

Organized Class Struggle Against the Financialization of Housing in Spain

The Case of the PAHC Sabadell

Albert Jiménez Iglesias

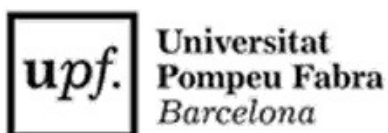
TESI DOCTORAL UPF / 2021

Thesis supervisors

Dra. Mònica Clua Losada, (Department of Political Science, The University of Texas-Rio Grande Valley)

Dr. Pere Jodar Martínez, (Department of Political and Social Sciences, Universitat Pompeu Fabra)

DEPARTMENT OF POLITICAL AND SOCIAL SCIENCES



A mi padres

Acknowledgements

*‘With the red hair of one she-urchin in the gutter
I will set fire to all modern civilization’.*
G. K. Chesterton (1910)

Un amigo me dijo una vez que una tesis doctoral no es un producto de la inteligencia, sino un esfuerzo de la voluntad. Poseyendo quizá el mínimo imprescindible de la primera, en el caso de la segunda ha hecho falta, afortunadamente, que mucha gente dedicara muchas horas a ofrecerme mucha ayuda para poder alcanzar algo parecido a una sombra de suficiencia. Y esto es, insisto, algo afortunado puesto que, de medir el valor de esta disertación sólo con la vara de la mercancía académica, habría que concluir que se ha producido dramáticamente por encima del tiempo de trabajo socialmente necesario, con maquinaria obsoleta, condiciones a menudo insalubres y una mano de obra indisciplinada y, como poco, renuente. Sin embargo, este infinito catálogo de ineficiencias ha necesitado, para funcionar, de muchas personas, de muchos consejos, de mucho apoyo, de mucha comprensión, de más paciencia y, en fin, de mucho trabajo. Y todo ese trabajo, ajeno entre sí y sin embargo colectivo, ha producido algo de mucho valor y que es, en muchos aspectos, superior a una tesis (incluso a una tesis acabada): una historia compartida.

Así pues, gracias. Gracias a mis compañeras de la PAH y a mis camaradas de la PAHC, por hacerme creer. Nuestra historia no cabe en un sólo corazón.

Gràcies a la Mònica Clua, per haver-me acollit, animat i acompanyat quan ja estava de sortida (i en realitat tot just començava), per haver-me donat direcció quan no sabia on anava, per desfer els recurrents nusos gordians, per la paciència, per la -sovint desagradada- tasca de posar seny, exigència i principi de realitat i, en definitiva, per fer possible aquesta tesi.

Al Pere Jodar, per ser-hi sempre i no fallar mai, pel suport constant, la lectura atenta i detallista, els consells, la comprensió, la complicitat i el te calent. Per haver evitat que em tornés boig en més ocasions de les que vull comptar; per plantar batalla, no baixar al cap (i no deixar-me'l baixar a mi) i arribar a la línia de meta sent un del bons. Venceremos.

To the 20.133 lot. Sanjin, my unofficial supervisor in exile, for dragging me into this mess and somehow helping me get out of it; Francesco, per avermi insegnato a non prenderlo così sul serio; Giulia, for showing a little faith, there was magic in a strike (it was not a beauty but hey, we are alright); Olatz, perquè només la família acadèmica entén, per obrir camí i per les lluites compartides, (potser) tornarem a vèncer. To Peter, Mina, Juanra, and to everyone who at some point shared a cup of coffee, a mild life-crisis or a fit of laughter, thank you.

To the Central Committee, Andreu, Jon, Kim, Luisa, Marina and Sohail, the greatest second wind a not-so-lonely long-distance runner could ever ask for. If I did it, you can all do it.

Als meus amics, per aguantar-me tot aquest temps (*like soldier's in the winter's night with a vow to defend*).

A mi familia, por la más cara de las virtudes: la incondicionalidad. El mérito que en mí pueda haber es todo vuestro.

A la Rosa, per tot. "*I swear I way more than half believe it when I say that somewhere love and justice shine*".

Sabadell, 3rd of September, 2021

Abstract

This doctoral thesis studies class-based social movements as a response to the collapse of the Spanish mode of capital accumulation, based on the financialization of housing and the extraction of rents. It argues that the organization of experiences of exploitation and struggle versus the dominant classes, together with the experience of those forms of organization are the key to class subjectivation and emancipatory politics. The thesis treats finance capital and its relation with state power as fundamental in laying out the conditions for the formation of the real-estate bubble, understood as the first installment of a state-backed class struggle process launched by the hegemonic fractions of the political and economic elites. This systemic extension of exploitative dynamics to the housing sector set in motion the organization of the subaltern classes' resistance, mainly through the PAH¹ and the PAHC². The evolution of their conflict, and the changes in the movement's context, organization and composition, fostered (and later hindered) the kind of class subjectivation processes which are deemed essential for the formation of a hegemonic challenge to capital.

Resum

La present tesi doctoral estudia els moviments socials de classe, entesos com a resposta al col·lapse del mode espanyol d'acumulació de capital, basat en l'extracció de rendes a través de la financerització de l'habitatge. L'organització de les experiències de resistència a l'explotació de les classes dominants, juntament amb la pròpia experiència de l'organització, és entesa com clau en els processos de subjectivació de classe i en l'articulació de polítiques emancipadores. La tesi considera el capital financer i la seva relació amb el poder estatal com a fonamentals a l'hora d'establir les condicions per a la formació de la bombolla immobiliària, entesa com el primer embat d'un procés de lluita de classes iniciat per fraccions de les elits político-econòmiques i recolzat per l'estat. Aquesta extensió sistèmica de les dinàmiques d'explotació al sector de l'habitatge va donar peu a l'organització de la resistència de les classes subalternes, principalment a través de la PAH i de la PAHC. L'evolució d'aquest conflicte i els canvis en el context, l'organització i la composició del moviment, van afavorir (i posteriorment dificultar) els processos de subjectivació de classe essencials per a la formulació d'un desafiament hegemònic al capital.

1 *Plataforma de Afectados por la Hipoteca*, or Platform for People affected by Mortgages.

2 *Plataforma de Afectados por la Hipoteca y la Crisis (Sabadell)*, or Platform for People affected by Mortgages and the Crisis (Sabadell).

Table of contents

	Pag.
Abstract.....	vii
List of figures.....	xi
List of tables.....	xii
1. Introduction.....	1
1.1 Crisis, Evictions and the PAH.....	3
1.2 Literature review: Class struggles and Social Movements.....	6
1.3 Analytical framework.....	9
1.4 Structure.....	11
1.5 Methodology.....	15
Bibliography.....	23
2. Finance, Class and the State: The construction of the Housing market in Spain.....	29
2.1 Introduction.....	30
2.2 Approaches to financialization and housing.....	31
2.2.1 Financialization.....	31
2.2.2 Intersection with Housing.....	34
2.3 State, Market & Class.....	38
2.4 The Spanish Mode of Accumulation.....	44
2.5 The Financialization of the Spanish Housing Market.....	49
2.5.1 Context.....	49
2.5.2 Institutional Policies & Market Construction.....	53
2.5.3 Discourse, Narrative & Rationale.....	64
2.5.4 Actors.....	68
2.6 Conclusion.....	76
Bibliography.....	79

3. Union Without a Trade. Class Subjects in Social Reproduction.....	95
3.1 Introduction.....	96
3.2 Perspectives on the PAH.....	97
3.3 Debt, Social Reproduction and Class.....	101
3.4 The PAH and the PAHC.....	111
3.4.1 The PAH.....	112
3.4.2 The PAHC.....	117
3.5 Conclusion.....	124
Bibliography.....	127
4. Organizing the Political Subject. The PAHC Sabadell.....	135
4.1 Introduction.....	135
4.2 Theoretical framework	138
4.2.1 Analytical approaches to the PAH.....	138
4.2.2 Class Composition: a Bridge to the Subjectivation Process	142
4.3 Feint, Parry & Riposte.....	147
4.3.1 Feint (2011-2012).....	148
4.3.2 Parry (2013-2015).....	158
4.3.3 Riposte (2016-2017).....	166
4.4 Conclusion.....	177
Bibliography.....	182
5. Conclusion.....	187
5.1 Further Research.....	193
Bibliography.....	196

List of figures

	Pag.
Fig. 2.1 The Spanish Mode of Accumulation.....	47
Fig. 2.2 Actors.....	76
Fig. 4.1 Number of cases by type (2013-2015)	159
Fig. 4.2 Subjectivation Summary.....	180

List of tables

	Pag.
Table 1.2 Profile of the Respondents.....	20
Table 4.1 Elements of Analysis.....	148
Table 4.2 Feint Composition.....	150
Table 4.3 Feint Organization.....	155
Table 4.4 Feint Context.....	157
Table 4.5 Parry Composition.....	159
Table 4.6 Parry Organization.....	162
Table 4.7 Parry Context.....	165
Table 4.8 Riposte Composition.....	167
Table 4.9 Riposte Organization.....	171
Table 4.10 Riposte Context.....	173
Table 4.11 Summary (Feint, Parry, Riposte).....	175

1. INTRODUCTION

Torre Romeu, sitting on the other side of the river in the east of Sabadell, is what people generally refer to as a “bad neighborhood”. It is known for its poverty, lack of services and petty criminality. Its inhabitants used to work in the city’s factories until they all closed or moved somewhere more profitable, and people had to find something else to make ends meet. Victor and Diana were lucky, Victor’s father had always been a good carpenter and he had taught his son the trade. During the 00s, more and more construction companies needed the services of expert tradesmen, so much that the family was able to set up their own shop and even hire a few workers. Not wanting to leave their parents’ neighborhood, they bought a small flat right above the bank’s office which had granted them their mortgage loan and, for some years, lived a quiet and comfortable life. In 2013, after five years of hard-hitting recession which had seen the chain of bankruptcies put an end to the family’s business -dragged by the fall of the construction sector-, Victor and Diana were about to lose their home and those of their parents, which the bank had included as guarantees for the mortgage. Through an old friend from high school, Diana heard of the PAHC and convinced his husband to seek their help.

A few months later, they found themselves taking turns with forty other PAHC members to sleep in the very office below their home. Their goal was to force the bank to stop the eviction of Mohammed, another activist. Four nights later, when the riot police violently cleared the office -amid a rain of eggs and water pouring from the balconies-, hundreds of people coming from the PAHC, the city’s anti-capitalist social movements and the “bad neighborhood’s” residents quickly mobilized and joined forces in solidarity, forming a human barrier and chanting 'police out of the hood!'. Less than twenty-four hours later, the bank would yield to the PAHC’s demands and Mohammed signed the “*dación en pago*”³; after that, the

3 Non-recourse mortgage debt. The demand for the total cancellation of all pending debt in exchange for the re-possession of the mortgaged property, one of the three major PAH demands. The Spanish legislation only contemplated mortgage debt redemption up to the property’s current price (and not that of the purchase) which, after a price bubble, would effectively left people

indefinite occupation of bank offices was incorporated as a standard practice for the whole PAH.

November 2012, it's a general strike day, the second of that year, and the PAHC has joined a massive demonstration in Sabadell. For the first time in decades, thousands of people have decided to march through their city instead of staying home or resignedly joining the protests in Barcelona. Many green shirts reading "stop evictions" proudly walk along with trade union flags, displaying the PAH logo on their backs. A huge improvised sound system mounted on the back of a pick-up truck blasts the unofficial anthem of the PAHC: "we have nothing but our wounds, our hands are our capital". Alfredo, who has already lost his home and is staying in a hostel with his two underage daughters, walks with me. He is carrying a large banner condemning bankers and politicians as he casually reflects on what we are doing: "You know, I remember when I was a kid and my older brothers would take me to demonstrations like this one, with the PSUC⁴, I remember them carrying me on their shoulders and waving a little flag... And then I don't know what happened, but we stopped doing it, everything stopped...And I've been thinking about it and, well, I think that what we are doing now is kind of like that, you know? It's a bit like if the PAHC was the new PSUC, don't you think?".

These two scenes illustrate the main themes this research aims to address: the growing exploitation, through financialization, of social reproduction fields like housing; the organization of class struggles into social movements and the political re-composition of class subjects. The relations between them and the questions they raise regarding the impact of political and economic transformations or the effects of experiences of conflict and organization on the subjectivation of those undergoing them are what I will try to elucidate in the following pages.

homeless *and* heavily in debt.

4 'Partit Socialista Unificat de Catalunya', the biggest of the Catalan communist parties. It reached its last peak in mobilization capacity and electoral results during the 70s and early 80s.

1.1 Crisis, Evictions and the PAH

In 2007, the signs of a potentially disastrous breakdown of the world economy started to be publicly acknowledged by some widely respected pillars of orthodox economic thinking, such as ex-Federal Reserve Governors Bernanke and Greenspan. By 2008, the collapse of Lehman Brothers shook the US financial market to its roots and kick-started one of the greatest global economic shocks in recent history. Three years later, in 2011, a broad international cycle of social mobilizations spawned several anti-austerity movements like the Spanish 15M and the US-based Occupy Wall Street, both including -among myriad other demands- strong opposition to the massive bank bailout programs funded with public funds and a significant anti-private-debt component. During the following decade, the effects of the financial crisis unfolded at an international level in the form of increased levels of global economic instability, austerity policies and a timid recovery which, at no point, was able to bring back pre-08 levels of growth.

In Spain, one of the most relevant consequences of the crisis was the massive wave of mortgage-related evictions triggered by the combination of increasingly high-interest rates, decreasing salaries and widespread lay-offs⁵. From 1995 to 2005 the average Spaniard's purchasing power and the average real salary had steadily declined (López and Rodríguez, 2010, p.199), hindering the capacity of most households to face the ever-increasing prices of housing, -which, in ten years, had tripled their values- and the need for the kind of over-indebtedness which, in the face of a crumbling mode of accumulation, would result in widespread evictions (an average of 80.000 per year from 2009 to 2015). This "housing emergency" (Valiño et al., 2013) led to the creation in 2009 of the PAH, the "Plataforma de Afectados por la Hipoteca" (Platform for People Affected by Mortgages), an anti-eviction organization which, for the next decade, would hegemonize not only the housing rights movement but the whole social mobilization imaginary in Spain. The PAH represents one of the most noteworthy cases of social

5 Which, according to data from the Instituto Nacional de Estadística (EPA, n.d.), took unemployment from a 7'9 percent in 2007 to over a 25 percent in 2012

movements in recent Spanish history, and one of the most capable of galvanizing the public opinion and driving public discourse and agenda, as has been widely documented by the existing literature on the topic (González, 2019; Fominaya, 2015; Romanos, 2013; Ordóñez, Feenstra & Tormey, 2015; Suárez, 2017; Di Feliciano, 2016a, 2016b; García-Lamarca, 2016, 2017a, 2017b).

The PAH's practices of civil disobedience, which included the stopping of evictions, the occupation or blocking of bank offices; the so-called "*escraches*"⁶ (imported from Latin America) and the "*Juicio y castigo*"⁷ campaign, both intent on publicly shaming politicians and bankers; as well as a large-scale campaign (humorously called "*Obra Social*"⁸) of occupations of bank-owned homes, considerably broadened the action repertoire during the 2010s. These strategies were combined with numerous attempts at political participation and reform through the use of institutional channels, including several ILPs⁹ at both state and regional level ("*Romper por abajo*"¹⁰), a campaign demanding the adoption of anti-eviction and pro-housing rights political motions by municipalities and, later on, a campaign designed to pressure political parties into adopting the PAH's demands into their election programs ("*Las cinco de la PAH*"¹¹). The dual strategy involving the combination of civil disobedience, often involving confrontation with the police, with some forms of institutional participation and/or influence represented a considerable novelty in the more recent Spanish context of social mobilization.

6 Direct action involving public gatherings, usually in front of MP's residences, with the intention of publicly denouncing their negative positions regarding the passing of legislation incorporating the PAH's demands.

7 A campaign, designed and led largely by PAH Madrid, involving demonstrations demanding the "trial and conviction" for those identified as personally responsible for the economic crisis (essentially bankers like Emilio Botín, politicians like Luís de Guindos, or those in-between like Rodrigo Rato).

8 In a Mockery of La Caixa Foundation's social programs, especially those concerning "affordable housing".

9 ILP stands for "*Iniciativa Legislativa Popular*", or Popular Legislative Initiative. A limited semi-direct democracy mechanism that allows a group of 500.000 citizens to propose a bill (which may or may not pass).

10 A campaign, designed after the failure of the state-level ILP, consisting in the promotion of sub-state ILP's and political motions in city councils.

11 A campaign which intended to pressure political parties into incorporating five essential PAH demands into their political programs.

However, beyond the characterization of the PAH as a more or less innovative or successful social movement organization, I will argue that the PAH, and most especially the PAHC Sabadell, also constituted one of the most notable cases of class struggle in the recent history of social movements in Spain and, certainly, the most important organization to emerge directly in response to exploitative accumulation dynamics outside the sphere of production. Furthermore, I intend to study class struggles as a single process, looked at both from above (from the dominant classes and capital owners' perspective) and from below (from the subaltern working-class view). From this perspective, the market's cyclical failures and the threats to key aspects of social reproduction should be seen as class experiences and, therefore, as arenas for struggle and the re-composition of class-based political subjects through the organization of the movement.

Ahead of us lies a set of questions that so far have remained considerably unexplored in the literature: How has the movement related to the evolution of the social, political and economic conditions under which it emerged? What have been the effects of these changes on its members? What can its story tell us about potential similar conflicts? All of these questions share class relations as a common conceptual thread weaving them together, and can be summarized in two overarching questions:

Q1. How does housing financialization relate to the development of class struggles?

Q2. Did the evolution of housing struggles enable the PAHC to re-compose a class subject?

1.2 Literature review: Class struggles and Social Movements.

To answer the questions presented in the previous section, we must examine how the notions of class, class struggles and the analysis of this particular case fit in the context of social movements studies, critical geography and political economy, and how these kinds of literature can intersect. Starting with social movements studies, the idea of class de-alignment gained traction during the 80s and 90s, fostered by changes in the economies and productive structures of “core” countries. This intellectual trend followed the development of theories about the emergence of post-industrial “new middle classes” (Kriesi et al. 1995), a phenomenon implying the prevalence of the cognitive and the post-material in social mobilization (Touraine, 1981; Melucci, 1989; Wallace & Jenkins, 1995; Castells, 1997) which would lead to the progressive marginalization of class analysis from social movements studies. More recently, these ideas have been under a process of critique and revision, as several other authors (Della Porta, 2015; Standing, 2011; Barker et al., 2013; Peterson, Wahlström & Wennerhag, 2015; Cox and Nilsen, 2014; Silver & Savas, 2015) have posed a return to the social causes of protest as a fundamental element of their analysis, including a renewed interest in the notion of social class. However, for this return to class to be successful in helping us understand different aspects of contemporary protest and resistance movements -and, especially, those related to class subjects- it requires a deep understanding of how Capitalism shapes social relations, needs and demands, and it makes necessary “some cross-fertilization, especially with the disciplinary fields of political economy and democratic theory” (Della Porta, 2015, p.9).

In this sense, some of the classic approaches to social movements, like political opportunities (McAdam, McCarthy & Zald, 1996; Tarrow 1998), resource mobilization, (McCarthy and Zald, eds., 1987) or new social movements literature (Melucci, 1988) share three tendencies which are at odds with the proposed interdisciplinary focus on class: First, a lack of focus in macro-economic structures akin to an externalization of the issue, a treatment of sociopolitical and eco-

conomic structures more as given backgrounds than as social and political arenas open to disputes and re-configurations, a complex system of interwoven relations and co-determinants which simultaneously *shapes and is shaped* by social mobilizations. Second, a thematic reluctance towards the inclusion of capitalism neither as a relevant topic nor as a factor of analysis, thus ruling out probably the main informing factor of modern societies (capable of organizing from as high an abstraction as time and space down to micro-behavioral patterns). On this line of thought, authors such as Hetland and Goodwin (2013) have, when referring to some of these approaches, highlighted the treatment of framings or political opportunities as independent variables, thus denying their role not only as determinants but as consequences of a wider and more complex construction. Third, a lack of integration of the analysis of political (and especially class) subjectivation processes in social mobilization with the aforementioned economic tendencies and institutional arrangements (related to the state, the mode of accumulation, etc.).

Acknowledging the need for the incorporation of internal mechanisms, processes and both context and subject-specific approaches to social movements analysis, we also need an additional dimension that accounts for how these contexts and needs are being shaped by the socioeconomic structure. This suggests the need for the incorporation of an understanding of the political and economic roots that those class relations animating social movements have in specific capital accumulation modes and in people's daily lives.

It is at this intersection point between social movements studies and some aspects of critical political economy where this thesis intends to locate itself. On one hand, its study of social movements incorporates financial capitalism as a framework for material needs, social relations, political praxis and mobilization, acknowledging the ways in which it conditions how political subjects are articulated and shaped through the individual and collective experiences of class-based struggles (such as insurmountable amounts of household debt). On the other hand, its analysis of housing's political economy commits to an in-depth study of capitalism's effects that goes down not just to the micro-level, but which incorporates the frictions, re-

sistances and potential disruptions engendered by capital accumulation.

To undertake such a task, this dissertation follows Silver and Savas (2015) in their call for a return, in social movements literature, to the analysis of capitalism and class, especially regarding what they identify as transformations in the organization of production and consumption, and their links with changing forms of worker's struggles. Further down this line, the Marxist approaches to social movements proposed in Barker et al. (2013) and Cox and Nilsen (2014) offer a conception which reads "Marxism as a theory from and for social movements", rejecting the "political reductionism" of "mainstream social movements" theories as well as the dominance of either structural constraints or excessively voluntaristic "popular agency" (Cox & Nilsen, 2014, p.55-57). This approach to class struggles as social movements, which emphasizes the notion of praxis as a sort of conceptual middle ground, also opens the door for the incorporation of other theoretical contributions from the ample Marxist tradition which will be very useful in the forthcoming analysis of the development of subjects through class struggle.

This materialist turn allows us to adjust the analytical focus toward the significance for class-based social mobilizations, and their political outlooks, of the studies on the relationship between systemic household debt (Martin, 2002; Langley, 2008; Soederberg, 2014; Montgomerie, 2016), class relations and the articulation of political subjects.

Ultimately, an analysis of the PAH in relation to the Spanish housing-finance complex (Aalbers, 2014a, 2014b) can offer insights on how the displacement of structurally unstable profit extraction mechanisms and exploitative dynamics built around rent extraction carries with it the subsequent displacement of class-based conflicts, as well as the potential for the development of union-like organizations in housing (and, potentially, the broader sphere of social reproduction). These organizations, however, may display considerable differences among themselves regarding their strategies, discourses and overall praxis; a variation that directly affects their capacity to act as class institutions and articulate class subjects able to

read these commodification processes in emancipatory terms. The analysis of the conditions necessary for the development of class subjectivation processes represents an opportunity to glimpse the shapes a re-composition of the working-class might take, and the challenges -from state and capital- it may face. Such an endeavor, however, can only be carried out through the superimposed lenses of social movements literature, critical geography and political economy.

