and enacted. The enduring accomplishments of the very low-income, largely women of color in devastated neighborhoods who I had studied decades ago (Leavitt & Saegert, 1990; Saegert, 1989; Saegert, Winkel & Swartz, 2002) stood as testimony

to the possibilities of an alternative vision and women’s significance in having and realizing that vision. Even almost 50 years later, contrary to persistent “common knowledge”, the limited equity cooperatives they struggled to create and maintain were mostly still in the collective ownership of very low-income households even in highly gentrified neighborhoods (Saegert, 2005). These buildings remained vulnerably successful homes for people who could not otherwise afford to live in New York City. Their collective governance limped along with challenges of aging leadership, residents who were divided about whether to maintain resale restrictions, and maintenance challenges in the face of low resident incomes. Those with better communication, participation, leadership and democratic processes fared better (Saegert & Winkel, 1998; Saegert, 2005) but governance and management required constant renewal and sometimes rose from the ashes of failure, and not in that study but in life sometimes failed.

Moving to the next crisis, we see that housing units in Community Land Trusts, another non-speculative collectively owned and governed form of housing, suffered almost no foreclosures during the post-2008 crisis despite the low incomes and sometimes spotty housing and credit history of CLT homeowners (Thaden, 2011). Limited Equity Cooperatives and Community Land Trusts very existence fit into Gibson-Graham’s (2006) illumination of places that are not “fully yoked into a system of meaning, not entirely subsumed to and defined within a global order...(xxxiv).” The Limited Equity Cooperatives also illustrate the reworking of negatively defined subjectivities, in this case often black and brown, elderly women (Saegert, 1989), through the reworking of relationships with the material and social world (Gibson-Graham, 2006). In both cases, control over housing liberated surplus value acquired through collective labor and ownership of land and housing. In 2004 interviews with Limited Equity Cooperative residents, many described being able to continue to pursue careers in the arts or public service that they would have to abandon to earn enough for housing in New York City. The collective labor and ownership also resulted in homes for many poor often immigrant service workers as well as elderly people who otherwise would have few or no alternatives in the city. Research on Community Land Trust residents in Minneapolis found that a significant number of them increased their educational levels, started their own businesses, and/or worked fewer hours. They also reported spending more time with their families (Saegert, 2013).

Cindi Katz’s (2001a & 2001b) understanding of social reproduction recognizes collective efforts at social reproduction as a response to the neoliberal assault on life itself. As the state and capitalist firms withdraw from support for social reproduction the unstated assumption is that women will take up the slack. In this way women and the voluntary non-profits they often found and participate in are often disparaged for taking pressure off the state and capitalist firms to provide the means for maintaining and reproducing life. The significant contribution Katz makes is to see social reproduction not only as reproduction of labor power nor the replication of hegemony. Katz goes further to theorize social reproduction as a

process that generates the potential for resistance and change. She also names the sites of struggle to include housing. Her understanding of housing as an aspect of social reproduction goes well beyond the little positive attention Engels paid to the role of housing in workers lives.

Current Marxist scholars (Angotti, 1990) take examples of Limited Equity Cooperatives and Community Land Trusts as validating Engels' position because these arrangements succeeded by minimizing the potential for increased exchange value of housing. On the other hand, the very existence of such alternatives is at odds with much of Engels message, and especially its rhetorical tone.

The rhetoric of the "free outlaw", and the imaginary of unencumbered heroes rising up and vanquishing CAPITALISM once and for all, underpins judgments of alternatives short of complete revolution as cooptation or of little benefit to workers living in the historical flow of international capitalism. It also defines legitimate "interests", which seems to exclude workers' survival and meaning in their own lives, as opposition to capital. I wish to interrogate the assumption that house and garden and the fetters of commitment to place (and by implication family and community) OUGHT to be put aside in favor of the historical imperative of embracing increased productivity and struggling to control the means of production. This formulation ignores the material and social necessities for creating and maintaining life for the workers, their children, and others outside the workforce due to infirmity, age, incapacity, lack of employer demand, or competing requirements for care taking.

Rethinking the use value of housing to include social reproduction has been described by Gibson-Graham (2006) as resting in the mutual development of more satisfying subjectivities and places through collective action. This definition leads to two critiques of Engels. The first concern is that Engels' treatment of the housing question employs unduly narrow and masculinist definitions of use and exchange value of housing. John Emmaus Davis, a theorist of Community Land Trusts, sensibly broadens the value of domestic property interests. Use value includes not only the necessities of shelter required for barest existence but also security, amenity, and autonomy (Davis, 2008). Despite these advances, and the ongoing important contributions that Davis has made to thinking about alternative forms of ownership, there is an underlying masculine bias in this list. First, the only identity issue related to "use value" is autonomy. Drawing on a long line of feminist argument, the multitudes of people I have interviewed or surveyed, and my own gut reaction to this reduction over decades, I would argue that use value such as connectedness, community, and family well-being also should be considered. Davis compliments his list of use values with a list of exchange values: equity, liquidity, and legacy. In line with my argument about autonomy, Davis' definition of legacy as purely an exchange value deserves questioning. Low and moderate income renters and homeowners speak often of providing a home for raising children, nurturing and sheltering families, stabilizing and contributing to communities, and giving on to a positive future for particular families and for less

privileged groups and communities more generally (Saegert, 1989; Saegert, Greer, Thaden & Anthony, 2015; Thaden, Greer & Saegert, 2013). These themes are very prominent among homeowners facing foreclosure as they contemplate intergenerational and community losses (Saegert et al 2009). The legacy of homeownership extends beyond the conveyance of congealed economic capital though this is a significant part of legacy. Or at least hope for capital accumulation plays a role. For some homeowners in very poor communities especially those that bear other legacies of racism and discrimination, passing on property is valued as shelter for family members who have no housing alternatives. For many African Americans, passing a home on to the next generation is a victory against a shared history of dispossession (Saegert, 2011; Saegert et al, 2015).