The main topic of this thesis is the study of class-based social movements and the organization of class experiences of exploitation and struggle -taking place in financialized housing systems- into the political re-composition of class subjects. This is approached as a bidirectional double process: on the one hand the growing commodification of life outside the sphere of production under the aegis of global capitalism's financial turn, exemplified by the Spanish mode of accumulation, based on the housing-finance complex; and on the other hand the case of the PAH, a grass-roots social movement that was not just a defensive response to a cycle of dispossession in the housing sector, but one that -at its core- was addressing fundamental class inequalities arising in social reproduction and articulating political subjects. This nature of the PAH as the product of class-based struggles against dispossession, the exploitative extraction of profits through debt and rents, and as an organized response in a key locus of economic and political conflict *away from production*, is what makes its potential to articulate class political subjectivities especially worthy of analysis.

1.3 Analytical Framework

The aforementioned analysis will be carried on through a threefold thematic lens:

- **The power of finance capital:** Against the background of the global -yet locally situated- shift in capitalist economies known as financialization, this thesis focuses on the role of financial capital as a fraction of the dominant classes capable of deploying political power. It treats Capital as a structure and/or a relation built on the exercise of agency and, in

this sense, focuses on the relation of *political subjects* from the elites with the institutional ensemble of the state and the whole of the social body. This is considered key in the early configuration of the Spanish mode of capital accumulation, including the commodification of housing, the construction of markets and the development of a public narrative and an economic rationale, but also in the later processes of economic re-composition and in the shifting strategies of both state and capital when engaging in class struggles linked to the housing crisis.

- **The organization of class experience:** The experiences of the manifold effects of class on everyday life can vary wildly, not just in their nature but also how they are perceived and processed by those who live through them. Per se, these experiences offer no guarantee of their translation neither into effective struggles nor into class-based social movements capable of articulating class-based political subjects. On this basis, this thesis argues that it is the *organization of those experiences* that which can provide the foundation for collective class subjectivation. However, the organization of what is lived cannot happen in the social or political void but responds instead to an ever-shifting triangulation between external forces (including structures, institutions and other actors), material conditions and (class determined) movement needs. The present work aims to explore these complex relations, as the nature of class-based struggles may depend largely on how the experiences that form their basis are organized.
- **The experience of class organization:** Building on the previous point, the different forms of organizing class experiences can, in turn, produce different forms of both the social movements and the struggles they embody. These variations (including discourse, strategies, personal relations and a large etc.) can condition the nature, praxis and political disposition of an organization (corporate, economic, hegemonic), and exert a certain influence on which subjective aspects of class struggle (subalternity, antagonism, autonomy)

dominate a specific formation. Taken together, all these factors can inform the experiences and the political subjectivation of the movements' members, determining their capacity to foster (or not) the political re-composition of a class subject. The importance of this cannot be overstated, as class subjects and class organizations are indispensable for a class reading *of the power of finance capital* which, ultimately, enables the development of a politics of emancipation.

1.4 Structure

The **first** article analyzes the process which would end up originating the PAH: the construction of a financialized housing market in Spain. This choice of an opening topic responds to two needs: a) an integrated approach to the commodification of key elements in the sphere of social reproduction through the intersection of financialization with the construction of the Spanish housing provision system, and b) an understanding of the agency of the dominant classes not just as a key element in the political and economic configuration of the mode of accumulation, but also as a fundamental insight on the actions of the subaltern classes and the relations between both. The article's theoretical perspective is situated within a broadly syncretic historical materialist approach, combining elements from critical geography and critical political economy, and attempting to 'cross-pollinate' them with some perspectives from the strategic-relational take on the state (Jessop, 2007; 2015). This combination enables the analysis of the multiple interwoven processes that led to the creation of a model of capital accumulation based on Asset-prize Keynesianism and a Debtfarist societal project. The interaction between global tendencies, the state and financial and construction/real estate capital fractions is deemed fundamental to explain the development of specific housing policies, of the process of market construction and an accompanying cultural narrative.

This incorporation of global tendencies, institutional and policy-related impacts and a subjective element tied to the political agency of elites, provides a better understanding of how they influence each other and, thus, of the ways in which the whole process unfolds. It aims to illustrate the specific ways in which the political agency ex-

erted by class-relevant actors -mediated by the State's institutional apparatus- has shaped (and been shaped by) the financialization of the Spanish housing market. Ultimately, the analysis of this class component will enable the further exploration of class relations, conflicts and organizations which followed capital's "escape" (Silver, 2003) to the secondary and quaternary circuits (Harvey, 2008; Aalbers, 2014a), opening up the necessary space for resistance and the articulation of class-relevant political subjects.

The **second and third** articles are centered on an in-depth study of the PAHC Sabadell. Having elicited the class nature of the Spanish financialized housing model in the first article, focused on the intersection between structures, institutions and actors from a perspective centered on Capital's extraction of profits, allows both the second and third articles to turn their attention toward the other end of these exploitative relations: the working class. In this sense, both articles deal with the experience of the effects of the Spanish accumulation model's collapse and the organized contention towards them in the form of a social movement organization, but they differ in their approach.

The **second** article combines an approach to the hyper-commodification of the Spanish housing provision system (framed within the broader sphere of social reproduction) with an ethnographic analysis of the social movement's response. This answer from below is framed by the movement's capacity to articulate class subjects out of, as Wiger (2020) suggests, populations the edge of becoming surplus which, following Silver & Savas (2015), constitute a class base in the process of unmaking. It first theorizes the relations between systemic debt and the nature of class relations from the point of view of the traditional working-class and its new relations (its position, function, etc.) with financial capital within the Spanish housing-finance complex. The extension of class dynamics into markets and, especially, into the consequences of the destructive effects of unhinged debt and real-estate markets is brought forth as an entry point for class subjectivation outside the sphere of production. A resistance to "accumulation by dispossession" (Harvey, 2003; 2014) taking place in the presupposed "background conditions" (Fraser,

2014) for the social reproduction of labor (Federici, 2006) through a sort of 'Polanyi-type' of unrest (Silver, 2003).

A class perspective on debt and markets is thus established as an indispensable component not just to overcome the alienating effects of indebtedness, but to surpass the political limits of the moral outrage deriving from what we could call, following E.P.Thompson (1991), a break in housing's "moral economy", and to drive the movement toward a (Gramscian) hegemonic disposition. This is particularly relevant when posed against the background of the first article's focus on state and capital's "construction and maintenance of particular forms of hegemony or political economies" which are treated now "as ontologically comparable to movements' (sometimes successful) attempts to displace, disrupt, or insert themselves within" (Cox & Nilsen, 2014, p.56). Next, the article focuses on the conditions for the potential articulation of working-class subjectivities. The successful articulation of class subjects outside the sphere of production -albeit often a fragmented and discontinuous process- is seen as a form of class refraction, channeled through a social movement organization acting as a class institution, actively operating as such in terms of strategy, discourse and cooperation/participation in wider anti-capitalist networks and practices.

By addressing the potential process of the political re-composition of a class-based subject from the perspective of the subaltern, this article reverses the previous one's focus on the agency of dominant classes and switches it to the other, complementary end of exploitative dynamics. This is especially relevant concerning the construction of union-like autonomous class organizations, as their capacity to organize the experiences of direct threats on aspects of social reproduction under different forms of political praxis is what, a priori, enables them to hybridize traditional working-class subjectivities (tied to production) with newer ones (tied to the commodification of housing as an essential component of social reproduction) and articulate class re-composition processes. The article explores not only the reasons behind the capacity of the PAHC to articulate class subjects, but their nature as essential actors in overcoming structural debt alienation and the formulation of emancipatory politics.

The **third** article is built on two ideas stemming from a Marxist-inspired approach to social movement analysis. First, the conception of “social movements as the way in which human practices are socially articulated through conflictual encounters between dominant and subaltern social groups” (Cox & Nilsen, 2014, p.57); and second, the idea that the experience of these practices is crucial in determining the nature of potential class subjectivation processes (Modonesi, 2014).

The article shows the ongoing co-constitutive relation between class struggle and the composition of political subjects as the process unfolded, with special attention given to the back and forth dynamic (and its consequences) established between elites and subaltern classes, between capital and labor or, ultimately, between exploitative profit extraction and those elements of social reproduction embodied in the housing provision system. To do this, the article combines a synchronic analysis of the class subjectivation capacities of the PAHC with a diachronic analysis of the changing combinations of the movement’s organization, context and class composition. The goal is to provide the study of political subjectivation processes in social movements with a base rooted in the specific needs, strategies and material conditions in which the response to state and financial capital’s aggression is organized.

The results of these processes are analyzed in relation with three distinct phases (2011-12, 2013-15 and 2016-17), roughly corresponding with three conjunctures in the relations between organization, context and composition which would see the PAHC transition from a more offensive role to a more defensive one in its on-going struggle with elements of financial capital and the state’s institutional ensemble. This transition between periods is in turn conceptualized as corresponding with a shift between three different ‘subjective formations’ (Modonesi, 2014), defined by the predominance of collective experiences of domination (subalternity), insubordination (antagonism) and/or emancipation (autonomy). Lastly, these passages are considered to be the base of a process of political class re-composition and de-composition. Here, the focus is set on the evolving struggle of the PAHC and the interaction with its political and economic context. Whereas the previous articles revolved

around one or the other end of class relations, the third one centers the analysis on the development of class struggle and, especially, on its effects on the process of subject formation and composition.

Table 1.1

Structure Summary

Article	Approaches & Methodologies	Fields of Study
<i>1. Finance, Class and the State. The Construction of the Housing Market in Spain</i>	Critical Political Economy & Geography	State, Finance-Housing Complex
<i>2. Union Without a Trade. Class Subjects in Social Reproduction</i>	Critical Political Economy Social Movements/ Militant Ethnography	Housing & Debt; PAH & PAHC
<i>3. Organizing the Political Subject. The PAHC Sabadell</i>	Social Movements/ Militant Ethnography	PAHC, State, Finance-Housing Complex

1.5 Methodology

Studying the PAHC's praxis as a form of class struggle necessarily means trying to understand the wider political and economic context into which it was inscribed and the specific mechanisms to which it responds. This means that it is necessary to understand it as a part of an epochal shift in certain capitalist economies towards the exploitation, mostly through financial means, of social reproduction, and toward the transformation of the latter into a major source of profit (Wigger, 2020). This turn, however, has taken many shapes depending -not in small measure- of specific national, regional and even local contexts inextricably tied to multi-level institutional arrangements and power networks. To remain exclusively

at an abstract or macro level of analysis would mean running the risk of negating the importance of these variations, which are key in explaining the different outcomes of the process in terms of its characteristics, of its degree of success and any other processes (including, of course, resistance and contention) that it may have generated. Essentially, this means that an analysis of the actually existing financialization of housing needs to situate financialization, understood as a transnational phenomenon, within the borders of the Spanish state and its specific characteristics; and second, that it will descend to the local level and even micro perspective whenever it is necessary to grasp the processes at play.

However, while the incorporation of capital and the state, of global economic tendencies and localized institutional developments and contexts is essential to understand the dynamics of social conflict and organized contestation, it runs the risk of limiting the scope of the analysis to a place somewhere between the more structural aspects of the economic system and the role of policies and institutions. And, as much as these are both essential approaches to the question, a theoretical and analytical effort that seeks to understand the complex interaction between them should also include those forms of political agency exercised inside, outside and/or against the structures of the mode of accumulation. To forego this element would, again, put the analysis at risk of missing an essential part not just in explaining the inception of the Spanish version of housing financialization, but especially of its political roots, mechanics, class component and of the development of a strong contestation.

It is, therefore, crucial to incorporate the analysis of concrete actors not just as economic agents but as political subjects and to do it all along the circuit of accumulation, from social reproduction to profit extraction, looking at the relations and antagonisms between capital and labor outside productive relations. Essentially, this means that it is necessary to combine the subjective analysis of economic struggles with that of the political economy in which social movements engaging in class struggle are formed. While the initial selection of the PAH as a case study would have allowed for an in-depth look into the mechanisms and dynamics of the movement, the overarching goal of studying the role and development of class subjects in

struggle required the extension of the research frame. The need to factor in the movement's structural and institutional context, as well as the agency of state and capital actors engaging in their own forms of class struggle, required the adoption of a critical political economy analysis of the Spanish mode of accumulation, with additional insights on the nature and relations of the urban process with housing policies coming from critical geography.

a) Militant Research and Ethnography

I started participating in the PAHC not as a researcher, but as a political activist. My primary motivation was -and remains- the desire to further the development of emancipatory class politics and, to that effect, I engaged in what I understood was, effectively, a form of struggle against capitalism. As a result, it is difficult to precisely establish when did my fieldwork start, since the commitment to the horizontal formation of knowledge that is characteristic of a social movement like the PAHC meant that I carried out most of the same practices as an activist that I would later translate to my role as a researcher. The idea that knowledge, subjectivity and organization are simultaneously produced (Roggero, 2014), and the “deliberately politicized approach to qualitative research” (Apoifis, 2017, p.12) characteristic of “militant ethnography” (Juris, 2007) allowed me to turn conversations and discussions with other activists into in-depth interviews, to turn debates on “goals, tactics, strategies, and organizational forms” into a reflective self-critique of political praxis (Russel, 2015), to turn the taking of minutes and the writing of press notes and manifestos into document analysis, and to turn my involvement in civil disobedience and direct action practices into “observant participation” (Thrift, 2000; Bray, 2008). In fact, the distinct rejection of “value-neutral” positivism, of instrumental behavior and of the division between participation and observation (Valenzuela-Fuentes, 2018), were intrinsic parts of my approach since its onset. Thus, of the six years I spent as an activist in the PAHC Sabadell, I can estimate that at least four of them were as a militant ethnographer, but all along the way I felt I was not writing about *them*, but writing about *us*.

This militant ethnographic approach situates the thesis in line with militant research (Halvorsen, 2015, p.466), as a “process of internal self-reflection” which “seeks to map out and discuss underlying antagonisms while pushing the movement forward”. This follows the traditions initiated by “workers inquiry from below” (Woodcock, 2014), as a phase or moment in the research process, and the *operaisti’s conricerca* (Wright, 2002), especially understood as a process of “subjectivation, organization and rupture” seeking the production of knowledge and, thus, of autonomy (Roggero, 2014, p. 516). Updates of these approaches (Kolimko, 2002) have led to an extension of their practices beyond the factory’s walls and into new spaces of resistance to the profit-extraction mechanisms characteristic of financialized capitalism, a task I have tried to bring to the sphere of social reproduction and the field of housing through the use of militant ethnography.

b) Observant Participation

The first of the methods employed was, as previously stated, a long period of “observant participation” (Bray, 2008), carried out approximately between the years 2012 and 2017. The militant ethnography perspective and the inspiration taken from *conricerca* involved the development of a strong personal and political engagement with the movement and its members which, in fact, predated my newly adopted role as a researcher. This shift to observant participation was done from an ethical perspective which, naturally, rejected instrumental approaches to already existing social relations and, instead, embraced the bonds of genuine “solidarity, mutual discovery, collaboration, friendship and empathy” (Valenzuela-Fuentes, 2018, p. 6).

My role as an activist was characterized by a deep involvement in the movement, and from a very early point included participating in the PAHC’s “case management” and “external relations” committees (in addition to the weekly assemblies and all the activity derived from them). My role as a member of the “external relations” committee would involve meeting with elected officials and political representatives from all parties, acting as PAHC Sabadell

spokesman (for about two years), the collective development of the communication strategy and the active participation in local and supra-local coordination spaces¹² and decision-making processes. This participation in key “meeting” spaces allowed me to see the movement both as a whole and as a diverse and variegated organization, and provided me with the tools to develop a certain comparative perspective on the similarities and the differences between PAH’s, as well as on their organizational tendencies and political outlooks.

During this period, I also attended more than a hundred PAHC Sabadell assemblies, as well as other assemblies in the PAH’s of Mataró, Terrassa, Bages, Barcelona and Madrid, as well as numerous supra-local coordination meetings (both at the Catalan and Spanish levels), assemblies and workshops (in Barcelona, Madrid and Asturias). This involved an active role in shaping the movement’s organizational forms and strategies which was not exempt from much internal debate and dispute. During this time, I also participated in dozens of “actions” of civil disobedience and direct action, framed within the several PAH and PAHC campaigns carried out through the years, including the blocking of evictions, the occupation of bank offices, demonstrations, *escraches* and the occupation of empty homes under the Obra Social. This aspect, which in some cases involved illegal activities and clashes with the police, was the most important one in terms of building mutual trust, solidarity and strong affective bonds with other members of the PAHC. My own political subjectivity and positioning were very much shaped by the intensity of the emotions felt and, most importantly, shared during these episodes.

c) In-depth Interviews

The second method employed involved the conduction of fifteen in-depth semi-structured interviews with members of the PAHC. The goal of the interviews was two-fold: first, to explore the percep-

12 The Catalan PAH’s had first started (in 2013) organizing periodical coordination meetings, which later crystallized in a permanent “coordination” committee with representation based on territory and size. This was later translated into a similar structure for the rest of the Spanish state.

tions, interpretations and meanings attributed by activists to the dynamics and evolution of the organization; second, to understand the changing worldviews tied to processes of political subjectivation, as well as any changes in self-perceptions experienced by the interviewees during their time as members of the PAHC. With this in mind, and given the level of immersion in the movement, the knowledge gathered during five years about its composition and mechanics, and the relatively reduced number of individual members of the PAH Sabadell, the selection of cases was carried out through the non-probabilistic method of ‘judgment sampling’ (Corbetta 2007), trying to properly represent the diversity of profiles relevant for the analysis. The interviews were conducted mostly in cafes and, occasionally, in the respondent’s homes, and lasted between 45 and 90 minutes on average. They followed a similar, yet flexible, script, divided into three blocks, with the first one concerning the respondent’s life stories, the second one their perceptions on the PAH and the PAHC (including organization, strategies, membership, their role and trajectory, etc.), and a final bloc dedicated to their general views on politics and society.

Table 1.2

Profile of the Interviewees

Interview	Gender	Age	Activist	Nationality	Date
1	M	58	N	Spanish	01/03/2018
2	F	33	Y	Spanish	22/07/2018
3	M	34	Y	Spanish	06/10/2018
4	M	45	N	Ecuadorean	18/04/2018
5	F	50	N	Spanish	11/05/2018
6	F	40	N	Venezuelan	15/09/2018
7	M	60	N	Spanish	17/03/2018
8	M	37	Y	Spanish	04/05/2018
9	F	33	Y	Spanish	17/09/2018
10	M	30	N	Gambian	10/07/2018

11	F	26	Y	Spanish	02/02/2018
12	M	27	Y	Spanish	09/01/2018
13	F	43	N	Spanish	04/05/2018
14	F	31	N	Spanish	22/05/2018
15	F	36	N	Spanish	20/03/2018

d) Document Analysis

Thirdly, to “triangulate” and “seek convergence and corroboration through the use of different data sources and methods” (Bowen, 2009, p. 28), I carried out extensive document and media content analysis. This included the PAH and the PAHC's public communications (video footage, social media, websites, leaflets, press notes, manifestos, etc.) as well as the internal ones (mostly carried out by e-mail). For this, I had access to organizational and political documents (technical guides, organization’s statutes and strategic proposals), as well as to the minutes of every assembly conducted for the 2012-2017 period, including Catalan and state-level assemblies.

The use of this method fulfilled three out of the five potential functions of document analysis described by Bowen (2009). First, it provided context and background information regarding, for example, the number of cases addressed in every assembly and their typology¹³, as well as the organization’s weekly agenda of “actions”¹⁴, but also included records of the meetings with other organizations or with political representatives. Second, it provided supplementary data to those obtained through interviews and observation, concerning, for example, the use of certain words or expressions associated with certain political traditions or characteristic of specific conceptions of the movement (and/or the self). It also enabled a comparative effort between how parts of the movement thought about -and

13 Including very detailed information on the economic conditions (original mortgage sum, house prices, current debt, salaries, etc.) of most cases, which also helped in outlining the class positions of the members and their social and economic standing during the pre-crisis years.

14 Including, for example, information about the preferred type of actions, the unequal resources invested into each campaign, etc.

presented- themselves with how they were presented to the outside world¹⁵. Third, as documents were produced steadily and continuously, they were organized in a way that allowed me to track changes and developments in the aforementioned questions, including internal organization, strategies and communication.

These methodological choices opened the possibility of a direct look into the PAH's characteristics and the conditions in which certain political subjectivities can be articulated, allowing for the comparison between different junctions of context and praxis and, thus, for an analysis of the evolution of said context and praxis and, most especially, of the changes in both resulting from the bi-directional relation between them (as its inclusion is fundamental for the notion of class as a process). Second, including the evolution of those aspects belonging to the sociopolitical and economic re-composition of the finance-housing complex let us grasp the changes in the movement's organization, strategy and composition, thus targeting precisely the ways in which experiences of domination, struggle and autonomy are processed and incorporated into the subjectivation process. This is fundamental in enabling the exploration of the articulation of a working-class political subject in the struggle for housing rights and, ultimately, social reproduction.

15 Including not just concepts related to social class and/or citizenship, but also to left and right-wing politics, capitalism, human rights, legality and legitimacy, etc.

Bibliography

Aalbers, M. & Christophers, B. (2014a) Centering Housing in Political Economy. *Housing, Theory and Society*, 31(4): 373-394.

Aalbers, M. & Christophers, B. (2014b) The Housing question under capitalist political economies. *Housing, Theory and Society* 31(4): 422-428.

Apoifis, N. (2016) Fieldwork in a furnace: anarchists, anti-authoritarians and militant ethnography. *Qualitative Research*, 17(1): 3-19.

Barker, C. Cox, L., Krinsky, J. & Gunvald, N. (2013) *Marxism and Social Movements*. Chicago: Haymarket Books.

Bowen, G. (2009) Document Analysis as a Qualitative Research Method. *Qualitative Research Journal*, (9)2: 28-40.

Bray, Z. (2008). 'Ethnographic Approaches', in Della Porta, D. and Keating, M. (eds) *Approaches and Methodologies in the Social Sciences*. Cambridge: Cambridge University Press.

Castells, M. (1997) An Introduction to the Information Age. *City*, 2(7): 6-16.

Corbetta, P. (2007) *Metodología y técnicas de investigación social*. New York: McGrawHill.

Cox, L. & Nilsen, G. (2014) *We Make Our Own History. Marxism and Social Movements in the Twilight of Neoliberalism*. London: Pluto Press.

Della Porta, D. (2015) *Social Movements in times of Austerity*. Cambridge: Polity Press.

Di Feliciantonio, C. (2016a) Social Movements and Alternative Housing Models: Practicing the 'Politics of Possibilities' in Spain, *Housing, Theory and Society* 34(1): 38-56.

Di Felicianantonio, C. (2016b) Subjectification in Times of Indebtedness and Neoliberal/Austerity Urbanism, *Antipode* 48(5): 1206–1227.

Federici, S. (2006). 'Precarious Labor: A Feminist Viewpoint', [online] Available at: https://inthemiddleofthewhirlwind.wordpress.com/precariou-labor-a-feminist-viewpoint/?fbclid=IwAR0eZx-pRM1zMefNbh1YZFGgvcXR1ol3jVSUAav-PUEF0PVcr6_bay50h-LIOA [Accessed April 2021].

Fominaya, C. (2015) Redefining the Crisis/Redefining Democracy: Mobilising for the Right to Housing in Spain's PAH Movement, *South European Society and Politics* 20(4): 465:485.

Fraser, N. (2014). Behind Marx's Hidden Abode: For an Expanded Conception of Capitalism, *New Left Review* 86(March–April): 55–72.

García-Lamarca, M. and Kaika M. (2016) Mortgaged Lives: the biopolitics of debt and housing financialisation, *Transactions of the Institute of British Geographers*, 41(3):313-327.

García-Lamarca, M. (2017a) Creating political subjects: collective knowledge and action to enact housing rights in Spain, *Community Development Journal*, 52(3): 421-435.

García-Lamarca, M. (2017b) From Occupying plazas to recuperating housing: Insurgent practices in Spain, *International Journal of Urban and Regional Research*, 41(1): 37-53.

González, R. (2019), From the squatters' movement to housing activism in Spain: identities, tactics and political orientation in Yip, N. M., Martínez, M. & Sun, X. (eds.) *Contested Cities and Urban Activism, The Contemporary City*, pp.175-197. London: Palgrave Macmillan.

Halvorsen, S. (2015) Militant research against-and-beyond itself, *Area*, 47(4): 466–472.

Harvey, D. (2003). *The New Imperialism*. New York: Oxford University Press.

Harvey, D. (2008). The right to the city. *New Left Review*, 53: 23–40.

Harvey, D. (2015) *Seventeen Contradictions and the End of Capitalism*. New York: Verso.

Hetland, G. & Goodwin, J. (2013). 'The Strange Disappearance of Capitalism from Social Movement Studies.' In *Marxism and Social Movements*, edited by Barker, C., Cox, L., Krinsky, J. and Nilsen, A. pp.83–102. Brill: Leiden.

Encuesta de Población Activa. Serie histórica (n.d.) Instituto Nacional de Estadística. [Online] Available at https://www.ine.es/prensa/epa_tabla.htm [Accessed April 2021]

Jessop, B. (2007) *State Power. A Strategic Relational Approach*. Cambridge: Polity.

Jessop, B. (2015) *The State. Past, Present, Future*. Cambridge: Polity.

Juris, J. S. (2007) Practicing militant ethnography with the Movement for Global Resistance in Barcelona, in Shukaitis S, Graeber D and Biddle E (eds), *Constituent Imagination: Militant Investigations. Collective Theorization*. pp.164–178. Oakland, CA: AK Press.

Kolinko (2002) Hotlines-call center, inquiry, communism [Online] Available at <https://libcom.org/library/hotlines-call-centre-inquiry-communism> [Accessed April 2021].

Kriesi, H. (1995) 'The Political Opportunity Structure of New Social Movements: Its Impact on Their Mobilization', in *The Politics of Social Protest: Comparative Perspectives on States and Social Movements*, pp.167–98. Minneapolis: Minnesota University Press.

- Langley, P. (2008) Sub-prime mortgage lending: a cultural economy. *Economy and Society*, 37(4): 469-494.
- Martin, R. (2002) *Financialization of Daily Life*. Philadelphia: Temple University Press.
- McCarthy J.D. and Zald, M. (eds.) (1987) *Social Movements in an Organizational Society*. New Brunswick: Transaction Books.
- Melucci, A. (1988) Getting Involved: Identity and Mobilization in Social Movements. *International Social Movement Research* 1: 329–48.
- Melucci, A. (1989) *Nomads of the Present: Social Movements and Individual Needs in Contemporary Society*. Philadelphia: Temple University Press.
- Modonesi, M. (2014). *Subalternity, Antagonism, Autonomy: Constructing the Political Subject*. London: Pluto Press.
- Montgomerie, J.(2016) Austerity and the household: The politics of economic storytelling, *British Politics*, 11(4): 418-437.
- Olson, M. (1965) *The Logic of Collective Action: Public Goods and the Theory of Groups*. Cambridge, MA: Harvard University Press.
- Ordóñez, Feenstra & Tormey (2015) Citizens against Austerity: A Comparative Reflection on Plataforma de Afectados por la Hipoteca (PAH) and Bündnis Zwangsräumung Verhindern (BZV), *Araucaria. Revista Iberoamericana de Filosofía, Política y Humanidades*, 17(34): 133-154.
- Peterson, A., Wahlström, M. and Wennerhag, M. (2015) European Anti-Austerity Protests – Beyond 'old' and 'new' social movements? *Acta Sociologica* 58(4): 293-310.
- Roggero, G. (2014) Notes on framing and re-inventing co-research, *Ephemera: theory & politics in organization* 14(3): 515-523.

Romanos, E. (2013) Evictions, Petitions and Escraches: Contentious Housing in Austerity Spain. *Social Movement Studies: Journal of Social, Cultural and Political Protest* 13(2): 296-302.

Russell, B. (2015) Beyond activism/academia: militant research and the radical climate and climate justice movement(s). *Area* 47(3): 222–229.

Silver, B. (2003). *Forces of Labor: Workers Movements and Globalization since 1870*. New York: Cambridge University Press.

Silver, B. & Savas, S. (2015). 'Historical Dynamics of Capitalism and Labor Movements' In *The Oxford Handbook of Social Movements*, edited by Della Porta, D. & Diani, M. (2015) pp. 133-145 Oxford: Oxford University Press.

Soederberg, S. (2014) *Debtfare States and the Poverty Industry*. London and New York: Routledge.

Tarrow, S. (1998) *Power in Movement: Social Movements and Contentious Politics*. Cambridge: Cambridge University Press.

Thompson, E.P. (1991) *Customs in Common*, London: Merlin.

Standing, G. 2011. *The Precariat: The New Dangerous Class*. New York and London: Bloomsbury.

Suárez, M. 2017. Debt Revolts: Ecuadorian foreclosed families at the PAH in Barcelona, *Dialectical Anthropology* (41): 263-277.

Touraine, A. (1981) *The Voice and the Eye: An Analysis of Social Movements*. Cambridge: Cambridge University Press.

Valenzuela-Fuentes, K. (2018) Militant ethnography and autonomous politics in Latin America. *Qualitative Research*, 19(6): 718-734.

Valiño, V. et al. (2013) Emergencia habitacional en el estado español: La crisis de las ejecuciones hipotecarias y los desalojos desde una perspectiva de derechos humanos, [Online] Available at <https://observatoridesc.org/es/node/4302> [Accessed April 2021].

Wallace, M. and Jenkins, J.C. (1995) 'The New Class, Postindustrialism, and Neocorporatism: Three Images of Social Protest in the Western Democracies', in *The Politics of Social Protest: Comparative Perspectives on States and Social Movements*. pp. 48-68, Minneapolis: Minnesota University Press.

Wigger, A. (2020) 'Housing as a site of accumulation in Amsterdam and the creation of surplus populations', *Geoforum* (*in press*).

Woodcock, J. (2014) The Workers' Inquiry from Trotskyism to Operaismo: a political methodology for investigating the workplace, *Ephemera: Theory & Politics in Organization*, 14(3): 493-513.

Wright, S (2002) *Storming Heaven. Class Composition and Struggle in Italian Autonomist Marxism*. London: Pluto Press.

2. Finance, Class and the State: The Construction of the Housing Market in Spain

Abstract

The article shows how the characteristics of the Spanish housing provision system were the result of a class-based process of ‘structural selectivity’ which, ultimately, sought to ensure financial and real-estate capital’s profitability. From a perspective based on critical geography and political economy, financialization is conceptualized as a process defined by the intersection of multi-scale structural trends, institutional arrangements and the oft contradictory agency of class-relevant actors and networks, with a direct impact on housing systems. The article argues that, in order to adapt Spanish capitalism to the global financialization processes and to the country’s changing role in the regional European context, the state’s institutional ensemble undertook a series of transformations which, hege-
monized by the financial and real-estate fractions of capital, led to a process of market construction centered on real-estate and household debt. Ultimately, these fractions of capital were able to exert enough leverage to enable the progressive emergence of a ‘state project’ built around a financialized housing market and the development of a tailor-made regulatory framework, a favorable public narrative and its own economic rationale. The article argues that these developments laid the foundations on which a circuit of profit extraction was built, directly targeting social reproduction (housing) through forms of debt-based secondary exploitation/financial expropriation (mortgages).

Key words: *Housing Market, Class, Financialization, State, Spain*

2.1 Introduction

The 2008 financial meltdown and the ensuing worldwide recession were the latest installments in the long series of periodic economic crises affecting capitalism. While multiple causes have been suggested by different schools of economic thought (Roberts, 2016) -from financial panic to a lack of aggregate demand-, the growing financialization of the economy and the role played in new forms of profit-extraction by private household debt have been staples of most (heterodox) analysis. In Spain, the global financial turn took the shape of a real-estate bubble which would, at its end, provoke an economic crisis and a ‘housing emergency’, threatening hundreds of thousands of working-class people with eviction and the life-long burden of insurmountable amounts of mortgage-debt (Observatori DESC, 2020). However, during the boom years, the same accumulation mechanism was able to incorporate that very working-class into a model which yielded Capital a steady and apparently ever-growing source of profit, while providing the Spanish state with the foundations on which to build its sociopolitical model. To understand how and why this model (and its consequences) unfolded, we need to develop a three-step analysis: first, of financialization and its intersection with the housing sector; second, of the relations between the state and the class-based social forces and agents at play in the construction of the finance-housing relation; and third, of its specific development in the Spanish context.

The article is divided into four sections. The first one covers the discussion on the different theoretical approaches to financialization and its relation with housing. The second one deals with a conceptualization of the role played by class actors and power relations in shaping market construction as a hegemonic project mediated through the state; the combination of the two producing the overall theoretical and analytical framework. The third section introduces the overall analysis of the Spanish mode of accumulation, with the fourth one focusing on the construction of the Spanish housing market through an analysis of the actors involved and the intersection of context, policies and discourse.

2.2 Approaches to financialization and housing

2.2.1 Financialization

As a starting point, it is safe to say that the growing relevance of finance in the global economy is a well-established fact. Since the 1970s, increases in profitability in the finance sector (paired with decreases in the productive sphere) have been documented by several authors (Lapavitsas, 2009; McNally, 2009; Krippner, 2005, 2011; Duménil and Lévy, 2005; Stockhammer, 2007; Boltanski and Chiapello, 2005). In defining financialization, some scholars have opted for a broad definition of the ascendance of financial processes and actors (Kelly, 2014), others have taken a descriptive approach and even avoided the term (Brenner, 2003), others have circumscribed their approaches to factual increases in financial operations (Epstein, 2005), while others have attempted to provide narrower explanations, like an emergence of systemic speculative-parasitical capital (Carcanholo & Nakatami, 2001), or financial fixes as a result of blockages in production (Harvey, 2011).

Progressively, we have seen several classifications of these approaches emerge based on: **a)** the **economic school** of thought (Lapavitsas, 2011), separating Marxists, post-Keynesians, world-systems theory, the regulation school and a mixed bag of spatial, cultural and micro aspects; **b)** the **field of study**, distinguishing between a focus on financialization as a regulation mode of capital accumulation, as the rise of shareholder value, and as the lived experience of financialization (Christophers, 2015); and between financialization's impact on space, the economy, governance and daily life (Aalbers, 2016); and **c)** the **scale**, (Deutschman, 2011), distinguishing along the classic lines of macro, meso and micro analysis.

The increasing connections between these conceptions have already been rightly pointed at by Aalbers (2015), deeming their separation too problematic and ultimately artificial, and opting instead for laying out a classification divided into ten specific themes, going from banking to discourse or public policy. This classification

managed to capture more accurately the actual separations between the literature's main topics.

My intention, however, is not to differentiate between perspectives, fields or scales *per se*, nor to add another typology trying to replace the already existing ones, but to identify some of the underlying theoretical/analytical elements they share and the interconnections that might be missing or rather underdeveloped. I thus propose to complement Aalbers take on the phenomenon with three broad approaches, compatible in principle with most of the literature's themes: **first**, a highly abstract approach concerned mostly with structural tendencies, supra-national economic and spatial processes and a tendency towards macro analysis; **second**, a more contextual and institutional approach, focused on state policies, governance and meso-level processes and analysis; and **third**, a subject-centered approach concerned with the re-configuration of social relations, including discourses, the individual's experience of financialization's effects, coupled with a -less pronounced- focus on micro-level analysis.

Baran & Sweezy (1966) and the Monthly Review School's provided a foundational argument for the more structural perspectives in the identification of financialization's roots with the productive sphere's incapacity to absorb enough surplus Capital, and the consequent need to find profit sources outside of production. This line of focusing on systemic trends inherent to Capitalism's general dynamic was followed by Arrighi (1994), linking financialization with the cyclical rise and fall of hegemonic powers, productive strength and the ensuing split between the 'real' and the financial economies. Robert Brenner (2003) argued that overproduction and international competition necessarily lead to cyclic crises in profitability which then force governments to adopt liberalizing finance-friendly policies to allow an escape route for capital investment to flee from production. Lapavistas (2009, 2013), still within a Marxist perspective, has identified financialization with the growing participation of non-financial companies in financial processes, banks targeting households' income as a source of profit, and the growth of household reliance on finance to gain access to goods and services.

The introduction of the idea of a new regime of accumulation under the notions of financial dominance (Chesnais, 1996) by authors of the Regulation School such as Boyer (2000) or Stockhammer (2007), offered a regulative framework that demanded a bigger focus on policy. In this sense, it was understood that the policies implemented from the mid-90s onward fostered the rise of derivative and future markets, of cheap credit and private debt, translating the deficits needed for economic growth from the public budget to the private sphere, in what has been called Asset-price Keynesianism (Brenner, 2006), or Privatized Keynesianism (Crouch 2009). This model would rely mainly on private debt/credit as a form of access to commodified former social public goods and services -such as housing- and trust the 'wealth effect' to fuel economic growth. On the links between structural tendencies and policies, Minsky (1986) offered, according to authors like Keen (2015) or Nesvetailova (2013) an analysis of how financial actors bypass government regulations and generate debt-fueled Ponzi schemes and, ultimately, 'Minsky moments' leading to market crashes, thus understanding financialization as 'endogenous' and institutional, and its chronic instability as systemic. Further down the institutional policy and national focus roads, a context-specific analysis dealing mostly with governance and/or the Finance-State relation and its regulation can be found, for example, in the work of Krippner (2011), essentially inverting the structural argument and largely posing (mostly unknowing) policies as the cause of financialization in the US.

From a different perspective, authors like Lazzarato (2012), Montgomerie (2009), Martin (2002) or Haiven (2014) have focused less on the state, institutions and/or macroeconomic trends and more on social and power relations, the lived experience of financialization and its consequences not only in material terms but also cultural and discursive. These authors have chosen to put the focus on the relations established between the sum of financial agents and mechanisms on the one hand, and everyday actors on the other, problematizing the debt-creditor relation and introducing a subjective element necessary to understand the participation of great swathes of the population in the emerging mode of accumulation. In

this sense, Johnna Montgomerie documented the reasons behind private over-indebtedness and its effects on low-income households, especially on minorities and women (Montgomerie, 2011a; 2011b; 2011c). Linking rising debt levels with slow income growth, the lack of a social security net and the extension of the sub-prime lending practices to broader social groups as part of a wide profit extraction strategy. This idea of a deliberate targeting of social reproduction spheres as sources for financial profit features prominently as one of the key features of the financialization process, whether it is through “financial inclusion” and the creation of “debt economies” (Caffentzis, 2014) or through the financialization of ‘daily life’ (Martin, 2002). The analysis of the social, cultural and political effects inflicted on individuals and collectives by these newly formed systemic debt relations has been theorized, along with the very nature of debt and the creditor-debtor bond by authors such as Lazzaratto (2012, 2015), who has pointed out the universal nature of debt and how it generates indebted subjects in ethical and political terms, emphasizing the inherently political nature of credit, its indispensability for financial capitalism and its consequences in terms of exploitation and domination. Haiven (2014) further developed the cultural aspects of financialization, underlying its impact in organizing people’s understandings of value and social life (and values), its capacity to transform social relations and labor power, and its role in providing a conceptual toolbox, a grand narrative capable of producing and reproducing the dominant paradigm of financial capitalism and its subjects.

2.2.2 Intersection with Housing

A certain parallel with the aforementioned underlying elements in the analysis of financialization can also be found in the literature on housing and in some of the intersections between the two. A structure-leaning perspective of the development of different housing systems in relation to their wider economic context has been present in the literature since the earlier works of the so-called ‘convergence school’ (Donnison, 1967; Harloe, 1985). These linked the changes in provision systems and tenure restructuring to

modernization and increasing levels of industrial development (Malpass, 2008). Alternatively, the ‘divergence school’ brought the focus on the differences between particular institutional configurations, allowing for a greater emphasis on social and cultural elements and starting the ‘housing-welfare regime’ literature, pioneered by Jim Kemeny (1981, 2001) and later developed by Schwartz & Seabrooke (2009) into the ‘Varieties of Residential Capitalism’ (VoRC) approach. While the former established the links between welfare regimes and housing systems based on the alleged trade-off between home-ownership and attitudes towards redistribution, the latter has its main tenet in the establishment of a typology based on the analysis of the relationship between states’ financial systems and their housing markets, measured essentially through the levels of household debt. In response, Blackwell & Kohl (2018) have pointed at the need to go beyond the limitations of the cross-sectional ‘national snapshot’ and incorporate sub-state regional dynamics as well as the evolution of systems through time from a path dependence perspective. This has been also the approach taken by Alexandri & Janoschka (2017) in their comparison between the Spanish and Greek roads to their respective ‘housing crises’, and by Di Felicianantonio and Aalbers (2017) in their own comparative of the Italian and Spanish housing systems roots in fascist regimes’ economies, which has emphasized the nature of neoliberal policies as a “migratory technology of governing that interacts with situated sets of elements and circumstances” (Ong, 2007, p. 5).

While the role of housing and the urban environment as a response to the structural tendencies of financial capitalism toward crisis had also been treated in the works of Harvey (2006), with the notion of crisis-displacement via spatial and, later, financial fixes; or with Brenner’s (2006) conceptualization of asset-price Keynesianism; the intrinsic relation of housing with financialization and household debt (a cornerstone of the VoRC) has become one of the major concerns for many authors. Aalbers (2008, 2017) has extensively theorized the housing-financial complex, and his collaborations with Christophers (2014a, 2014b) have linked the rise of securitization in housing markets with the need to develop policies enabling Capital to ‘liquefy’ illiquid real-estate assets to avoid the

material constraints of production and, ultimately, escape into the theoretically self-valorizing financial sphere. Moreno (2014), for his part, has emphasized the inherent inter-dependence of urbanization and financialization and the enabling effect of both in extracting profits from everyday life (or social reproduction), while Madden & Marcuse (2016) have established the idea of a continuum between financialization and the general commodification of housing, which they see as the political result of class struggles and state action.

These processes have been distilled by the literature into more specific trends and conditions such as those identified by Norris & Byrne (2015) in the huge increases in the availability of investment capital, the liquidization of real estate through innovations such as securitization (Aalbers, 2013), and the transformation of homes into quasi-financial assets and investment vessels. The focus on institutional settings and policy environments allows for the incorporation of elements at a meso level of analysis, such as the regulatory frameworks needed to create and support financial, housing and/or land markets, as well as the introduction of the state as a fundamental arena for struggles between actors (Gotham, 2009) over policy development and, ultimately, the prevalence of their interests. Whether through comparative efforts linked to the VoRC approach (Fernandez & Aalbers, 2016; Azevedo et al., 2016), through an in-depth analysis of a single case (López & Rodríguez, 2010), or through the analysis of specific policies (Smyth, 2018), this perspective allows us to identify key policies, such as social housing provision systems, legal frameworks (for rental markets, taxation, etc.) or relations between different levels/scales of government (Rivera, 2019); as well as important actors operating within, power networks, such as savings banks or ‘urbanizing agents’.

Finally, a certain transition between institutions and more subjective aspects (which, later on, I will address under a Gramscian frame such as the one provided by Crehan [2016] on the notions of *senso comune* and the organic nature of intellectuals) can be found on the analysis of the development of home-ownership culture and the public policies designed and implemented to foster it, including some of the aspects related with political domination and stability.

This turning of debt-based ownership into a rational option through the encouragement of generous lending practices, including tax breaks, securitization, low-interest rates and cheap credit have also been widely documented by several authors (Shlay 2006; Ronald 2008; Marcuse 2009).

Bringing these considerations together, a way to conceptualize financialization that incorporates the central concepts of the aforementioned approaches is to understand it as a transnational, yet locally diverse, structural transformation of capitalism that is mediated by state intervention and institutions which are, in turn, informed by changing strength correlations between class-relevant sociopolitical forces and agents. This transformation is essentially defined by the growing weight of financial capital relative to productive capital, along with the rise of increasingly complex financial mechanisms and favorable institutional arrangements, with effects going beyond the merely economic and well into the social, political and cultural dimensions. Its intersection with the housing field would involve the state-backed construction (or transformation) of housing markets capable of integrating into global financial markets, acting as a store and a source of value through the transformation of real-estate (and related assets such as land or mortgages) into increasingly liquid financial commodities.

Under this framework, we need to develop a contextual and state-specific account of the Spanish finance-housing relation which also incorporates the uneven distribution of power between agents and social forces (including classes and class fractions), as well as the consequences in terms of the relations between context, institutions and subjective agencies. To do that, a theoretical clarification on the nature of the state as an institutional ensemble, as well as its relation with social and power relations exercised by actors pursuing their class interests is in order.

2.3 State, Market & Class

Having covered some of the main approaches to financialization and, specifically, to housing financialization from a perspective based on the idea of a positive analytical integration of structure, institutions and the subjective dimension, we need to proceed by clarifying the relation between the state, its context and the contending social forces in the formation of markets and, specifically, of housing markets.

To join in the challenge of the somewhat extended notion of financialization being partially defined by an absence, a “subtraction” of the state from real estate markets (Madden & Marcuse, 2016, p.31) or by its “retreat in the face of exogenous market pressures” (Yesilbag, 2019, p.6), we need not only to define and reassert its role as a central and active one, capable of investing resources on a massive scale (Rolnik, 2013) and enabling/promoting specific practices such as securitization (Gotham, 2009), but also focus on how different actors have been able to activate, mobilize and transform its institutional structure. This requires a prior understanding of capitalism as a ‘historical social order’ whose -formal and informal- institutional and legitimization frameworks change with time (Streeck, 2016). Consequently, markets (as capitalism’s central organizing mechanism) must also be seen as historical and social institutions which are constructed and negotiated between actors with vastly different power distributions, thus revealing the political nature behind an allegedly technical economy. This may be especially true for housing markets, where the state could not withdraw, as it needs to guarantee property rights, enforce contracts, fund infrastructure¹⁶ (Smyth, 2018) and, *de facto*, engage in direct provision. Markets are, therefore, as much a product of state organization¹⁷ as vice-versa, and both need to account for the agency of the social forces which inform them.