The masculinist bias in definitions of use value hampers the imagining of other modes of making housing and community. Attachments to place appear in Engels as destructive of the possibility of collective action. The romanticization of the free (male) outlaw not tied down by family, home, or community living in solidarity only with other workers does not allow for the real demands of the mundane creation of life that require sustaining ties and providing the basics of existence. Homes are part of that endeavor and good secure homes part of the desires of working people, those who are unneeded by capitalism for labor, and those who labor without pay at social reproduction.

Progressive scholars have written continuously since the 1970s of the mythical and delusional quality of American’s attachment to homeownership (c.f. Shlay, 2006). Based on interviews, focus groups, and partnerships with low income people striving for good housing in various coalitions and initiatives, I cannot but respect their longings for a better shot at more control over their homes and lives, anger at the money landlords make out of renters’ paychecks, neglected repairs, and desire to be full and effective participants in the political economy. These desires can be understood differently through the lens of social reproduction, an expanded notion of use value and the understanding suggested by Gibson-Graham (2006) of transactions with places as intertwined with practices of subjectivity, with both being mobile, questing, and unfinished.

### **Revisiting Housing and Collective Action**

I will end by suggesting two lines of inquiry that grow out of this rereading of *The Housing Question*. The first draws particularly on Wyly et al’s (2006), and Aalbers’ (2009) replacement of landlords with class monopoly rent with the ways capital itself circulates as the collector of class monopoly rent, on Newman’s (2009) framing of mortgages as the new widgets of post-industrial capitalism and on Aalbers’ (2009) analysis of the fragmented geographies of housing debt. Specifically, I argue that collective action that struggles to control the terms and future of debt are neither peripheral nor confined to regulatory action. Secondly but relatedly, with Katz (2006) and Gibson-Graham (1996, 2006), I suggest that struggles for a better life, community, and society may challenge capitalism by

undermining the narrative of TINA –there is no alternative. In both cases, Engels leaves a legacy that needs to be reread. Marcuse’s (1999) analysis of the political economic significance of housing movements did open the door to the required work. First he stepped away from some of the masculinist bias in Engels by noting the important role of women in housing struggles. Second, he affirmed the possibility that collective action that makes life better for the poor and working class may not be revolutionary but can still be worthwhile. But he maintains the imaginary of “real revolution” versus contentious struggles of the poor and working class for a better life. Feminist geographers like Katz (2001a & b, 2006) and Gibson-Graham (2006; Gibson-Graham, Erden, and Ozselcuk, forthcoming) dispute the validity of a single narrative of a unitary Capital and class struggle, as well as the binaries of futile/coopted versus revolutionary.

The prominent role of housing finance for international capital accumulation suggests that struggles for control of housing have become struggles for the control of the mode of production, albeit a mode of production that splits the use value of the object (housing) from its exchange value. Fields’ (2013; 2015) provides some significant insights in her study of community activists’ efforts to combat predatory equity stripping, the practice of owners of multi-family rentals of overleveraging their debt thus exposing them to foreclosure or buy-outs by financial organizations that do not produce or manage housing (hedge funds for example). She concluded that community activists’ more successful strategies include 1) developing and promoting new narratives that undercut the legitimacy of financial actors’ superior claims on dwellings to those of residents; 2) producing quantitative and geographic data to document the relationship between housing industry practices and housing distress, and 3) discovering and employing tactics that disruptively cross scales and contentiously connect the spaces of housing finance with the materiality of housing wherever it is located. Her examples show community activists bringing new actors such as homeless people and disenfranchised tenants into knowledge production, both through narrative and data driven methods. To illustrate scale crossing, she draws on an example of community activists’ bodily taking their contestation from the site of injustice in East Harlem to the location of financial institutions in the UK. Fields drew on Katz (2001a) to problematize the dualism of cooptation or confrontation by examining the melding and creative potential of reworking, resilience, and resistance to bring about change in political subjectivity as well as material places.

Advocacy of collective ownership with permanent affordability represents another strand of progressive housing activism that attempts to undercut the financialization of housing and which arguably can promote alternative ways of life and systems of valuing of the creative, open-ended sort advocated by Gibson-Graham. This approach collectivizes the ownership of land and housing under democratic community governance. The difficult trick of course is to acquire, develop, and maintain housing without speculative value in a capitalist economy. Again the ambiguous territory between cooptation and contestation must be tread.

As such ambiguous space opens up, it may also represent an opening up of material and social relationships promoting ambiguous subjectivities with creative potential as well as the potential for failure. The actual lived subjective and material development of collectively owned housing and broader approaches to developing cooperatively based alternative economies have not only promise but some open-ended achievements suggesting these forms can redress the uneven distribution of capital (though thus far only marginally) and support the realization of values that are delegitimized in an economically driven calculus and poorly captured by constrained notions of use value (Gibson-Graham, 2006; Saegert, 1989, 2013).

So to end in the middle of a series of rolling crises, it seems that the separate domains of housing and production have melded, the worker is invested for retirement plans, part of wage negotiations, in financial vehicles related to housing in ways hard to understand, the sharing of fortunes of the worker in the ongoing value of the financial exchange value of housing and the actual need to have housing. The solutions may not be total revolution against what? Your own pension plan and the tiny business you had to start because hiring in waged jobs had so fallen off? In this context, collective action around property may be important. And as Marcuse (1999) and Gibson-Graham (2006) both note the outcomes for a life worth living for the working class involves housing, labor and other movements with a broader economic vision that rereads land and place as well as work, gender, race, and class.

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