16 The relation with the built environment, the secondary circuit of capital, has been well theorized and documented by several authors, of which the most prominent is D. Harvey (1982).

17 A fundamental issue brought forth as early as in Polanyi (1944).

To understand how these markets are built, we need to analyze the policies affecting them, their context and the roles and motivations of the actors involved in both. Following these lines of inquiry, Bourdieu (2000) analyzed the links between the economic dispositions of agents and the socially constructed basis upon which they emerged. For him, the combination of different social structures constituted economic dispositions and, at the same time, the economic tendencies and regularities that were the result of the aggregation of these dispositions (and the ensuing choices made by socio-economic agents) influenced and conditioned the social sphere where they emerged in the first place. The formation of more or less solidified power¹⁸ structures should therefore be seen as a gradual process unfolding in a multi-directional manner. Palomera (2014) points out how Bourdieu's sum of dispositions, resources and state supply, which form the basis for the formation of economic choices in the housing market, is also heavily conditioned and dependent on the socioeconomic consequences of housing policy, coming to suggest that the size and shape of demand is significantly dependent on what policies make possible. In line with these ideas, we need to explore not only the effects of policies, but the ways in which they are conceived and implemented for, in the words of Bourdieu (2005, p.89):

“what specifically characterizes that demand is that it is, in large part, produced by the State. The building companies (...) and the banks with which they are associated, have means (...) for shaping that demand; in particular, they can influence the political decisions that are likely to orient agents’ preferences”.

The concretion of this focus on markets requires a specific and in-depth take on marketization (the creation of markets) as a process that unites calculative devices, goods and market agents into specific, provisional arrangements that are reached through strategic achievements (Fields, 2017). These are, in turn, the product of the

¹⁸ Understanding power as the dynamic capacity to lay and enforce the normative foundations of social, political and economic spheres and, in this case, ensure the reproduction of Capital.

efforts, conflicts and struggles (Callon, 2007) characteristic of distributed forms of agency. The results of these processes, i.e. the actual configuration and effects of the market, will depend on how they unfolded, who participated, which resources were mobilized and to what end. This conceptualization coincides with the interpretation of housing provision models (including the so-called southern European) as being socially produced property regimes resulting from the interaction of state, market and households (Poggio, 2008; Azevedo et al., 2016). Ultimately, this means that the construction of a market is a project that will involve agents endowed with varying degrees of power, largely depending on their class situation, who will clash and/or cooperate to produce emerging socioeconomic structures, networks and hierarchies against the backdrop of the state.

To understand this process of negotiation, power struggles and recruitment, we need to turn toward class analysis and the exploration of class agency within institutional arrangements such as the market and/or the state. This focus on the effects of class agency and the capacity of agents to guide or channel state action leads us to Bob Jessop's revision (Jessop, 1999:2012; 2016) of Nicos Poulantzas' (Poulantzas, 1975; 1978; 2008) theories on class power and the nature of the State, his development of the Strategic Relational Approach (SRA) and, to a certain extent, to Historical Materialist Policy Analysis (HMPA) (Brand, 2014). These approaches rest on the fundamental Poulantzian conception of the state, or rather of state power, as a social relation in itself (analogous to Marx's conception of Capital), a changing "condensation" of social forces that is defined by competing class strategies and implemented by uneven class forces through the mediation of a biased state ensemble. Between the Scylla of a totalizing and all-encompassing capital 's' State, and the Charybdis of its dilution in diffuse micro-power webs or structural determinism, this perspective opens the possibility of appealing to a lowercase 's' state which is neither autonomous nor subservient, neither a subject nor an object, but rather an arena of intersecting power networks open for competition between classes with unequal access to it. The role of this state, however, would be far from minor, as it would be responsible for maintaining the "cohesion of the social formation" (Jessop, 2008 p.7), meaning not just

ensuring overall economic reproduction, but actively taking part in the formation and upholding of class domination through the organization of relations of production, popular consent and the disorganization of those political subjects lacking the resources necessary to access¹⁹ or effectively dispute this arena.

Appealing to the state's nature as a social relation, deeply involved in the reproduction of economic and social relations, Jessop presents a system in which the changing institutional and organizational ensemble is capable of a 'strategic selectivity', that is favoring certain actors, identities, strategies and horizons; and where agents are capable of strategic calculation, meaning that their actions are context-sensitive, structured and structuring. Structure becomes strategic and actions (or strategies) become structured (Sum & Jessop, 2013). Both categories would be capable of adjusting in and to successive conjunctures, resulting in a temporary structured coherence, possible thanks to the aforementioned selectivity and power networks connecting the state to civil society. Ultimately, a state project capable of securing the unity and capacity to act of the state apparatus emerges around -or under- a hegemonic or societal project, in turn intended to define a societal general interest through which the state would be legitimized (Jessop, 2016). In the end, state power, being the condensation of the balance of forces between these specific sets of agents would, paradoxically, not be exercised by the state, as its powers would instead be "activated through the agency of definite political forces", understanding that instead of the state "it is always specific sets of politicians and state officials located in specific parts and levels of the state system" that act (Jessop, 2007 p.38). Specifically regarding the state's role in the financialization of housing, Gotham's take follows a very similar logic, as it regards the state's interventions in the pursuit of securitization and investment, its "selection of policies and laws" as the outcomes of the struggles between class fractions and other organized interests over resource allocation and the control of markets and capital accumulation in the political arena provided by "the es-

19 Through, for example, the use of 'material concessions' (a somewhat crude formulation for highly complex systems of class integration/interdependence).

establishment of new governance structures (...) and socio-legal arrangements” (Gotham, 2009 p.360-366).

These strategic selectivities and the resulting state projects should not, therefore, be seen as something specifically devised by a few or responding to a single logic, but as the result of many different agents interacting with and within an institutional ensemble, engaging in their own reflective strategic calculations and, often, coming into conflict. In other words, we should see them as an emerging hierarchy (Santos, 2014) of power. This allows us to shift our understanding of the forms of state agency -and thus of state power- which are exercised through concrete institutions. Rather than as manifestations of the impersonal and rather abstract thing that is the state (whether it is thought of as an independent entity with a will of its own or as a mere tool), they can now be seen as the results of disputes between specific class forces and actors with particular interests. These actors can, unlike abstract impersonal entities like the State, be tracked, pointed out and analyzed taking into account their own fractional interests. Consequently, the relations between banks and the construction sector, or between real estate companies and political parties and local administrations can be seen as an integral part of this state strategy that is emerging out of disputes over the deployment of state power. This way, regulatory and de-regulatory practices, the often contradictory construction of a public narrative or an economic rationality can also be understood as different results of the same emerging strategy.

Access to the state’s institutional ensemble, however, is highly unequal, and it is largely modulated depending on one’s social position, of which class is a crucial determinant. Here, Poulantzas’ take focuses too much on the division between intellectual and manual labor and on the state’s bureaucracy. This is clear, for example, when Jessop says, regarding access: “particular intellectual skills are required for participation and official discourse and bureaucratic secrecy obscure the realities of political power” (Jessop, 1985, p.120.). While this may hold essentially true, especially regarding intellectual skills²⁰, if we are to keep with his own analysis of the

20 Although one might argue that 'intellectual skill' should be considerably nuanced, as the idea remits considerably to certain academic qualifications and

extended reproduction of classes (through ideology and control), we need to supplement it with the Gramscian understanding of civil society as a space for the extension of state power and discipline (hegemony) (Gramsci, 1932/1972, p.290). Thus, to what Poulantzas calls official discourse and bureaucratic secrecy, we should add two ideas. First, the unofficial discourse generated by the media (and other discourse-producing actors) in the construction of a dominant public narrative regarding certain aspects of the Spanish economic model -a Gramscian *senso comune*²¹-, which extends class agency (and, indirectly, strategic selectivity) beyond direct state institutionality. Second, the ‘technical secrecy’ of economic and financial reason, leading to the de-politicization of profit extraction mechanisms such as debt which, under technical arguments, function as an exclusion strategy and a political safeguard.

This emphasis on class agency imposes the need to nuance the idea of class domination being intentional but ultimately subject-less on account of not being the product of a single will. It is precisely the existence of a multitude of contesting subjects that makes the task of identifying them, their interests and actions all the more necessary to understand the resulting outcomes. If the state’s strategic selectivity will more or less faithfully incorporate the interests of one fraction over those of another depending on the correlation of forces between them, then the plurality of disputing subjects cannot eliminate the idea of a subject from the equation but, on the contrary, it enhances its importance. In a similar manner, the conception of the state as the material condensation (in institutions and policies) of a balance of social forces (between antagonistic classes) is formulated in a rather unilateral manner, as these forces are not preexisting entities, simply there to be mobilized and balanced through the state’s ensemble. Instead, they are articulated (or disassembled) precisely because political subjects are neither constants nor objects. Like the state, class subjects (and the social classes from which they may originate) are social relations too, and their level of articulation, of

extra-academic social networks linked to social status.

21 “Common sense”, the most widely diffused sets of ideas for a given society, result of institutions and knowledge producers (Crehan, 2016)

political composition²² (Wright, 2002), is also an indicator of the balance of forces that takes place in, through, and against the state.

The segregated and hierarchical access to state power has consequences not only for society's upper echelons, who might see their fractional interests crystallize to a degree based on the results of their own power struggles; but also for the different fractions of the working-class, who might find themselves as more or less capable of reaping some of the system's benefits or as more or less exposed to the consequences of an ever-looming crisis. The state condensation of social forces into laws/jurisprudence, resource allocation and discourses/narratives (Brand, Görg and Wissen, 2011) (re)produces class relations and inequalities as much as its produced by them. The most obvious effects associated to crisis moments have been widely discussed (evictions, dispossession, etc.), but poor housing quality has also been associated with housing provision systems relying on homeownership (Mandic & Cirman, 2012), as well as low-income households needs to resort to high-risk debt in order to access property (Borg, 2015), including predatory lending or informal housing practices such as informal lending and renting (Palomera, 2014). Overall, the financialization of housing played a key role in the financialization of the economy as a whole and of workers revenue in particular, as it allowed financial institutions to profit directly from workers' present and future wages instead of surplus value (Lapavistas, 2011, p.620), ultimately making housing crisis a phenomenon derived from class-based inequalities and antagonisms (Madden & Marcuse, 2016) which deeply entrenched both.

2.4 The Spanish Mode of Accumulation

From the perspectives of critical geography and political economy, financialization in Spain can be characterized as having unfolded around a class-relevant state project which involved the extraction of rents (Andreucci et al. 2017) through the deliberate and systemic targeting of social reproduction via the financialization of a roughly familial (Schwartz & Seabrooke, 2009) housing market. Soederberg's (2014) conception of Debtfare States has framed the links be-

22 That is, the degree to which its emerging interests are organized and fostered.

tween the State and debt-based accumulation strategies. The encouragement of systemic reliance on debt as a substitute for the losses in social coverage and/or real purchasing power has become indispensable for Capital's accumulation and, at the same time, it has acted as a social binding mechanism by constructing the illusion of a unified society with no big apparent inequalities. Linking neoliberalism and monetarist policies, money's social power becomes a disciplinary mechanism "in credit-led accumulation", a device which effectively allows to de-politicize social issues, debt relations and, ultimately, the underlying class relations by turning them into "technical features of (objectified) money" (Soederberg, 2014, p.55). In this manner, abundant privately created money in the form of credit would also alleviate the effects of a "relative pauperization" (Lebowitz, 2005) caused by the growing difference between stagnant real wages and growing social reproduction costs (spearheaded by housing prices). The management of this 'affordability gap' (Byrne, 2019) would prove key in the unfolding material conflicts that debtfarist strategies sought to avoid by selling money (mortgages) to the general population, postponing Capital's contradiction between its need for value realization and its need for a labor-costs reduction on the foundation of fictitious capital growth.

This consistent transferring of deficits from the state to the general population operated in a regressive way, as the ratio between debt financing and income was disproportionately unfavorable towards the lower-income, working-class households. Such an underlying foundation has also been conceptualized as a debt-led accumulation regime (Fernandez & Aalbers, 2016), a finance-led growth regime (Boyer, 2000), privatized Keynesianism (Crouch, 2009) or asset-prize Keynesianism (Brenner, 2006), and has been identified as a key common feature in the development of most housing systems - including Spain-, along with increasing levels of private-debt-to-GDP and a growing financial liberalization (essentially meaning the loosening of operating regulations, and of borrowing and lending conditions for banks).

The Spanish version of this mechanisms, as exposed by Naredo (1996) and Rodríguez & Lopez (2011, p.53-56), reversed the orthodox equation (which located real-estate investment as the last stage

in a process led by fixed capital creation and followed then by higher employment and savings) and relied heavily on income derived from real-estate asset appreciation, which led to higher consumption, higher investment in fixed capital and, ultimately, higher employment. In this manner, the model eschewed the need for increases in labor productivity and was able to decouple its profit extraction from wage increases (but not from debt), focusing instead on extensive (or absolute) exploitation. In this scheme, the highly uneven “distribution of the social product” was “[close] to a zero-sum game” (Rodríguez & Lopez, 2011, p.101) in which *all* capital fractions (including industrial capital) benefited in one way or another from the arrangement, whether through the lowering of labor costs and conditions, the diminishing provision of public goods and services or through the immense dividends generated by fictitious capital²³ and rent extraction in land, housing and mortgage markets. The placing of credit and mortgages as the central piece of the economic engine (from the local to the state level) not only created unequal dependency relations, but also secured a steady transfer of rents extracted from the social reproduction spaces of the working classes towards capital. The limits of this formation were set by the unsustainable need for the constant increase in real-estate prices and on the expansion of private debt, which laid at the onset of the growth cycle. When these limits were reached in a bubble bust and a debt realization crisis, the unequal architecture of risk forced the working-class to bear the brunt of the consequences, which took the form of a vicious cycle of layoffs, debt and evictions. The model, based on the accumulation of wealth by extraction (Etzezarreta, 1991; Naredo, 1996), ended up producing yet another wave of dispossession (Harvey, 2003).

23 “Money lent in anticipation of future value”, involving “claims over future rent, production, and income-circulated as forms of credit” (Teresa, 2014, p.466)

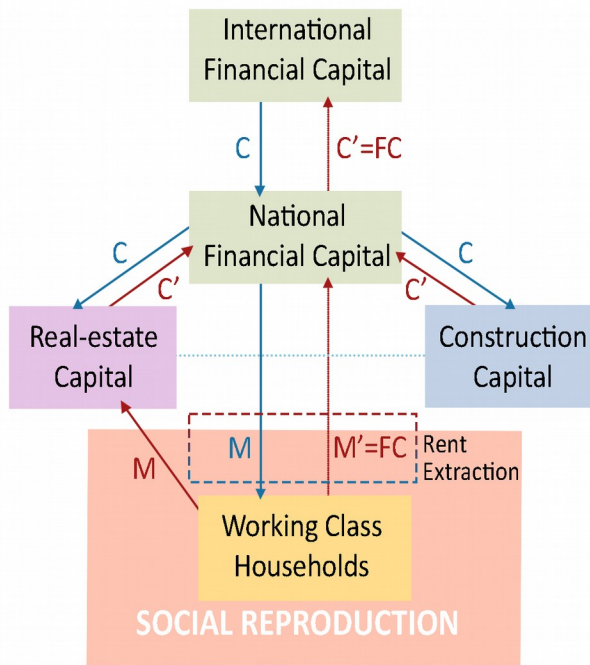


Fig. 2.1

The Spanish Mode of Accumulation

As we have seen, from a more institutionally-oriented perspective, HMPA's reception of Poulantzas and of Jessop's SRA (Kannakulam & Georgi, 2014) perceives the state's policy selectivity as depending on the bias inscribed in the state's apparatuses, resulting from the conflicting strategies, forces and interests that traverse it and, in turn, favoring certain discourses, forms of action and alliances in the pursuit of certain interests. Those issues which become policy can also be part of specific 'state projects' providing orientation to state agents and, in turn, constitute wider, hegemonic 'societal projects' to provide legitimacy for the former. If (following Brand [2013]) we understand the resulting state policies as contested attempts at stabilizing or fixing the unequal socio-economic relations on which the mode of capital accumulation is based, we then need to study how the wider socio-economic context interacts

with the state's institutional ensemble that produces these policies. This means that, to analyze the construction of the Spanish mode of accumulation, we must go beyond the state and the state's apparatuses in a strict sense and understand public policies as a necessary (but not sufficient) part of a bigger process; one involving the interaction with civil society's institutions and the production of discourse and culture (the Gramscian *stato integrale*), and with the wider (national and supranational) economic context where they are inscribed. In this sense, the development of a hegemonic rationality through means ranging from the state's own actions to those of other actors like banks, think tanks, the (orthodox) academia or the media, generates dispositions to act in certain ways from state level down to individual behavior. Altogether, Jessop (1990) described this process as an analysis of the relations between social forces which, endowed with certain identities, develop strategies to pursue their interests over space/time, and which are mediated by a biased institutional ensemble.

In the following sections, I analyze the construction of a financialized housing market, capable of driving the generation of profit for the whole economy, as a state project inscribed within the development of a hegemonic societal project of homeowner society. I do so by mapping the historical connections between its wider economic context, the strategic selectivity/calculation of policies and actors, and the development of a public discourse/rationality generating shared cultural understandings and economic dispositions. The main elements of Molotch and Logan's (2007:1976) pioneering description of urban "growth machines" are used as a foundational start in the analysis of real-estate promotion policies, of the relations and synergies between "pro-growth" actors, and of the subjective element both in terms of cultural narrative developments and the agents' rationale. This basis is complemented by Jessop, Peck and Tickel's (1999) call for the inclusion of the interactions and mutual influence between multiple political and economic scales beyond the local. To this effect, the time-sensitive approach taken incorporates some of its ideas from Blackwell and Kohl (2018) and their emphasis on both historical context and path dependence, as well as Fernandez & Aalbers (2016) call for the inclusion of the relations between global finance, national markets and institutions. The anal-

ysis focuses on the characteristics of the Spanish case, its placement in the international context and the grid of social relations between state apparatuses, economic actors and households, including the relations between companies in the sector as well as their roles as promoters, constructors, real-estate developers and financial institutions (banks/saving banks) in an example of strategic selectivity and calculation.

2.5 The Financialization of the Spanish Housing Market

2.5.1 Context

Historically, the Spanish state inherited from Franco's dictatorship a strong class element in its composition, as well as a strong political commitment in favor of capital and its traditional power structures, together with a notable hostility towards most forms of organized labor outside the state's sphere of influence. The chronic commercial deficit, characteristic of low economic development, and a "Fordism with Mediterranean characteristics" (Palomera, 2015) arrangement which, despite its focus on industry, lacked any form of welfare-related 'indirect salary', or the usual accompanying increases in productivity, wages and taxation (all of which remained comparatively low until the 70s); led to the development of a tourism industry destined to channel the inflow of foreign currency needed to defray its trade imbalance and its dependence from core countries. The move towards a de-industrialized service economy²⁴ and the necessary subsequent development of the secondary accumulation circuit (including massive investments in transport infrastructure) together with a series of innovations in the construction and real-estate sectors, laid the grounds for the development of the housing market as the heart of the Spanish economy and its power networks. The earliest developments of this process started during the 50s and the first post-war rural exodus, which overcrowded cities and led to the development of some of the first legislative changes in the form of the *Ley 15 de julio 1954 de viviendas de*

²⁴ Culminating in the 80s with widespread layoff plans across the industrial sector.

*renta limitada*²⁵, introducing heavy government subsidies and turning the construction sector into a very profitable endeavor for a few business groups. A trend that would continue under the 1961 National Housing Plan. Finance capital played a pivotal role by financing both the private sector and the state through massive, high-margin credit operations, helping consolidate an already ongoing trend in the interpenetration between economic and political elites during the dictatorship (Juste, 2016, 2017; Gil, 2019).

During the early 70s to the mid-80s, the first of several crises took place due to lack of international competitiveness and upwards wage pressure, reducing profit margins for companies which tried to regain them by rising prices. The *Pactos de la Moncloa*²⁶ (1977) indexed wages and inflation, subordinating the first to the latter and, coupled with a deliberate lack of private investment, they subdued labor -and wages-. However, due to the deficient Spanish accumulation model (its severely lacking productive sector), investment levels did not recover and the productive-industrial fraction of capital lost its hegemonic location. Also during the mid and late 70's the foundations for the housing-finance cycle were laid. This period, as exposed by Lopez & Rodriguez (2010a), culminated in a higher concentration of power in the hands of the seven biggest financial groups (controlling 73% of the total assets by 1985), securing the position of the emerging finance-housing entente and the relative decline of industry as the economy's driving force. The long-lasting trend that started during this period would see capital 'escaping' from class struggle into the financial sphere by substituting wage increases with credit to bridge the 'social needs' gap. Thus, the earlier steps of financialization would have also operated as a re-composition of capital following labor's offensive during the 70s.

From the mid-80s to the mid-90s, the launching of the first consolidated real-estate/finance cycle took place amid three interwoven processes (Lopez & Rodriguez, 2011): a) the strengthening of the biggest financial institutions and the real-estate/construction oli-

25 Law of July 15, 1954, for limited rent housing

26 Moncloa Pacts. A series of political and economic agreements between the Government, the main political parties, trade unions and business associations.

garchic positions; b) the acceleration of real estate and finance markets, fueled by European capital; and c) the integration in the European common market (Naredo & Montiel, 2011). Concurrently, this period saw the development of tendencies toward the internationalization, transformation and denationalization of the state (Brand et al. 2011), including the progressive internationalization of indirect profit-extraction mechanisms and class relations as well as the political and economic internalization of external constraints in the form of the Maastricht treaty, EU convergence criteria and the new economic fitting of a considerably de-industrialized Spain in the European semi-periphery. The progressive growth of finance's economic traction, and its rise as the dominant capital fraction, contributed to incipient "Debtfarist" (Soederberg, 2014) strategies which conceived public spending as an inflation-inducing liability that threatened financial benefits (Lopez & Rodriguez, 2011). Overall, the international (or "second-order", [Brand et al. 2011) condensation of forces, a hegemonic project of its own, would help shape Spain's first experience of "Bubblenomics". A model of Capital accumulation based on rent extraction from finance and real estate and the creation of demand based on foreign investment and household assets -acquired through household debt-

European integration placed Spain as part of the de-industrialized semi-periphery²⁷ (including the end of state subsidies for the industrial sector) in exchange for massive transfers destined for infrastructure construction; it also brought a wave of foreign investment and acquisitions in all economic sectors, *except* finance and construction, which remained in Spanish capital's hands, "de facto consolidating a long-lasting oligarchic position thanks to state protection and their over-representation in the country's economic structure" (López & Rodríguez, 2010a, p.168). The absence of institutional obstacles to this process showed the lack of capacity and/or willingness of the Spanish economy to resist the pressures stemming from its deepening integration within global financial markets (Fernandez & Aalbers, 2016). This considerably influenced the shape of its financialization, affecting housing finance methods, welfare arrangements (mostly regarding tenure types and commodi-

27 In relation to the german-led core as a primary lender and exporter and the foundational imbalance in commercial accounts (Lapavistas, 2018)

fication levels), and the openness of the financial sector. In fact, the state acted both as a resource mobilization structure and an agent in the restructuring of the financial sector, facilitating and overseeing several company mergers and, ultimately, privatizing Argentaria, the last public banking holding (created under the PSOE administration and later absorbed by the BBV²⁸ during Aznar's first term).

By the early 90s, Spanish society already had a high rate of homeownership (77.8 percent in 1990 [Andrews and Caldera, 2011]) but, up until that point, it had been able to retain low levels of private debt, partially due to low international capital flows (Fernández, 2016). It would be from 1992 onward when policy started favoring the lowering of interest rates and a general increase in private debt levels to fuel aggregate demand. This period saw great increases in real-estate and financial assets sales fostered by foreign capital investment, which increased the amount of liquidity and thus of aggregate demand and consumption; and growing household indebtedness, built on the back of already rising real-estate prices and widespread credit availability. The sharp increase in international finance behind these phenomena (Spain's exposure to foreign investment increased by 281 percent between 1999 and 2007 according to BIS reports) is what Fernandez & Aalbers (2016) have labeled the rise of an international "wall of money", caused by the growing resources of institutional investors, the surpluses coming from some emerging economies, the implementation of loose monetary policies (such as quantitative easing) and a rise in corporate savings (related with the decline in wage shares). In the Spanish case, the international context included the implementation of the European monetary union (and Maastricht's austerity policies of public spending reduction and inflation control), which generated a favorable climate for the formation of bubbles (Naredo & Montiel, 2011), reducing the impact of national commercial deficits and favoring low-interest rates (Lopez & Rodriguez, 2011), a necessary condition for the constant appreciation of housing and the development of "Asset-price Keynesianism" (Brenner, 2006).

28 Banco Bilbao Vizcaya, the merger would result in the formation of the BBVA (Banco Bilbao Vizcaya Argentaria), the second largest bank in Spain.

To sum up, if up until the mid 90s the Spanish housing market presented the characteristics of the so-called familial model (in the VoRC typology), including high ownership and a low mortgage-to-GDP ratios -indicative of a still non-financialized market-, from the late 90s to the end of the bubble its debt levels sky-rocketed. These were part of a dynamic that included another construction boom (the third in three decades), a housing price bubble, sizable increases in population (thanks to the pull effect of the construction sector's labor demand on immigration) and in economic growth. To understand these developments -which go back and forth from the international to the state level and down to the regional and local- interacted with the Spanish economy and society, we need to incorporate a multi-scalar analysis of the institutional settings and public policies.

2.5.2 Institutional policies and market construction

Having seen some of the historical foundations informing the Spanish state's institutional ensemble and its development of a state project based on the financialization of housing, as well as the wider economic context in which they were inscribed, we need to analyze the relations between actors and policies in the institutional arena, especially during the late 90s-late 00s construction boom period, when Spain saw a sharp increase in several indicators, including cross-border capital flows, housing prices to income, private debt to GDP and mortgage to GDP ratios. To do that, we need to go beyond theoretical abstractions and look at housing policy specifics, exploring their relation with land and mortgage markets, with the process of market construction and with the roles played by key institutional and non-institutional actors.

A. Policies

The first part of the analysis corresponds to the development of the different aspects of housing policy described by Clapham (2018). Given the key role of the state's agency, any state action -or inaction- which ends up influencing housing outcomes must be considered a form of policy worth analyzing. The different levels and

scale at which the state's agency operates must also be incorporated as, for example, regulatory frameworks and direct planning are often carried out at state and municipal scale respectively, each with different actor networks and relations between them.

The first and broadest aspect would be the **regulation** of the housing field, centered on the legal delimitation of private actor's range of actions and on the social institutionalization of certain market practices. In this sense, along with housing itself, the two other directly connected fields of regulation were finance (especially banking and the mortgage market) and public land. While the roots of these connections can be traced as far back as the 50s, the earliest installments directly aimed at fostering the contemporary housing-finance model can be found in 1978's fiscal reform's exemptions for home purchasing, and in the deep restructuring and liberalization process of the financial sector spearheaded by 1974 and 1977 laws, which allowed for the creation of new banks, reduced reserve requirements, largely equalized banks and savings banks and enabled foreign banks to start operating in Spain. These processes would continue during the 80s and 90s in all three fields.

First, the foundations laid by 1985's Boyer decree (RD2/1985) for the progressive marginalization of the rental markets, which included the elimination of the mandatory rent extension and thus the liberalization of prices, consolidated in the 90s and 00s the trend of rent's decreasing share of the market versus ownership *despite* increasing home prices (Azevedo et al. 2016). The dismantling of the rental market played a key role in socially institutionalizing the acquisition of housing through debt-based ownership by de facto turning it into the only viable option. Second, the changes in financial legislation, which led to the creation of secondary debt markets and to the rise in securitization²⁹ (L19/1992 *sobre régimen y fondos de inversión inmobiliaria y sobre fondos de titulación hipotecaria*³⁰) (Aalbers, 2014; Gotham, 2009). This was widely supported by savings banks, which linked Spanish and international markets and fa-

29 According to Bank of Spain data, the gross value of securitized assets multiplied by 12.5 for the 00-06 period.

30 Law 19/1992 on the regime of real-estate investment funds and mortgage securitization funds.

cilitated the flow of international capital, easing the overall credit availability. Meanwhile, the progressive deregulation of mortgage markets (through 1981's *L2/1981 de regulacion del mercado hipotecario*³¹) (Byrne, 2019) led to the widespread shift from fixed-rate to adjustable-rate mortgages, and to the generalized loosening in lending conditions. The ensuing deterioration of credit standards (García-Lamarca & Kaika, 2016) and the increase in quasi-predatory lending practices (Muriel, 2020) were associated with the extension of credit to low-income social sectors, especially migrant population (Suárez, 2015; Lopez & Rodriguez, 2010b). This phenomenon contributed to the already steady increase in average loan-to-value ratios (Akin et al., 2014; Bover et al., 2019) and on the average 'mortgage redemption' times, as well as helping spread practices such as multiple cross-guarantee mortgages. Third, the changes in land regulation, famously developed during Aznar's first term by one of his administration's star projects: the 1998's *Ley del suelo* (or "land law"), doubling down on the earlier regional regulatory innovations pioneered, for example, by the Valencian LRAU of 1994. These innovations formally assumed the thesis of land scarcity as the main cause for real-estate shortage, mostly blaming land-owners and enabling the re-designation of municipally owned land and easing the procedures required to urbanize and 'develop' housing projects. This led to a) the -territorially uneven³²- adoption of the 'urbanizing agent' figure (in detriment of landowners), capable of directly expropriating land; b) the prominence of regional and local administrations, considerably reliant on income sources originated in real-estate development for their own financing; and c) the heavy involvement of savings banks in financing such projects -heavily exposing themselves in the process-. Ultimately, the incorporation, under the premise of an alleged scarcity, of vast amounts of land into the urban real-estate-oriented market process, launched the cycle of revaluation expectations and the constant price increases (ibid, p.310).

31 L2/1981 of mortgage market regulation.

32 It was directly adopted -with minor variations- by Valencia, Castilla la Mancha, Extremadura, Asturias and Andalusia, but the figure spread with mixed formulations, generally less grievous for land-owners and/or under greater public control, to most other CCAA and, eventually, to state legislation (L8/2007, L2/2008).

Overall, in the Spanish version of asset-price Keynesianism, the state's intervention involved the deregulation of the financial system, the fostering of inter-bank lending (Byrne, 2019) and the liberalization of capital movements, as well as the land, mortgage and housing markets; it loosened mortgage conditions and marginalized renting and public housing markets (with a de facto dual rental system [Kemeny, 1995]). The combination of growing debt and real-estate rising prices was instrumental in the extraction of profits via new construction and in stock capitalization for both financial and construction/real-estate companies.

The second aspect is the **direct public provision** of housing. As I have shown, public social housing has been historically low in Spain. The government's indirect approach to housing provision via conditioned subsidies to construction companies was initially aimed at fostering the construction sector rather than covering basic needs (Llorden, 2013), and the resulting social housing options (*Vivienda de Protección Oficial*, or VPO) showed little differences in prices with private provision except at a very early stage (which could almost be considered post-war emergency urbanism), and they can hardly be considered as an effective form of social housing. During the 1978-87 period, the stimulus to public-private partnerships for the development of VPO (as a counter-cyclical employment measure) was supplemented with abundant public credit at first to, later on, transition toward a strong mortgage market (for both VPO and free market housing) articulated mostly through savings banks (RD 2455/1980). As weak as it had been historically, this semi-public, semi-social system of housing provision was largely abandoned during the second half of the 80s (especially as renting), and it underwent a transformation in its approach which relegated it to an assistentialist function circumscribed to vulnerable population groups (López & Rodríguez, 2011).

The third policy aspect is the **provision of finance or subsidies**, which has been pointed out as an additional indicator of the growing financialization of the housing sector (Fernandez & Aalbers, 2016). This provision should be conceptualized broadly enough as to include -and differentiate between- supply and demand sides, as

well as indirect forms of subsidization. In Spain, considerable direct subsidies aimed the supply side were used during the 60s and 70s (Pareja-Eastway & Sánchez-Martínez, 2011) to sustain a system of indirect semi-public provision, a sort of market-based social housing sector (that never fully covered the population's housing needs) which formed the base for the foundation of the major construction companies. Later on, from the 80s onward (and after the creation of the mortgage market), subsidies were directed at both the supply and demand sides of the market with the widespread incorporation of indirect mechanisms such as fiscal benefits, which included the use of -fiscally regressive- tax deductions (Leal, 2005) for the purchase of new homes (and even secondary residences). It should also be noted how, while not a form of subsidy or financing, the gargantuan public investments carried out by the state on the built environment (including infrastructure, transport, etc., or in other words, the secondary circuit of Capital) operated as a necessary condition for the formation (and appreciation) of land and real-estate value (Harvey, 1982), thus functioning as a de facto indirect form of subsidizing.

The combination of these three aspects, the de-regulation of financial and housing markets, the absence of a significant system of direct public provision and the state-backed (direct and indirect) stimuli to home-ownership was a necessary condition for the full commodification of housing. When coupled with the decreasing interest rates and the reduction of debt costs, the general population -and especially the working-class- was forced into the private provision market, paving the way for a model based on property as the dominant form of tenure, the implementation and development of another reverse Keynesian finance-housing cycle of price appreciation, profit expectations and a volatile wealth effect tied to debt-farist credit-fueled consumption and rising employment (especially in lowly remunerated sectors³³).

Fourth, regarding the state's **information/guidance** function, the administrations' public discourse and its technical knowledge production were oriented towards pro-cycle and pro-growth narratives

33 By 2007, this tendency saw 56% of the working population earning no more than 16.000€/year, and 40% no more than 12.000€ (Palomera, 2015).

and rationales (Palomera, 2013) until the onset of the crisis³⁴. Additionally, the regulative aspect concerning the boundaries of private information exchange was neglected, as Spanish legislation did very little to correct information asymmetries and, in the absence of clear information rights, adhesion contracts and predatory lending (fostered by lack of internalized risk for financial institutions) proliferated. Bank lending practices and conditions were, from the debtor's point of view, extremely opaque, confusing and often deliberately misleading, to the point where they have been described as a form of "dispossession by political fraud" (Alexandri and Janoschka, 2017) and were taken to court and declared in violation of rights by Spain's Supreme Court in 2015 and ratified by the CJEU in 2020.

This active lack of public supervision is also partially tied to the fifth category of intervention provided by Clapham in the **accountability pattern** for private actors. It was not only the unpunished widespread use of misinformation and abusive contracts which evinced the lack of direct accountability between parts but, most notably, the oblique manner in which financial institutions eschewed their responsibility regarding risk exposure in comparison with that of mortgaged households. In these terms, the first thing to notice is the widespread use of adjustable-rate mortgages (98 percent of the total in 2007, [INE, 2008]), in which market risk, represented by interest rate fluctuations, is transferred from the lender to the debtor. Additionally, the Spanish legislation concerning the full cancellation of mortgage debt only contemplated the latter if, at the moment of the property's public auction, the value of the repossessed home covered the full mortgage sum originally lent, including all potential additional charges derived from being in arrears as well as other expenses derived from the foreclosure legal procedures. These public

34 Miguel Sebastián, former Minister of Industry, Trade and Tourism (2008-2011) and economic advisor to former president José Luis Rodríguez Zapatero since 2004, declared that at no point did the government consider the option of "bursting the bubble", also pointing at the way in which institutions like the Bank of Spain had denied its existence for many years, "especially between 2000 and 2004" (EFE, 2015). As late as March 2007, the Bank of Spain still denied the possibility of a mortgage crisis and adduced the households' "sound equity", derived from the "wealth effect" as a guarantee ("El Banco de España descarta una crisis de las hipotecas como la de Estados Unidos", 2007).

auctions were, for the most part, public only in name, and were carried out in a manner that allowed financial institutions to repossess homes at a fraction of their original price while the former owner was kept in debt for the difference (often in the hundreds of thousands of euros). These price differentials would only keep on growing during the economic recession, as the housing market collapse and the plummeting property prices contrasted starkly against the mortgages taken during the bubble period (assessed by the bank's own expert's criteria). Additionally, the widespread use of collateralization of friends' and relatives' homes spread the risks taken by homeowners without diminishing them, and increased the financial guarantees for financial institutions, which would be able to repossess multiple houses in case of a single mortgage failure. Finally, when even with a disproportionately favorable legal framework the overall losses caused by the recession and the global credit crunch took several financial institutions to the brink of bankruptcy (especially those savings banks who were caught in big land developments) the state intervened with a bailout program, injecting an enormous sum of public money³⁵ and accompanying the creation of the FROB³⁶ and the SAREB (a "bad bank"), destined to restructure the sector's profitability by absorbing its losses and toxic assets.

The sixth and seventh categories, the state's discursive **definition of the issue/problem** and its **non-intervening role**, are at the core of the next sections. Regarding the first issue, suffice to say for now that the narrative element implicit (and oft explicit) in pro-ownership policies and the discourse of public figures in support of pro-growth cycles had a distinct impact in defining the boundaries of the housing issue in Spain. Second, the so-called 'non-intervention', essential to understand the construction of the housing market, represents a clear case of the state as a planner in denial. The strategic retreat of the state is a necessary condition for further market expansion and commodification, and its absence leaves the necessary room for certain actors to emerge and certain social and economic practices to become institutionalized.

35 It is calculated around 64.000.000.000€

36 "*Fondo de Reestructuración Ordenada Bancaria*", or Fund for Orderly Bank Restructuring. Essentially a tool for the public intervention and bailout of the banking system.

B. Market construction

Secondly, a good approach to the specifics of market construction is, as stated before, the one provided by Fields' (2017, p.4-5) combination of political economy with her reception of Çaliskan & Callon (2009) and Berndt & Boeckler's (2012) "microgeographical" approach to marketization. Their notion of the market as an "*agencement*", an arrangement of things, social mechanisms and people that is carried out through "practical and strategic achievements" to perform markets as a distributed form of agency can help us concretize the SRA's strategic calculations and strategies of conflicting institutional and non-institutional actors. This way, the particular form in which markets will affect social and economic life will depend on the resolution of power struggles in the process of assembly and/or construction. In this sense, several moments of marketization are identified, each endowed with its own set of power relations and conflicts:

The first of these moments is **commodification**, essentially meaning a multi-scalar (operating at the levels of the home, neighborhood, city and so forth) self-reproducing process by which housing's role -and value- as real-estate grows to dominate its role as a place to live (Madden & Marcuse, 2016). While historically housing systems (in the EU, the US and Canada) had displayed a certain degree of de-commodification, the last decades have seen a transformation of housing systems into hyper-commodified structures polarized into over-accumulation on one side and risk, instability and unaffordability on the other (ibid, p.26-39). In Spain, specifically, access to housing through state provision (in any form) had been historically low when compared to other European countries, operating as a political and economic strategy functional to the composition and re-composition of national Capital fractions. However, the shift from a system relying on private rental markets to one of widespread property as the dominant form of tenure (from less than 50 percent in 1960 to 85 percent in 1990), together with the homeowner culture associated with it, represented a significant shift from use value to exchange value as the dominant element, as rental systems tend to preserve and re-use already built real-estate while depending on households available income (vs. debt) and

overall perform better in low-price conjunctures (Naredo & Montiel, 2011). This greatly enhanced the profitability of real-estate as an investment and fostered its consideration as a purely financial asset (Harvey, 2014; Christophers, 2010) over that of ‘home’ even for those living in it. The transformation of mortgaged homes into increasingly liquid financial assets (Gotham, 2009) free from territorial bounds (Fields, 2014) had its roots in the de-regulation of the financial system, and saw its most developed expression through several forms of securitization, which experienced a dramatic increase in Spain during the governments of the conservative Partido Popular throughout the 00s³⁷ (an expansion of 65 percent per year, according to Byrne [2019]) deepening the process of commodification and further fostering speculative international investment. These changes in the dominant tenure types were a necessary condition (and, as they deepened, a consequence) for some of the processes of accumulation by dispossession (Harvey, 2003) described by Smyth (2018) in relation to the dismantling of social housing systems or the re-qualification of public land for private development -and profit-, and in the end benefited the members of the elites (local, regional and national) able to mobilize the resources necessary to partake in the ensuing process of profit extraction.

In second place, the construction of a market needs processes enabling the **valuing of goods**. In this regard, we have already seen how the role of the state was crucial in providing the built environment necessary for the formation of value, either directly -through investment- or indirectly -through subsidies-. The huge state-led investments in, for example, transport infrastructure were essential for the valuation of potentially developable land previously devoid of a real market price, generating and homogenizing the necessary accessibility conditions and enabling the comparison and the formation of prices. It became a driving force in land valuation, as well as a business regulator and a condition for the realization of the -up until that point- speculative prices, together with further increases in both land and real-estate price linked to new construction and so forth (López & Rodríguez, 2010a; 2010b). Concurrently, the changes in financial and land regulation set the conditions for the

37 The *Ley 62/2003* introduced the possibility for the securitization of any kind of credit.

money flows (from finance capital to real-estate and households and back) necessary to kick-start the finance-housing growth cycle, feeding into the appreciation loop between expectations and realization that is characteristic of price bubbles.

Third, spaces and mechanisms for **market encounters** between actors need to be enabled. These encounters include those within the market conceived in a strict sense (meaning commercial transactions, buying and selling), but also those of a more peripheral nature, including the -sometimes backhanded- political operations integral to certain transactions. These took place at several different but interconnected levels/scales, building on the liberalization in both land and credit markets and ranging from the local and regional (municipal planning, local political parties, land developers, savings banks, etc.) to the international (with markets enabling capital flows of inter-bank lending); and from the individual and personal to the abstract levels characteristic of securitization investment. We can systematize them into four categories/levels: First, internationally, in financial markets, either via the aforementioned inter-bank lending or via investment in securities, funds, etc. Second, nationally, between the state and construction companies in the secondary circuit of capital, and between the companies themselves (construction, real-estate and finance). Third, regionally/locally, between developers and municipalities. And fourth, individually between real-estate companies, banks and consumers in mortgage markets.

Fourth, the nascent market develops a **price-setting** process. Supposedly, under normal circumstances, prices function as market signals partially indicating the evolution of consumer needs through changes in demand. However, as housing becomes increasingly financialized and its consideration as an -international- financial asset tends to dominate its relation with the market, demand increases decouple more and more from dwelling needs (Madden & Marcuse, 2016), with price-setting following suit and responding largely to investment needs (adding yet another layer of “market inefficiency”). In the Spanish housing market, prices were inextricably linked in their origin with the increases in land prices fostered by state intervention, which spurred the expectations of ever-growing

value (and profit) based on bubble dynamics and speculative practices. Growing housing prices became an integral part of the model (they *tripled* during the 97-07 period [Norris & Byrne, 2015]), needed to sustain the immense profit margins based on the expansion of fictitious capital (Durand, 2017) provided by debt markets. On a smaller scale, the joint force of banks and real-estate validated these overvalued bubble prices (and in further stimulating their growth) not just by the means of easy credit, with increasingly long redemption times and deliberate underwater borrowing, but also through the use of experts provided by the very banks to report on the adequacy of the mortgaged properties' value. These inflated price reports would later, in the context of downward prices typical of a bubble burst, be used as the reference against which the auction prices of foreclosed homes would be measured, effectively making debt redemption impossible. Overall, the price-setting mechanisms deployed in the construction of the Spanish housing market were highly polarizing, as they provided massive profit margins for capital owners while setting borrowing working-class households up for failure.

Fifth, markets need a system of **orderly exchange** to be designed and maintained. In this sense, the successive changes in the regulatory framework we have already seen are the main basis on which this system was sustained, especially in combination with the notorious amounts of public spending and state participation in the development of the construction sector, which created a “stable investment environment and a relatively stable atmosphere of trust for real-estate markets” (Lopez & Rodriguez, 2010a, p.317). Spanish legislation provided a normative framework particularly favorable to financial institutions, as the absence of a functioning debt redemption mechanism transferred risks to borrowers; while the growth of securitization (started once national savings had been exhausted [Naredo & Montiel, 2011]) externalized risk to investors, theoretically making exchange more predictable, certain and overall secure (Gotham, 2009).

2.5.3 Discourse, Narrative and Rationale.

The importance of the relations between the shape of housing markets on the one hand, and ideology and discourse on the other was, as we have seen, famously pointed out by Kemeny (1981) in his account of the causal relation which, allegedly, linked homeowner societies with growing opposition to egalitarian policies. While one may disagree with the substantial argument, the emphasis on the cultural relevance of housing policies remains solid, especially if, following Brand's (2013) account of Hajer (2008), we understand them as performative attempts, mediated by power and hierarchies, at establishing political meanings and boundaries.

A less ambitious statement on the relation between housing systems and ideology or values may state that a profit-extraction circuit relying largely on the back of a financialized housing market needs a society that understands debt-based home-ownership as a desirable path to access housing or, at least, well within the boundaries of acceptable policy. For this to happen, however, a large sector of the population needs to be willing to go into considerable amounts of debt irrespective of the objective risk attached to finance and finance-led boom and bust cycles. Such an endeavor requires the means to hegemonize public discourse to allow the gradual emergence of a superseding "general interest" (Santos, 2014), the selection and promotion of elements fitting a public narrative to be shared (the "strategic-discursive moment" [Sum (2009, p.185)] and of individual subjective rationales ("economic imaginaries" [ibid]) which incorporate the aforementioned general interest. While, as we have seen, there is solid empiric evidence on the widespread adoption of debt as means to access home-ownership coming from the Spanish case (among many others), there is also ample theoretical research conducted on the reasons which led people to take such mortgages (Cook et al., 2013), including not only market mechanisms and institutional designs, but the "social construction of values" (Poppe, Collar and Jakobsen, 2015), a contradictory process involving the dispute over the cultural and political meanings attributed to social and market practices.

The notion of multiple and often contradictory sets of ideas and values (as abstract as the meaning of freedom or security) that are not only attached to property, but actually generated by it in a bi-directional relation of meaning and narrative, has been explored by several authors (Saunders, 1990; Vassenden, 2014). The construction, for example, of “debt amnesia” (Soaita and Searle, 2015), or the underestimation of risk in favor of other perceived values such as security, freedom or even potential earnings among buyers from heavily financialized markets (Poppe et al., 2015), are characteristic of home-owner -and even investor- mentalities which have been co-constituted alongside the growing prevalence of certain market practices (re-financing, double mortgages, bridge mortgages, securitization, etc.). Their internal contradictions (housing as dwelling vs. housing as an investment), however, appear especially stark against the Spanish case’s background, where mortgage legislation and state intervention transferred most of the risk towards households. This apparent disconnection can only be explained if we do not treat the rationale behind it as an ideological ruse or a misinterpretation of reality, but as the concretion of the conceptual toolbox of financialization (Haiven, 2014), adapted to the characteristics of the Spanish finance-housing complex, its development of state debt-farism (Soederberg, 2014), privatized Keynesianism (Crouch, 2009) and the changing needs generated by them. What this means, essentially, is that the construction of the modern Spanish housing market transformed debt-based property and consumption into rational requirements for social reproduction within the boundaries set by the mode of accumulation’s internal logic. The ensuing cultural domination should not be treated as a separated ideological counterpart to objective economic phenomena, but rather as a very material force of its own, a sort of financial fetishism.

Ronald’s (2008) analysis of these ideologies of housing and ownership differentiates between the perspectives of provision and consumption. On the side of supply, he integrates the interests of both capital and state with the analysis of policy and public discourse; while on the side of demand he focuses the analysis on daily practice and private meanings. Both perspectives are necessary to understand how discourse was employed to exert domination and how

dominant tenure types shaped “homeowner ideologies” into “practices of everyday life” (Ronald, 2008).

On the side of housing provision ideologies and discourse, the promotion of ownership cultures has been more or less established by the literature not only for the Spanish case, but across a wide spectrum of states with different economies and institutional settings (Blackwell & Kohl, 2018; Yesilbag, 2019). The core of this narrative has been identified with the rise of neoliberalism and the global trend towards liberalization, commodification and the retreat of welfare (Harvey, 2005; Kemeny, 1992; Schwartz & Seabrooke, 2009; Brenner & Theodore, 2002) in the context of an individualistic and property-based stakeholder society ruled by the principles of governance (López & Rodríguez, 2010a).

On the side of demand, the genesis of these tendencies in the Spanish case needs to acknowledge two interrelated phenomena: first, economic “dispositions” towards tenure type preference, debt financing and investment are shaped by “the structure of possibilities generated by housing policies” (Palomera, 2014, p.221) which, as we have seen, was devoted to the development of a finance-housing complex. Second, the financialization of income sources for households during the boom years brought changes in their management. These were associated with the rising importance of financialized real-estate assets and property titles (which became at least as important as wages) as well as greater exposure to market fluctuation risks. The economic inequalities stemming from class positions implied an unequal dependency on debt which, in turn, entailed a greater subordination to both markets and financial institutions and, ultimately, a deepening of preexisting inequalities. These developments generated changes in the narratives, conceptions and rationale of working-class households concerning housing and debt, but also on their conceptions of values like security and autonomy.

Furthermore, the intertwining of the media sector with financial capital and its relations with the state ensemble -illustrative of the class nature of these networks-, were crucial in fostering pro-growth discourses from both perspectives. The “integral state” operated in this aspect as a power-inscribed knowledge (i.e. discourse) producer

(Jessop, 2015) within the frame of an accumulation model striving to overcome the struggles and conflicts native to industrial relations. In this sense, media (and media discourse) were an integral part of that process, one that was just as embedded in and traversed by economic power networks as was the deployment of state power through policies, and which was part of the same process of strategic selectivity. This way, the economic power networks binding finance, construction/real-estate and media within the state's hegemonic project can be tied to policy, knowledge production and narrative shifts.

It is therefore not surprising that homeownership did not start to become the dominant form of tenancy until the last third of the XXth century, fully consolidating by the late 80s to early 90s, and reaching its peak approximately between 97 and 07. During this period, the main discursive concern regarding housing provision was lack of access for certain social sectors due to rising prices (Fuster et al, 2018), so that easy credit and long repayment terms were presented as a solution, a democratization of access to property. Notwithstanding, the main discursive pillar on which this model stood was precisely the belief in the ever-growing nature of prices (Castells, Caraca, and Cardoso, 2013) above that of interest rates, an idea shared across many societies with financialized housing markets (Poppe et al., 2015). This notion was accompanied by other complementary discourses, prevalent in lower-middle strata, which highlighted both the perceived safety of ownership (especially regarding family formation) as an investment and a form of saving, and which saw renting as a "waste of money" (Fuster et al., 2018).

2.5.4 Actors

Finally, in line with the urban political economy of Haila's (1991) seminal analysis of spatial patterns of investment and her identification of key actors/parties promoting specific agendas, the main agents/parties involved in the construction of the Spanish housing and credit markets must also be identified. These are many, with different interests and degrees of power and *access to the state en-*

semble and capacities, but they can be grouped into six broad categories.

The first category, **financial capital**, is itself subdivided in two: First, **international** finance capital actors, including financial institutions, investors and traders, private equity funds and rating agencies. These were instrumental in supplying the Spanish financial system with the liquidity necessary (through investment or direct lending) to fuel land, real estate and mortgage markets during the expansive part of the cycle. Later, during the recessive part of the housing cycle, some (especially the so-called “vulture funds” like Blackstone or Cerberus) would take a more active role and directly engage the rental market (García-Lamarca, 2019). And second, **national** finance capital, with considerable economic participation both in the construction/real estate and in the media sectors, as well as notable ties with the state. The rise in the relative power of these capital fractions has been tied to de-industrialization (Aguilera & Naredo, 2009) and the use of state instruments to increase the differences in an already unequal distribution of economic and political power (through privileged deals, privatizations, etc.) which allowed its further concentration (Naredo, 2010). The main actors of Spanish financial capital included banks but, most especially for the time period, also savings banks. The latter, being semi-public institutions linked to territorial demarcations and partially co-managed by local political representatives, offered the possibility to concentrate in the same board-room the capacity to re-designate public land uses (from non-developable rural land to developable urban or potentially urban) in order to make it sellable and, at the same time, fund the investors and developers -especially urbanizing agents and similar figures- who would purchase that very land to develop large real-estate projects. This fostered the appearance of clientelistic networks (Lopez & Rodriguez, 2010b; García, 2014) between political parties, economic agents and local ‘elites’ (which often ended in influence trafficking, illegal financing and other corrupt schemes).

In third place, we can find **construction** and **real-estate capital**, made up of many companies of different sizes operating at different scales. The largest business groups³⁸, coming from a decades-long

38 ACS, FCC, Ferrovial, OHL and Sacyr

process of growth on the back of infrastructure building and the tourism industry, were able to expand their oligarchic positions into real-estate (and the energy sector). Smaller companies (sometimes in the hands of a single individual or a very small group of investors) filled the role of land developers/urbanizing agents (or investors/capitalists in land) seeking yields in a favorable economic and regulatory conjuncture, linking land and financial markets and sometimes undergoing processes of immense capitalization. They represented a contrasting figure against that of the traditional landowner, more akin to the economic role of the agricultural rentier. State policies bent on stimulating land availability for real-estate development and new construction often favored alliances between landowners and developers, but ultimately tended to favor the latter in their efforts to expedite the process.

The foundations for the rise of these actors had been laid as early as 1956, with the *Ley del suelo*, later reinforced by 1963's *Ley de centros y zonas de interés turístico*³⁹ or, more recently, by 1994's LRAU (*Ley de Arrendamientos Urbanos*⁴⁰) and the following legislation inspired by it. This competitive co-existence of strategies was territorially uneven, and it broadly followed two directions: one centered around a more centralized approach, built around state-backed land developers (pioneered in Valencia); and a second one centered around a de-regulative market approach beneficial for landowners (deployed, for example, in Madrid) (López & Rodríguez, 2010a). Their combination coalesced in the -superficially paradoxical- construction of an unregulated market-driven by state regulation. Land developers (*agentes urbanizadores* and other similar figures), enabled by advantageous regulation, operated as the conveyor belt between finance capital and the emerging land and real-estate markets, while the land-owners with enough resources (economic and political) embraced their role as promoters/developers.

Both national finance capital and construction/real-estate capital had strong ties with the state, some going back to -at least- the post-war period and some built during the mid-80s to early 90s. The

39 Law for centers and areas of tourist interest.

40 Urban lease law

analysis carried out by Juste (2017) shows how in 1992, with the launch of the IBEX35⁴¹, thirteen of the listed companies included a total of forty-three board members who were former high-ranking state officials under the PSOE government. These included presence in banks like BBV and Banesto, as well as ties with the Hispanoamericano. Thirty-five more board members (distributed between twenty-one companies) had occupied high offices during the dictatorship -and the monarchic interim government-, again with important ties with finance (as board members in the BBV, Hispanoamericano, Popular, Central and Santander banks) and also the construction sector in firms like Vallhermoso, FOCSA -later FCC, the biggest Spanish construction company-, CyMZOV and also other non-listed companies like OHS, HASA and Huarte⁴² (Aalbers & Fernandez, 2017). While the growing primacy of finance and construction over industry was a product of the 80s, one of the main points of access to these corporate networks (other than direct family ties) happened through the state, either through political parties in control of sectors of the administration or through high-ranking official positions in the state's institutions (also operating as a sort of recruiting ground for elements of the middle classes). In the year 2000, for example, 17,5 percent of all board members in ibex35 companies had direct ties with the state. Ultimately, following Juste's (Juste, 2017) analysis and his reception of Useem's (Useem, 1984) idea of a "power core" of interconnected companies tied to the state's ensemble, and of the Poulantizan notion of a political "power bloc", the financial system (and especially the banking system) would have prevailed in its dispute with the industrial capital fraction by effectively mobilizing the state's resources (policy capacity, personnel, influence networks, etc.) tied to the ministry of economy. These links with the consolidating ibex power core developed concurrently with the accelerated privatization of many state resources (where publicly appointed executives would remain in formerly public companies after these were sold), solidifying their role as a sort of conveyor belt between both spheres. This trend

41 The stock market index for the Bolsa de Madrid, Spain's main stock exchange.

42 Both HASA and Huarte were acquired with considerable financial support from the government.

would be strengthened by the rise of savings banks⁴³ which, unable to be listed in the stock market, found a way to grow through their participation in the profits provided by the stock capitalization of listed companies, becoming central actors in the money flows within the construction and real-estate sectors⁴⁴. Finally, these processes were accompanied all along by the state-arbitrated concentration of finance capital⁴⁵ during the 80s and 90s and of construction capital also during the early 00s (which crystallized into a big six of ACS-Dragados, FCC, Ferrovial, Acciona, Sacyr-Vallhermoso and OHL).

The fourth group of actors is formed by **the state's ensemble** and its different branches, seeking to realize its own hegemonic and state projects and operating at different scales. The central level devised large, state-wide investment plans such as the several consecutive Planes Nacionales de Vivienda (from the 50s onward), and the Plan Director de Infraestructuras (93-07, reinforced in 2003 by the PEIT), both cornerstones in the concentration and consolidation of the construction sector, becoming the linchpin of economic growth and an even more powerful political lobby. At the same time, the de-centralized regional administrations of the Comunidades Autónomas competed to attract investment and stimulate growth with their own policy and regulation (the already mentioned LRAU, etc.).

A similar concurrent process took place in the chronically underfunded municipalities, as they held the legal competency to designate land uses and plan their development (using the PGOU/POUM tool). These municipalities were, at the same time, in possession of large amounts of potentially developable land and in need of their own financing schemes, already heavily dependent on income derived from several land and real-estate taxes. Based on these competencies for urban planning and the re-designation of land uses,

43 Cajamadrid, Bancaja, CAM, Banco de Valencia, La Caixa, Catalunya Caixa, etc.

44 For example, the acquisition of Dragados in 2002 (the biggest Spanish construction company) by ACS (the *fourth*) was financed by La Caixa and Cajamadrid, both savings banks, with a 450 million loan which allowed ACS to purchase a 23.5 percent share from Banco Santander.

45 E.g. the mergers giving birth to BSCH and BBVA.

municipalities were able to decide the moment and conditions in which land could be incorporated into the construction and real-estate development circuits, thus determining the timing and pace of the process of urban capital accumulation. This capacity turned the local level of the state into both a proactive agent and a first-order political arena (but far from the only one) for the unfolding and resolution of some of the disputes between class fractions shaping the state's strategic selectivity. Incentives for political parties to adopt public policies in favor of these interests included not just the promise of electoral success fueled by economic growth, but the possibility of backhanded funding schemes (Iglesias, 2007; Jerez et al., 2012) and a functioning revolving door between companies and parties. This pro-growth triple alliance between local and regional politicians, land developers and construction companies was identified by Naredo & Montiel (2011, p.25) as the basis for the rise of clientelistic relations, informal power networks and systemic urban-related corruption (Moreno, 2020).

The fifth category of actors is composed of the **media** system and its integration within state and finance/real-estate capital networks. From this perspective, we can see how during the bubble period the media sector was a highly concentrated one (Barrera, 2010) -a tendency which has only intensified since-, with a few main business groups holding the vast majority of the market's share. In terms of state and finance/real-estate capital penetration and leverage within the sector, the frequent state intervention (an average of 24.08% of total audiovisual revenue for the period '01 to '05 came from direct subsidies [Palacio, 2006]), in line with the 'polarized pluralist' model (Hallin & Mancini, 2004), enhanced the sector's dependence from the state's ensemble and its indirect integration within it (in its 'integral' Gramscian sense), while the ample participation of finance capital in the main media holding's strengthened the bonds with the hegemonic capital fraction.

Turning to the specifics of some of the sector's main holdings, the evolution of the Atresmedia group (now Atresmedia/Planeta), the largest media group in Spain, is quite revealing of the kind of arrangements that intertwined government action, financial capital, media and real-estate directly. In 1997, Telefónica, a formerly state-

owned company⁴⁶ which was participated by BBVA and La Caixa - now Caixabanc- with around a 5 percent respectively, bought 49 percent of the group, while Banco Santander's participation rose to 29 percent. Later, in 2003, Grupo Planeta -another media conglomerate- became the main stockholder (hence Atresmedia/Planeta), while, at the same time, it owned the real-estate company Inversiones Hemisferio⁴⁷ which, in turn, bought 5 percent of Banc Sabadell in 2007⁴⁸. The case of Prisa, the second biggest media group in Spain (essentially devoted to printed media and radio during the 97-07 period), is also indicative of the growing embeddedness of the media system with finance capital and of the direct influence of the latter. In this case, finance capital's leverage over the media holding was made evident when Santander, Caixabank, HSBC and Telefónica became stockholders thanks to a debt redemption strategy, which saw the group trading massive amounts of unpaid debt for company's stocks, effectively materializing the indirect control financial institutions may have been exerting. Yet another example of the direct ties between media and finance can be found in Vocento (the fourth largest media group in Spain), which holds a major presence in printed regional media and is largely under the control of the Ybarra family, whose head, Emilio Ybarra, was also president of the BBVA from 1990 until 2001. These cases, notwithstanding the pursuit by every major actor of its own interests and the internal competition within the sector, point at a growing concentration of capital and an increasing inter-penetration of financial and real-estate capital within the media system during the bubble period, making a strong case for its consideration as a corporate-political "power core" and a form of poulantizan "political unity"⁴⁹ (Juste, 2016).

46 Privatized between 1995 and 1999 under both the PSOE and PP governments.

47 Its CEO was J. Crehueras (later CEO of Planeta) and had Jordi Faine (son of Isidre Faine, president of La Caixa) as a board member.

48 Of which Jose Antonio Lara, CEO of Planeta, was also vice-president.

49 Essentially, the idea that the links between state and corporate elements (represented by personally held objective economic and political positions) operate as enablers in the implementation of common strategies for the defense of the interests of several dominant class fractions.

Finally, the model of accumulation was ultimately sustained by the sixth category or group of actors: **households**, characterized by their universal need for housing and the combination of their more or less rational willingness to acquire mortgages and a lack of options besides mortgaged property (either in tenure or in types of financing). Both homeowners seeking home price appreciation and would-be homeowners (at the bottom end of the value formation chain) were able to rely on a cooperative credit system reinforced by international liquidity (Naredo & Montiel, 2011) but paid a price in the de-territorialization of families and communities, and in the individualization and fragmentation of the social fabric. The temporary ‘unification’ of their interests with those of capital in the ‘cooperative antagonism’ of the financialized housing state project came mostly through the considerable increases in wealth and upwards social mobility derived not just from the wealth effect, but from the capacity of the model to generate jobs in the construction sector and its related industries (13’9% of the total workforce in 2007).

Two moments existed in this circuit (or two intersecting sub-circuits) which fed off each other: one dedicated to construction, and oriented toward the land market and the mobilization and commercialization of land; and another one dedicated to the buying and selling of real-estate, oriented towards debt/credit markets. Actors participated differently in them, with landowners and construction companies operating mostly in the first one and real-estate companies and households doing it in the second one. The state’s strategic selectivity at the regional and local levels provided the regulation and policy frameworks necessary for land developers to connect land and real-estate markets, while finance capital provided the necessary liquidity at both ends of the process (production and consumption).

Overall, a key element to highlight in this arrangement is the absence of the presumed tension between “bad rentiers” and “good industrialists” (Lapavitsas, 2011, p. 618), substituted instead by a distributive conflict between land-owners and land-developers, mostly resolved in favor of the latter (Lopez & Rodriguez, 2010a), as well as a tight relation and interpenetration between corporate and financial elements within the same profit extraction mechanisms, in

which finance operated not as a passively extractive rentier layer but as a prime mover of money across classes and as an accelerator of capital flows and business cycles. Altogether, it could be said that not only did “the financial sector took control of the construction industry, submitting the old engineering logic of real estate entrepreneurship to the financial requirements of investors” (Fix, 2011 in Rolnik, 2013), but it did it hand in hand with the state’s institutional ensemble. Municipalities and political parties, landowners, urban developers, construction companies, banks and savings banks split the lion’s share of the cycle’s profits, while largely working-class households were forced to rely on a wealth effect bound to become a ‘poverty effect’ and a wave of dispossession (and, as usual, accumulation) with the inevitable collapse of the bubble. It is in this sense that we can say that it was “through the wholesale intervention of central and local governments that a massive spoliation of the assets of the poor [took] place” (Rolnik, 2013, p.1064).

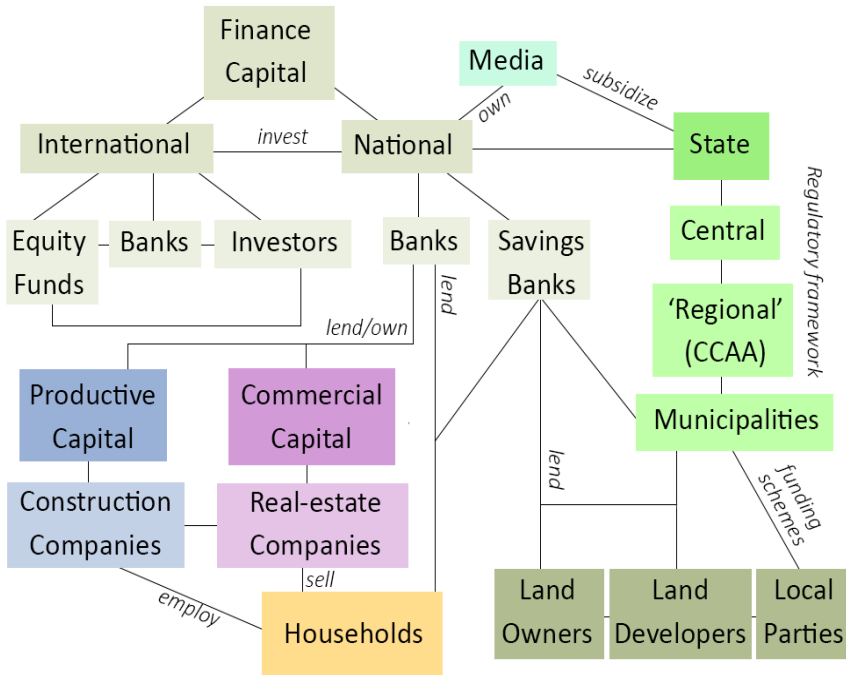


Fig. 2.2

Actors

2.6 Conclusion

In the Spanish case, financialization and housing have been two sides of the same coin. A single process that has intertwined the state’s selective strategies with international economic tendencies, political shifts and deep cultural changes oriented toward the construction, as a state project, of a fully financialized housing market based on asset-price Keynesianism and tied to the development of a “debtfarist” homeowner society.

Tracing back these processes, we have seen the historical marketization of the Spanish housing provision system, as well as its tailoring through progressive changes in different aspects of housing pol-

icy leading, among other things, to an inversion in the dominant tenure types and the subsequent development of a home-ownership culture from the 60s until the late-70s to early-80s. The state's strategic selectivity regarding housing policy allowed for a quick opening to international markets with the deployment of a 'financial fix' in the context of an increasingly de-industrialized semi-peripheral economy, channeling foreign investment but also enabling financial institutions to accelerate the capital circulation and realization speed by simultaneously stimulating production and consumption, while temporarily decoupling it from income levels and increasing profit extraction through a "debtfarist" strategy linked to "privatized Keynesianism". The liberalization of the Spanish banking system, together with land regulations during the 90s (reflected in the massive increases in mortgage-to-GDP ratio) and the development of a culture of ownership as investment fostered by public and private discourse.

This strategy involved, at its core, a substantial class component, as it enabled a) the massive accumulation of fictitious capital and the realization of profits for financial and construction/real estate capital (and their interpenetrated forms) based on the extraction of rents -that is, promises of payment depending on future wages- in the sphere of social reproduction; b) a reduction of labor costs based on wage stagnation without an apparent loss of overall aggregate demand thanks to liberalized private debt markets (mortgages) and an (ultimately unsustainable) wealth effect; c) the transference of risks stemming from endemic financial instability from large finance capital owners to mostly working-class households and, eventually, small-time investors; and d) the hyper-commodification of the housing system, leading to growing embedded inequalities in access to housing in the first place, and to massive impoverishment and a wave of dispossession once the mode of accumulation collapsed.

The changes in the international political and economic context (the European integration process, monetary unity, de-industrialization and the availability of international liquidity) fostered the development of this mode of accumulation. However, the design, selection and implementation of the necessary policies depended on the highly unequal capacity of the different actors involved to articu-

late, dispute and promote their own interests in the complex arena of the state's institutional ensemble. This depended, in turn, on their capacity to shape the state's strategic selectivity, largely a function of their class location and the associated functions, resources and power. In this sense, both financial capital and the construction/real estate sectors emerged victorious vis a vis traditional industrial capital, consolidating their oligarchic position and their organic ties with the state. On a similar line, the increasingly embedded nature of the Spanish media system with both financial and real-estate capital, as well as its concentration and dependency of the state, contributed to the ongoing development of a socio-political narrative, an economic rationale and subjective economic dispositions which favored the involvement of the working-class in the process, providing the sufficient legitimacy to sustain the pro-growth coalitions and the pro-ownership hegemonic project.

In sum, the capture and exploitation of the housing market for the benefit of the capital owners and the ruling classes (Madden & Marcuse, 2016) involved a combination of old and new money, of immense benefits for the established oligarchy and the promise of riches for the aspiring members of the new proprietor/entrepreneur classes, in an overall very unbalanced alliance between upper and middle strata. This arrangement included the working-class in a sort of negotiated subalternity which, under the hegemonic dominance of the horizon offered by the homeowner society, included and targeted key aspects of the social reproduction of the working-class as a source of profit, while exposing it to the immense risks and dire consequences of its inevitable downfall. While the cycles of price appreciation and debt realization held, the state-sponsored mode of accumulation was able to subsume most of the antagonistic forces brewing inside of it, defusing conflict and relegating social movements in the field of housing rights to the political fringes. The end of the bubble and debt-fueled welfare starkly ended two decades of a societal project built on the finance-housing complex, casting a large shadow on the state's ability to ensure the political interest of the ruling classes and bringing class conflict back to the center stage of social mobilization.

Bibliography

Aalbers, M. (2008) The Financialization of Home and the Mortgage Market Crisis. *Competition and Change*, 12(2): 148-166.

Aalbers, M. & Christophers, B. (2014a) Centering Housing in Political Economy. *Housing, Theory and Society*, 31(4): 373-394.

Aalbers, M. & Christophers, B. (2014b) The Housing question under capitalist political economies. *Housing, Theory and Society* 31(4): 422-428.

Aalbers (2015) 'Corporate Financialization', in Castree, N. et al. (eds) *The International Encyclopedia of Geography: People, the Earth, Environment, and Technology*. New Jersey: Wiley.

Aalbers, M. (2016) *The financialization of housing: A political economy approach*. London: Routledge.

Aguilera, F & Naredo, J. [eds.] (2009). *Economía, poder y megaproyectos*. Tegui: Fundación César Manrique.

Akin, O., Montalvo, J.G., García Villar, J. et al. (2014) The real estate and credit bubble: evidence from Spain. *SERIEs* 5(2-3): 223–243.

Alexandri, G. & Janoschka, M. (2017) Who Loses and Who Wins in a Housing Crisis? Lessons From Spain and Greece for a Nuanced Understanding of Dispossession, *Housing Policy Debate* 28(1): 117-134.

Andreucci, D., García-Lamarca, M., Wedekind, J. & Swyngedouw, E. (2017) Value grabbing. A political economy of rent, *Capitalism Nature Socialism*. 28(3): 28-47.

Andrews, D. and Caldera, A. (2011) The Evolution of Homeownership Rates in Selected OECD Countries: Demographic and Public

Policy Influences. *OECD Journal: Economic Studies*, 2011(1): 207-243.

Arrighi, G. (1994) *The Long Twentieth Century: Money, Power, and the Origins of Our Times*. London and New York: Verso.

Azevedo, A. B., López-Colás, J., Módenes, J. A. (2016). Home ownership in Southern European countries: Similarities and differences. *Portuguese Journal of Social Science*, 15(2): 275–298.

Baran, P. and Sweezy, P. (1966) *Monopoly Capital. An essay on the American economic and social order*. London: Pelican.

Barker, C. Cox, L., Krinsky, J. & Gunvald, N. (2014) *Marxism and Social Movements*. Chicago: Haymarket Books.

Blackwell, T & Kohl, S. (2018): Historicizing housing typologies: beyond welfare state regimes and varieties of residential capitalism, *Housing Studies*. 34(2): 298-318.

Barrera, C. (2010). Spain: Media System in *The International Encyclopedia of Communication, First Edition* Donsbach, W (ed.) (2008) Oxford: Wiley-Blackwell.

Berndt, C. & Boeckler, M. (2012) Geographies of Marketization In: Barnes, Trevor, Eric Sheppard and Jamie Peck (eds.): *The Wiley-Blackwell Companion to Economic Geography*. pp.199-212. Oxford: Wiley-Blackwell.

Byrne, M. (2019) Generation rent and the financialization of housing: a comparative exploration of the growth of the private rental sector in Ireland, the UK and Spain. *Housing Studies*, 35(4): 743-765.

Boeckler, M., & Berndt, C. (2013) Geographies of circulation and exchange III: The great crisis and marketization ‘after markets.’ *Progress in Human Geography* 37(3): 424–32.

Boyer, R. (2000) Is a finance-led growth regime a viable alternative to Fordism? A preliminary analysis. *Economy and Society*, 29(1): 111–45.

Bover, O., Torrado, M. et al. (2019) The loan to value ratio for housing in Spain over the period 2004-2016, *Banco de España, Economic Bulletin 1/2019 Analytical Articles*.

Boltanski, L. and Chiapello, E. (2005) *The New Spirit of Capitalism*. London and New York: Verso.

Bourdieu, P. (2003) *Las Estructuras Sociales de la Economía*. Barcelona: Anagrama.

Borg, I. (2015) Housing Deprivation in Europe: On the Role of Rental Tenure Types. *Housing, Theory and Society*, 32(1): 73–93.

Brand, U (2013) State, Context and Correspondence. Contours of a historical-materialist policy analysis. *Osterreichische Zeitschrift für Politikwissenschaft*, 42(4): 425-442.

Brand, U. Gorg, C. & Wissen, M. (2011) Second-Order Condensations of Societal Power Relations: Environmental Politics and the Internationalization of the State from a Neo-Poulantzian Perspective. *Antipode* 43(1): 149-175.

Brenner, N. and N. Theodore (2002) *Spaces of Neoliberalism: urban restructuring in North America and Western Europe*. Blackwell: Oxford.

Brenner, R. (2003) *La expansión económica y la burbuja bursátil* Madrid: Akal.

Brenner, R (2006), *The Economics of Global Turbulence: the advanced capitalist economies from Long Boom to Long Downturn, 1945–2005*, New York: Verso.

Castells, M., Caraca, J. and Cardoso, G. (2013). *Después de la crisis*. Madrid: Alianza.

Çalışkan, K., and Callon, M. (2009) Economization, part 1: Shifting attention from the economy towards processes of economization. *Economy and Society*, 38 (3): 369–98.

Callon, M. (2007) What Does it Mean to Say that Economics is Performative? in D. MacKenzie, F. Muniesa and L. Siu (Ed.), *Do Economists Make Markets? On the Performativity of Economics*. pp.1-57, Princeton: Princeton University Press.

Carcanholo & Nakatani (2001) Capital especulativo parasitario versus capital financiero. *Revista Problemas del Desarrollo* 32(124): 09-31.

Christophers, M. (2010) Theorising relations of property, value and contemporary capitalism, *Transactions Institute of British Geography*, 35(1): 94–108.

Christophers B. (2015) The limits to financialization. *Dialogues in Human Geography*. 5(2):183-200.

Chesnais, F. (1996) *La mundialización financiera. Génesis, costo y desafíos*. Buenos Aires: Editorial Losada.

Clapham, D. (2018) Housing Theory, Housing Research and Housing Policy, *Housing, Theory and Society*, 35(2): 163-177.

Cook, N., Smith, S.J., Searle, B.A., (2013) Debted objects: home-making in an era of mortgageenabled consumption. *Housing, Theory and Society* 30(3): 293-311.

Crehan, K. (2016) *Gramsci's Common Sense: Inequality and its Narratives*. Durham and London: Duke University Press.

Crouch, C. (2009), Privatised Keynesianism: An Unacknowledged Policy Regime. *The British Journal of Politics & International Relations*, 11(3): 382-399.

Di Feliciano, C. & Aalbers, M. (2017) The Prehistories of Neoliberal Housing Policies in Italy and Spain and Their Reification in Times of Crisis, *Housing Policy Debate*, 28(1): 135-151.

Deutschmann, C. (2011) Limits to Financialization, *European Journal of Sociology*. 52(3): 347–389.

Donnison, D. (1967) *The Government of Housing*. Harmondsworth: Penguin.

Dumenil, G. and Levy, D. (2005). 'Costs and Benefits of Neoliberalism', in Epstein, G. (ed.), *Financialization and the World Economy*. pp. 17-45, Cheltenham: Edward Elgar.

Durand, C. (2017) *Fictitious Capital. How Finance Is Appropriating Our Future*. London-New York: Verso.

EFE (2015, november 13) Miguel Sebastián: Jamás nos planteamos pinchar la burbuja inmobiliaria. *El Mundo*. [Online] Retrieved from <https://www.elmundo.es/economia/2015/10/13/561cb0ba46163f7c1d8b45ba.html> [Accessed April 2021].

El Banco de España descarta una crisis de las hipotecas como la de Estados Unidos (2007, march 16) *El País*. [Online] Retrieved from https://elpais.com/diario/2007/03/16/economia/1173999608_850215.html [Accessed April 2021].

Epstein, G. (2005) *Financialization and the World Economy*. Cheltenham: Edward Elgar.

Etxezarreta, M. (Ed.) (1991) *La reestructuración del capitalismo en España*. Madrid: Fuhem/Icaria.

Fernandez, R. (2016) Stylized facts from housing and finance: How do they relate across space and time? *REFCOM Occasional Working Paper* DOI: [10.13140/RG.2.2.32818.81609](https://doi.org/10.13140/RG.2.2.32818.81609).

Fernandez, R & Aalbers, M. (2016) Financialization and Housing: Between Globalization and Varieties of Capitalism. *Competition and Change*, 20(2): 71-88.

Fernandez, R & Aalbers, M. (2017): Housing and Capital in the Twenty-first Century: Realignment Housing Studies and Political Economy. *Housing, Theory and Society*, 34(2): 151-158.

Fields, D. (2014) 'Contesting the financialization of urban space: community organizations and the struggle to preserve affordable rental housing in New York City', *Journal of Urban Affairs* 37(2): 144-165.

Fields, D. (2017) Constructing a New Asset Class: Property-led Financial Accumulation after the Crisis, *Economic Geography*. 00(00), p.1–23.

Fix, M. (2011) Financeirização e transformações recentes no circuito imobiliário no Brasil. PhD thesis, Institute of Economics, University of Campinas.

Fuster, N., Arundel, R. & Susino, J. (2018) From a culture of homeownership to generation rent: housing discourses of young adults in Spain. *Journal of youth studies*, 22(5): 585-603.

García, G (2014) *Els senyors del boom*. Barcelona: Edicions Saldonar.

Gil, J. (2019) *La estirpe del Camaleón*. Madrid: Taurus.

Gotham, K. (2009) Creating Liquidity out of Spatial Fixity: The Secondary Circuit of Capital and the Subprime Mortgage Crisis. *International Journal of Urban and Regional Research*, Volume 33(2) p.355–71.

Haila, A. (1991) Four types of investment on land and property, *International Journal of Urban and Regional Research*, 15(3): 343-365.

Haiven, M. (2014) *Cultures of financialization*. New York: Palgrave Macmillan.

Hajer M.A. (2008) Diskursanalyse in der Praxis: Koalitionen, Praktiken und Bedeutung, in Janning F., Toens K. (eds) *Die Zukunft der Policy-Forschung*. VS Verlag für Sozialwissenschaften pp.211-222.

Hallin, D., & Mancini, P. (2004). *Comparing Media Systems: Three Models of Media and Politics (Communication, Society and Politics)*. Cambridge: Cambridge University Press.

Harloe, M. (1985) *Private Rented Housing in the United States and Europe* (London: Taylor & Francis).

Harvey, D. (1982) *The Limits to Capital*. London-New York: Verso.

Harvey, D. (2003). *The New Imperialism*. New York: Oxford University Press.

Harvey, D. (2012) *Rebel Cities*. London and New York: Verso.

Harvey, D. (2011) *El enigma del Capital y las crisis del capitalismo*. Madrid: Akal.

Harvey, D. (2015) *Seventeen Contradictions and the End of Capitalism*. Oxford: Oxford University Press.

Instituto Nacional de Estadística (2008, February 27) Estadística de Hipotecas (Base 2003) [Press Release] Available at <https://www.in-e.es/daco/daco42/daco426/h1207c.pdf> [Accessed April 2021].

Iglesias, F. (dir.) (2007) *Urbanismo y democracia. Alternativas para evitar la corrupción*. Madrid: Fundación Alternativas.

Jerez Darias, L. M., Martín Martín, V. O., & Pérez González, R. (2012). Aproximación a una geografía de la corrupción urbanística en España. *Ería*, (87): 5-18.

Jessop, B (1985) *Nicos Poulantzas: Marxist Theory and Political Strategy: Marxist theory and political strategy*. London: Macmillan.

Jessop, B. (1990) *State Theory: Putting the Capitalist State*. Cambridge: Polity.

Jessop, B. (2007) *State Power. A Strategic Relational Approach*. Cambridge: Polity.

Jessop, B. (2015) *The State. Past, Present, Future*. Cambridge: Polity.

Jessop, B., Peck, J.A. & Tickell, A. (1999) 'Retooling the machine: state restructuring, uneven development, and urban politics' in Jonas A.E.G & Wilson, D. (Eds.), *The urban growth machine: critical perspectives two decades later*. pp.141-159, New York: State University of New York Press.

Juste, R. (2016) *La Formación Del Bloque De Poder Económico En España: Consejeros, Capital Y Estado En El Ibex35 (1991-2013)*. PhD Thesis, Universidad Complutense de Madrid.

Juste, R. (2017) *IBEX 35: Una historia herética del poder en España*. Madrid: Capitán Swing.

Kannankulam, J. & Georgi, F. (2014) Varieties of capitalism or varieties of relationships of forces? Outlines of a historical materialist policy analysis. *Capital & Class* 38(1): 59-71.

Keen, S. 2015. Post Keynesian Theories of Crisis. *American Journal of Economics and Sociology*, 74(2): 298-324.

Kelly, S. (2014) Light touch regulation: The rise and fall of the Irish banking sector, in A. MacLaran and S. Kelly (Ed) *Neo-liberal Urban Policy and the Transformation of the City: Reshaping Dublin*. Basingstoke: Palgrave Macmillan, pp. 37-52.

Kemeny, J. (1981) *The Myth of Home Ownership: Private Versus Public Choices in Housing Tenure*. London: Routledge.

- Kemeny, J. (1992) *Housing and Social Theory*. London: Routledge.
- Kemeny, J. (1995) *From Public Housing to the Social Market*. London: Routledge.
- Kemeny, J. (2001) Comparative housing and welfare: Theorising the relationship. *Journal of Housing and the Built Environment*, 16: 53-70.
- Krippner, G. (2005) The Financialization of the American Economy. *Socio Economic Review*, 3: 173-208.
- Krippner, G. (2011) *Capitalizing on Crisis. The Political Origins of the Rise of Finance*. Cambridge, MA: Harvard University Press.
- Lapavitsas, C. (2009) *El Capitalismo financiarizado. Expansión y crisis*. Madrid: Maia Ediciones.
- Lapavitsas, C (2011) Theorizing Financialization. *Work, Employment and Society*, 25(4): 611-626.
- Lapavitsas, C. (2013) *Profiting Without Producing: How Finance Exploits us All*. London and New York: Verso.
- Lapavitsas, C. (2018) *The Left Case Against the EU*. Cambridge: Polity Press.
- Lazzarato, M. (2012) *The Making of the indebted Man*. Los Angeles: Semiotext(e).
- Lazzarato, M (2015) *Gobernar a través de la deuda*. Buenos Aires-madrid: Amorrortu.
- Leal, J. (2005) La política de vivienda en España, *Documentación social* 138: 63-80.
- Lebowitz, M. (2005) *Más allá del capital*. Madrid: Akal.

- Llorden, M. (2013) La Política de vivienda del régimen franquista. In Sanchez, G. & Tascon, J. (eds.) *Los empresarios de Franco*, pp.145-170. Barcelona: Crítica.
- Madden, D. & Marcuse, P. (2016) *In Defense of Housing*. London-New York: Verso.
- Malpass, P. (2008) Housing and the New Welfare State: Wobbly Pillar or Cornerstone? *Housing Studies* 23(1): 1-19.
- Mandic, S., & Cirman, A. (2012). Housing Conditions and Their Structural Determinants: Comparisons within the Enlarged EU. *Urban Studies*, 49(4): 777–793.
- Marcuse, P. (2009). A Critical Approach to the Subprime Mortgage Crisis in the United States: Rethinking the Public Sector in Housing. *City & Community*, 8(3): 351–356.
- Martin, R. (2002) *Financialization of Daily Life*. Philadelphia: Temple University Press.
- Martin, R (2011) The local geographies of the financial crisis: from the housing bubble to economic recession and beyond. *Journal of Economic Geography*, 11(11): 587–618.
- Masip, P., Ruiz, C., Suau, J., Garcia-Castillejo, A. (2017). Media Pluralism Monitor 2016: Monitorizando los riesgos para el pluralismo mediático en EU y más allá. Florence, European University Institute, Robert Schuman Center for Advanced Studies. [Online] Available at <https://op.europa.eu/en/publication-detail/-/publication/23f5e63d-e46f-11e7-9749-01aa75ed71a1/language-es> [Accessed April 2021].
- McNally, D. (2009) From Financial Crisis to World Slump. *Historical Materialism*, 17(2): 35-83.
- Minsky, H. (1986) *Stabilizing an Unstable Economy*. McGraw-Hill Professional.

Logan, J. & Molotch, H. [1976 (2007)] *Urban Fortunes: The political economy of place*. Berkeley: University of California Press.

Montgomerie, J. (2009) The Pursuit of (Past) Happiness? Middle-class Indebtedness and American Financialisation. *New Political Economy*, 14(1): 1- 24.

Montgomerie, J. and Young, B. (2011a) Home is Where The Hardship is. Gender and Wealth (Dis)Accumulation in the Subprime Boom. *CRESC Working Paper 79*.

Montgomerie, J. (2011b) Gender, indebtedness and social reproduction: another politics of the subprime crisis. *CRESC Working Paper 91*.

Montgomerie, J. (2011c) The Age of Insecurity: indebtedness and the politics of abandonment. *CRESC Working Paper 92*.

Montgomerie, J.(2016).Austerity and the household: The politics of economic storytelling. *British Politics*, 11(4): 418-437.

Moreno, L. (2014) The urban process under financialised capitalism, *City: analysis of urban trends, culture, theory, policy, action*. (18)3: 244-268.

Moreno, J. (2020) The Iron Triangle of Urban Entrepreneurialism: The Political Economy of Urban Corruption in Spain. *Antipode* 52(5): 1351-1372.

Nesvetailova, A. and Palan, R. (2013) 'Minsky in the Shadows: Securitization, Ponzi Finance, and the Crisis of Northern Rock'. *Review of Radical Political Economics* 45(3): 349–368.

Norris, M & Byrne, M (2015) Asset price Keynesianism, regional imbalances and the Irish and Spanish Housing booms and busts. *Built Environment*, 41(2): 227-243.

Naredo, J.M. (1996) *La burbuja inmobiliario-financiera en la coyuntura económica reciente (1985-1995)*. Madrid: Siglo XXI.

Naredo, J.M. & Montiel, A (2011) *El modelo inmobiliario español y su culminación en el caso valenciano*. Capellades: Icaria-Antrazyt.

Observatori DESC. Àrea d'habitatge i dret a la ciutadania (2020) L'evolució Dels Desnonaments 2008-2019: De l'emergència a la consolidació d'una crisi habitacional [Online] Available at <http://observatoridesc.org/ca/l-evolucio-dels-desnonaments-2008-2019-l-emergencia-consolidacio-d-cri-si-habitacional> [Accessed April 2021].

Ong, A. (2007). Neoliberalism as a mobile technology. *Transactions of the Institute of British Geographers*, 32: 3-8.

Palacio, L. (2006). Radiografía de los grupos de comunicación in *Tendencias 06, Medios de comunicación: el año de la televisión*, Fernández, J. & Díaz, B. (eds.), pp. 419-438.

Palomera (2014) How Did Finance Capital Infiltrate the World of the Urban Poor? Homeownership and Social Fragmentation in a Spanish Neighborhood. *International Journal of Urban and Regional Research*, 38(1): 218-235.

Palomera (2015) The Political Economy of Spain. A brief history (1939-2014). *Working paper for the ERC Greco Project* [Online] Available at: https://www.academia.edu/22098898/_2015_The_Political_Economy_of_Spain_A_brief_history_1939_2014 [Accessed April 2021].

Pareja-Eastaway, M. & Sanchez-Martinez, M. T. (2011) El alquiler: una asignatura pendiente de la Política de Vivienda en España. *Ciudad y Territorio. Estudios Territoriales*, 167: 53-70.

Poggio, T. (2012) The Housing Pillar of the Mediterranean Welfare Regime: Relations Between Home Ownership and Other Dimensions in Italy, in R. Ronald and M. Elsinga (eds), *Beyond Home Ownership: Housing, Welfare and Society*. pp. 51-67, London: Routledge.

- Poppe, C., Collard, S. & Jakobsen, T.B. (2015): What has debt got to do with it? The Valuation of Homeownership in the Era of Financialization. *Housing, Theory and Society*, 33(1): 59-76.
- Poulantzas, N. (1975) *Political Power and Social Classes*. London and New York: Verso.
- Poulantzas, N. [1978 (2000)] *State, Power, Socialism*. London and New York: Verso.
- Poulantzas, N. (2008) *The Poulantzas Reader: Marxism, Law and the State*. London and New York: Verso.
- Roberts, M. (2016) *The long Depression. How It Happened, Why It Happened and What Happens Next*. Chicago: Haymarket Books.
- Rodriguez, E. & López, I. (2010a) *Fin de ciclo. Financiarización, territorio y sociedad de propietarios en la onda larga del capitalismo hispano (1959-2010)*. Madrid: Traficantes de Sueños.
- Rodriguez, E. & Lopez, I. (2010b) El model Español. *New Left Review*, 69:5-25.
- Rodriguez, E. & Lopez, I. (2011) Del Auge Al Colapso. El Modelo Financiero-Inmobiliario De La Economía Española (1995-2010). *Revista de Economía Crítica*, 12: 39-63.
- Rolnik, R (213) Late Neoliberalism: The Financialization of Homeownership and Housing Rights. *International Journal of Urban and Regional Research*, Volume 37(3):1058–66.
- Ronald, R. (2008) *The Ideology of Home Ownership: Homeowner Societies and the Role of Housing*. Basingstoke: Palgrave Macmillan.
- Muriel, I.S. (2020), Mortgage Lending and Economic Wrongdoing During the Spanish Housing bubble, in Wood, D.C. (Ed.) *Anthropological Enquiries into Policy, Debt, Business, and Capitalism*

(*Research in Economic Anthropology, Vol. 40*), pp. 91-107. Bingley: Emerald Publishing Limited.

Santos, I. (2014) *Élites de poder económico en España en 2013*. Vigo: Servizo de Publicacións da Universidade de Vigo.

Shlay, A. B. (2006) Low-income homeownership: American dream or delusion. *Urban Studies*, 43(3): 511-531.

Schwartz, H. (2008). Housing, Global Finance, and American Hegemony: Building Conservative Politics One Brick at a Time. *Comparative European Politics*, 6(2): 262-284.

Schwartz, H. and Seabrooke, L. (2009) *The Politics of Housing Booms and Busts*. Basingstoke: Palgrave MacMillan.

Smyth, S. (2018) Embedding Financialization: a policy review of the English Affordable Houses programme. *Housing Studies*, 34(1): 142-161.

Soaita, A. M., & Searle, B. A. (2016). Debt amnesia: Homeowners' discourses on the financial costs and gains of homebuying. *Environment and Planning*, 48(6): 1087–1106.

Soederberg, S. (2014) *Debtfare States and the Poverty Industry*. London and New York: Routledge.

Tarrow, S. (1998) *Power in Movement: Social Movements and Contentious Politics*. Cambridge: Cambridge University Press.

Saunders, P. (1990) *A Nation of Home Owners*. London: Unwin Hyman.

Stockhammer, E. (2007) Some Stylized Facts on the Finance-Dominated Accumulation Regime. *PERI Working Paper*, 142.

Streeck, W. (2014) *Buying time. The delayed crisis of democratic capitalism*. London and New York: Verso.

Sum, N. & Jessop, B. (2013) *Towards a Cultural Political Economy: Putting Culture in its Place in Political Economy*. Cheltenham: Edward Elgar.

Useem, M. (1984) *The Inner Circle. Large Corporations and the Rise of Business Political Activity in the US and the UK*. New York: Oxford University Press.

Vassenden, A. (2014) Homeownership and Symbolic Boundaries: Exclusion of Disadvantaged Non-homeowners in the Homeowner Nation of Norway. *Housing Studies*, 29(6):760-780.

Wright, S. 2002. *Storming Heavens. Class Composition and Struggle in Italian Autonomist Marxism*. London: Pluto Press.

Yeşilbağ, M (2019) The state-orchestrated financialization of housing in Turkey, *Housing Policy Debate*. 30(4): 533-558.

3. Union Without a Trade: Class Subjects in Social Reproduction. The Case of the PAHC Sabadell

Abstract

The present article combines some insights from urban political economy with a class-based approach to social movements studies to deal with the sociopolitical contention of new systemic forms of profit extraction based on household mortgage debt. Through an analysis of the subjectivation processes taking place within the PAHC Sabadell in its struggle against evictions and in defense of housing rights, the article explores both the political necessity and the practical possibility of working-class composition processes taking place outside the sphere of production and within that of social reproduction. It focuses on the relation between the PAH's shared class foundations and the PAHC's almost unique results in the form of articulated class manifestations. By building on the organization's role as a class institution, the roots of the emerging subject are traced back to previous experiences of local class conflict, refracted through praxis and discourse. The PAHC is conceptualized as capable of building within social reproduction some of the organizational forms typical of class struggles occurring in production, developing a similar form of agency in a different sphere of capital accumulation and, ultimately, enabling the hybridization of working-class subjectivity through the experience of market failure. The need for the development of an explicit class perspective on housing struggles is established to re-politicize household debt and rent extraction, as well as to transcend the limits of debtor alienation, moral outrage and a (re)negotiated subalternity. The article brings forth the potential ways in which an otherwise historically dis-aggregated and fragmented class can come together in newly formed spaces, organized as an emancipatory answer to the needs emerging from the transformations of financialized capitalism.

Key words: *Housing, Class, Social Reproduction, PAH, Subjectivation, Debt*

3.1 Introduction

After its foundation in the wake of 2008's recession and ensuing housing crisis, the PAH's struggle against evictions and its defense of housing rights in Spain joined a diverse array of new urban movements (Schipper, 2015) dealing with the consequences of unbridled capitalism and opening spaces for new political subjects (Haiven, 2014) or "subjectivities of dissent" (Fields, 2017, p.3). While the nature of the PAH as an organization capable of articulating subjectivation processes has already been addressed by some of the existing literature (García-Lamarca, 2017a; Di Feliciano, 2016b), the potential class nature and characteristics of the subjects have remained mostly under-explored.

For its part, social class has been tied to the housing question both in general (Rolnik, 2013) and, specifically, as a fundamental element to understand the evolution and shifts of the PAH's defining features (García-Lamarca, 2017b; Ravelli, 2019). The organization's needs, structures, actions and/or discourse are deeply affected by its class composition and its relations with the structural context and both state and capital's agents. However, while all local PAH's developed different sorts of class-relevant⁵⁰ action, and many developed anti-austerity discourses and identities (Suárez, 2017), there are no detailed accounts of local PAH assemblies producing political subjects who conceived themselves as primarily class-based, other than the PAHC Sabadell. Even there, class subjectivation processes have been far from mechanical, uniform or linear, and have displayed considerable discontinuity and change over time. The singular nature of this case and its internal variations make it worthy of in-depth study, which I will address from the combined perspectives of urban political economy's insights and a class-based take on social movements ethnographic studies.

⁵⁰ Derived from class relations (evictions being maybe the most self-explanatory example) but not explicitly read as such. In the words of Meiksins Wood (1998: 1986), "The absence of explicit class 'discourses' does not betoken the absence of class realities and their effects in shaping the life-conditions and consciousness of the people who come within their 'field of force'" (p.95).

The article is divided into four sections. First, a review of the current literature's perspectives on the PAH. Second, a theoretical framework clarifying the relations between indebtedness, social reproduction and the political articulation or composition of social classes. Third, a two-part analysis of the PAH and the PAHC Sabadell concerning class subjectivation. Fourth, a concluding account of this process's impact on class struggles and emancipatory political action in social reproduction.

3.2 Perspectives on the PAH

A first strand of the literature is comprised of several authors operating under the frames of protest cycles (Tarrow, 1994; Della Porta, 2013), resource mobilization, political opportunities and/or framing (Snow et al. 2019). These have worked mostly on the PAH's campaigns and resources (González, 2019; Fominaya, 2014; Romanos, 2013; etc) and, while they have provided an account of the *when* and the *how* of protest mobilizations, they have not studied the presence and/or formation of the acting political subjects and their class-relevant practices. This puts us at risk of taking some elements at face value, overlooking their deeper implications and accepting, for example, the movement's definition as a form of pragmatic and non-ideological activism (Ordoñez, Feenstra & Tormey, 2015). However, most of the literature acknowledges the presence of political subjectivation processes, some form of empowerment (Suárez, 2017; Ravelli, 2019) and the existence of a collective consciousness (Rodríguez, 2019). Nevertheless, this recognition cannot answer those questions concerning the causes and/or consequences of these processes and the substantive nature of the resulting political subjects (their characteristics, self-conception or dispositions to act).

A second strand of the literature, mostly tied to critical political economy and geography, has analyzed the links between political subjectivation processes, indebtedness, capitalism and the role of the state as a fundamental enabler of profit extraction in social reproduction⁵¹. Authors such as Aalbers (2014), Graeber (2016), Laz-

51 Broadly understood as the sum of processes which enable the reproduction of people and society (Katz, 2001), (within which the housing provision system plays a crucial role) and understood as an integrated process including the re-

zarato (2015), Caffentzis (2018), Fields (2017) or Soederberg (2014, 2018) share a foundational conception of housing as a social relation based on property rights and the exercise of power of one class over another⁵². These perspectives provide us with a general framework to focus on the specifics of the PAH, and examine the work of another group of authors (Di Feliciano, 2016a, 2016b; García-Lamarca, 2016, 2017a, 2017b; Ravelli, 2019; Sanjaume, 2015; Berglund, 2020), with an interest in the political subject's *production, boundaries and/or nature*.

Working on the relation between indebtedness and the *production* of subjects in the context of neo-liberalism and austerity urbanism, Di Feliciano (2016a, 2016b) has shown how housing can become a 'main domain of contention'. Departing from the power and resistance dynamic, he presents the nature of subjectivation as produced and productive, pointing at the dialectical tension between structure and subjectivity. This acknowledgment of new subjectivities emerging in social reproduction points at their potential to block those capital accumulation processes that birthed them, introducing the idea of the limits of profit-extraction being internal to the antagonistic relation between capital and the reproduction of life⁵³, thus bestowing the initiative of political agency to those subjects born out of the conflict between the two. However, while accounting for the effects of the PAH's agency on the articulation of collective subjects, the approach to the movement and subjectivation remains largely foreign to class analysis. Regarding the specific strategies leading to subjectivation, Berglund (2020) incorporates the idea of a "dual strategy of prefigurative legitimizing" (p.5), highlighting the productive tension between anarchist-inspired direct action and liberal civil disobedience, the importance of their different moral instances of legitimation and, most significantly, the internal variation in the movement. Another key element introduced here is the idea of shared experiences as the basis for the articulation of political

production of the conditions for production (Bhattacharya, 2018).

52 An idea also present in the work of D. Harvey (1999), with roots on the works of H. Lefebvre and traceable as far back as Engels's 1862 study of the housing question.

53 Also seen on Christophers (2010), especially in relation to the impossibility of treating property as pure financial assets for those actually *living* in it.

subjects and, especially, their extension “beyond the workplace” (p.9), as this opens the door for an understanding of class subjects which ties the productive and the reproductive spheres.

Fully centered on the political demarcation and *boundaries* of the PAH's subjects, Sanjaume's (2015) work incorporates the theoretical notion of hospitality into the analysis. Through the limits of state hospitality and its inability -or unwillingness- to protect the rights of the ‘polity’, the PAH’s activity highlights the underlying tension between the public and private dimensions of economic structures and processes (mortgage markets, chronic debt, evictions). Thus, the limits imposed on the definition of the polity and, by extension, on the subject (ie. those deserving state protection) by the effects of economic exclusion end up evincing the shortcomings of those conceptions of rights based on formal citizenship. This way, socialization and politicization (i.e. turning the private into public) carried out on the back of ethical and moral claims end up being the key elements enabling the emergence of a disobedient and (un)conditional form of hospitality. This idea of a moral backbone will be fundamental to explain some of the elements shared by all the organization.

However, this approach rests on two weak points which illustrate the need to incorporate a class dimension (especially, as we will see, considering the internal variation of the organization). First, the division between activists and victims (seen also, for example, in González [2019]), where the former offer illegal hospitality (i.e. self-provided rights) to the latter (to those expelled). This separation ignores the condition of the hospitality providers as members themselves of the expelled, and *not* of the polity. Second, and as a consequence of the former, the inclusion/exclusion dynamic remains tied to the notion of citizenship, and cannot explain how those materially (albeit not formally) excluded citizens can welcome anyone into a collective entity of which they are not a part. What is shared by all PAH members are, precisely, the conditions for their exclusion (determined by class location), and what is offered by the movement is not unconditional hospitality, but reciprocal solidarity. In other words, although socialization, politicization and a moral drive are factors in pushing hospitality “beyond [the] private inter-

personal sphere” (p.222), the public sphere into which it is pushed is not that of citizens and citizenship, but that of social classes and class-based political subjects.

This is why, in dealing with the less developed subject’s substantive *nature* (or, in other words, what it is made of), we need to talk about class both as an underlying frame and in its incarnation as class subjectivity. Garcia-Lamarca & Kaika (2016), use bio-politics and bio-financialization as a way to tie in macroeconomics and state policies with their embodiment in people’s lives, stressing how housing and mortgage contracts have been pivotal in integrating the social reproduction of the workforce within capital accumulation schemes (Garcia-Lamarca, 2017a). The relation between the effects of changing class relations like the fictitious wealth effect of the wage-earning population or changes in subject’s positions⁵⁴ and self-conceptions (Langley, 2008; Fields, 2017) lie at the basis of the contribution of mortgages to the “creation of [a] new bio-political subject”⁵⁵ (Garcia-Lamarca & Kaika, 2016, p. 10). Thus, the interruption of this process, the rupture of the dominant order by the PAH, is considered as a form of political subjectivation which can produce both a “dis-identification [as] failed mortgage homeowners” (García-lamarca, 2017a, p.429) and an incipient antagonistic conception of social order where one’s position is with the “losers (the poor)” (Ibid, p.430). This, seen as intimately linked with the disruption of urban capitalist accumulation (García-lamarca, 2017b), operates under a class-based understanding of the PAH pointing at an ongoing process of proletarianization and the development of emancipatory potential (also pointed out in Suarez, 2017; Ribera, 2019; and Berglund, 2020). Further down this road, adding an explicit analysis on the subject’s class nature to the study of its production, Ravelli (2019) has worked on the “contestation of financial products as a vehicle for “political empowerment” (p.2) and the development of subjective strategies within the PAH. His work unequivocally defines the PAH's nature as a working-class movement with a work-

54 From citizens/workers to investors and back.

55 While financialization has generalized dependence on markets’ performance, class has remained the determining factor in explaining how is this actually experienced.

ing-class identity. However, at the same time, it warns against self-explanatory (or mechanical) attempts at linking these social roots with political success considering the diversity in the movement's internal composition, reflected in the class fractions converging within it; and the difficulties in articulating a cohesive subject.

Reiterating the main points made so far, from a starting point concerned mostly about resources and opportunities, we moved to the need for an analysis of political subjects and the social relations, antagonisms and processes that may engender them, represented in the current research by those takes most related to debt capitalism, the role of the state and social reproduction. We turned here to social class searching for an analytical concept able to tie together all these categories as well as binding the subject's structure and agency. Most authors, however, have not found an explicitly articulated class subject within the PAH and, while acknowledging the relevance of class, have focused on other aspects of the movement and/or the subjectivation processes. This lack of a clear class subject, while true for most of the movement (the PAH), needs to be challenged in the face of -at least- one notable exception in the PAHC (Sabadell).

In the following section, I will draw insights from urban political economy, critical geography and the British Marxist historian tradition to provide an analysis of the links between debt, social reproduction and class formation. This will set the stage for a Gramscian reading of the PAH and the PAHC.

3.3 Debt, Social Reproduction and Class

Two tasks need to be undertaken: First, the establishment of clear links between debt (the mechanism), class (the subject) and social reproduction (the field). Second, providing a framework for the links between social classes and the composition of class-based political subjects. In addressing the first task we face two fundamental claims: First, that modern debt cannot be understood outside a class framework. Second, that class studies are incomplete without acknowledging the importance of structural private indebtedness and

its impact on social reproduction. This is especially important in relation to housing (as a wealth-generating asset), and its effects on the fragmentation or formation of class subjects out of surplus -and potentially surplus- populations (Wigger, 2020). Several authors have delved into these connections, both from the perspectives of critical political economy and geography (Harvey, 2003; Krippner, 2011; Soederberg, 2015, Lapavitsas, 2013; Aalbers, 2008, 2014a, 2014b; Montgomerie & Tepe-Belfrage, 2017), as well as from approaches leaning more on the subjectivist aspects (Lazzarato, 2011; Caffentzis, 2018; Ross, 2014; etc). The latter have put a bigger emphasis on the internal individual consequences that indebtedness can have and their impact on social conflict and mobilization capacity.

Overall, the main idea upon which the connection between class and debt rests can be summarized as the primacy, for the working-class, of indebtedness over salary in its relation with capital (Caffentzis, 2018). While the certainty of such a categorical claim could be challenged, there is ample empirical evidence of a shift in the nature and role of private (and especially household) debt (Krippner, 2011; Lapavitsas, 2013). This turn points towards the consolidation of debt as a structural condition immanent to the profit extraction mechanisms of financialized capitalism, a condition illustrated, for example, by Soederberg's notion of "debtfare states" (Soederberg, 2014), by Brenner's category of 'asset price Keynesianism' (Brenner, 2009) or the analysis of the increasing centrality for the reproduction of capital of "value grabbing" through rent versus the creation and accumulation of value in production (Andreucci et al., 2017). Its importance for the Spanish housing and mortgage markets has been addressed by Lopez & Rodriguez (2010) or Muriel (2018), who has stressed the role of underwater borrowing as a major threat to social reproduction. Capital's fundamental internal tension between value realization, depending on an ever-growing consumer base able to absorb production's efforts, and its need to maximize profits by increasing its workforce's exploitation was addressed in Spain with an increase in the costs of social reproduction and a standstill in labor costs (salaries and, therefore, consumption capacity). The growing distance between indispensable and socially

perceived needs⁵⁶ was bridged over through debt/credit in the form of mortgages sold to the working-class, in a bid to overcome the contradiction and its potential conflicts, as well as conquering a new space for valorization through fictitious capital (future labor time, value and profits). This model fulfilled debtfarism's tenets in its substitution of a living wage with credit, and it fostered cross-class social unity without a real compromise with the working-class (Soederberg, 2018), as the ensuing arrangement did not incorporate any safety net or rescue mechanism in case of market failure.

This can be described, following Gramscian terms, as an example of class domination or hegemony in the form of “cooperative antagonism” (Burawoy, 2003): a situation where the fundamental contradiction of interests remains largely unmodified but the ‘counter-offer’ made by the combined efforts of state and civil society is enough to reach a negotiated compromise with the subaltern which, ultimately, prevents the development of the subject’s early economic incarnations towards hegemonic and emancipatory ones. Only through the emergence and work of organic intellectuals through class organizations could a counter-hegemony strong enough to shake off capital’s domination be developed. However, unlike in Gramsci’s account, the hegemonic development of a financialized housing system took place not only in the sphere of production but, to a large extent, in that of exchange, of real-estate and debt markets, posing the following question: can a subaltern subject carry out a “war of positions” in an allegedly foreign battlefield? Karl Polanyi’s focus on the idea of ‘active society’ as a site for solidarity and a transcendent historical category, and the role of the market in people’s lives (Polanyi, 1944) can help clarify how these forms of domination could be undermined. According to Burawoy (2003), while Gramsci may have been right in considering production as the shrouded seed of all hegemony, what opened the field for the exploration of class-based relations of power outside of production was Polanyi’s idea of the experience of the market’s destructive effects as a cross-class phenomenon. This meant going beyond an industrial conception of the working-class and, therefore, it required an agent capable of superseding class (“society”) in bearing a cer-

56 The “relative pauperization” gap (Lebowitz, 2005)

tain general interest. However, this move towards a broader conception of classes shaped also by social reproduction points towards a synthesis that can widen the field of political dispute for hegemony without having to surrender the notion of subject to the classless idea of society.

The effects the collapse of real estate and mortgage markets had upon vast swathes of the population are well known: evictions, impoverishment and a vicious cycle of social exclusion and health problems (Vasquez-Vera et al., 2017). From capital's side, the evaporation of fictitious capital required an intervention on behalf of creditors and against those debtors compelled by suddenly unfeasible promises of payment, creating the possibility of political contention through legal-financial (Teresa, 2016) or community-based means (Fields, 2015). These conflicts, native to an all-consuming market and fueled by debt/rent extraction are at the core of the class struggles over the value grabbing and distributing process (Andreucci et al. 2017). This is precisely where one would expect to find processes of class articulation, driven by the assembling of intra-class fractions previously separated by their location in an increasingly fragmented production⁵⁷, brought now together by a shared situation regarding value distribution. This is also Jessop's (2008) perspective on Polanyian thought, as the tendencies he identifies as driving market forces -the commodification and extension of economic codings to non-commercial fields- are said to have their bases in the search for new value creation sources and the extension of economic logic to systems not fully integrated into the market. These tendencies towards unbridled commodification (and market failure) can endanger the social reproduction of capital and engender specific forms of resistance in non-economic spaces that are, nonetheless, essential for profit extraction and exploitation. In the Spanish case, while the property-housing market was, indeed, a full-blown market by 2008, its construction implied a process of intense liberalization, the formation of a financialized value-grabbing mortgage market and, ultimately, the re-conceptualization of homes as assets/investment (Lopez & Rodriguez, 2010; Palomera, 2014). This is why, even if Polanyi stressed the non-class basis of these

⁵⁷ Multiple studies on the current forms of work organization have explored externalization, subcontracting, etc. (Alós & Jodar, 1995; Rubery, 2003).

conflicts and considered them more as societal responses, a class analysis of social reproduction's commodification can hybridize both perspectives and elicit forms of class struggle occurring outside production.

Those perspectives which treat exchange and production as mutually exclusive sites for class struggle and political subjectivation fall into a fallacious either/or argument, as our different experiences of the market cannot be separated from our standing in production. Furthermore, the embeddedness of debt in everyday life and social reproduction has consequences on the potential articulation of political subjects and, especially, of class-based political subjects. According to Caffentzis (2018), the integration of indebtedness as a fundamental part of the working-class reproduction turns the satisfaction of its needs into a four-fold alienation source with effects over a) whatever is purchased -e.g. homes-; b) oneself; c) other debtors (perceptions and relations with them) and, finally; d) the (knowledge of the) oppression of class structure.

Especially interesting is the relation and intertwining between the last two. First, the alienation from other debtors stems from the private and individual nature of debt, preventing us from identifying our peers, while being simultaneously capable of generating a negation, a rejection of one's condition which, out of shame, appears as harsh censure towards those experiencing similar circumstances. Second, the growth in the relative importance of private debt vs. salary implies a different 'logical structure', as the latter incorporates a collective dimension (of both vertical conflict vs. capital and horizontal cooperation with other workers) that is not only absent, but actually suppressed in the former. Therefore, the nature of debt tends to alienate, dis-aggregate and operate as a conflict muffler *especially* in everyday life, hindering the potential for the composition of class subjects. This limits both the emancipatory capacity and the sustainability (García-Lamarca, 2017b) of struggles revolving around the commodification of social reproduction, raising the following questions: can a form of class counter-hegemony be articulated around those aspects of everyday life affected by the consequences of unleashed markets? Can social reproduction have its own modern prince?

One key element to subject articulation is, as we have seen, the construction of spaces of socialization where debtors are brought together and where feelings of shame and helplessness are shed in favor of some form of empowerment and, ultimately, some form of subjectivation. However, while common denominations used for and by PAH members such as debtor, mortgage victim or even housing rights activist can be read as class-relevant identities, they fall short of an articulated class subjectivity, evincing how bringing indebted working-class people together may facilitate consciousness-raising, but it does not generate per se a class subject. These findings pose questions about the shape of subjectivation efforts and the specific articulation (or lack thereof) of class. Are they tied to value grabbing in housing, forming a political identity around debt? Do they remain tied to identities rooted in production and occupations? Or is there a hidden hybridizing mechanism at work? To answer these questions and understand how -through the PAHC-class-aware identities may be articulated out of class-relevant ones (Jessop & Sum, 2012), we need to build a relational account of class that treats it neither as a thing nor as a socio-demographic characteristic. To do so we will draw from E.P. Thompson (1963, 1978), Ellen Meiksins Wood (1986: 1998) and the British Marxist historian tradition (Kaye, 1989; Eley & Nield, 2011).

In this Thompsonian tradition, the idea of class subjects being shaped and/or re-shaped only through class-relevant practices as well as through personal and collective experiences tied to historically grounded analysis becomes the focal point of analysis. Thompson's approach emphasizes social reality and the lives of historical subjects *beyond* their occupations, exposing the fundamental connection of life outside the factory with the multiple *experiences* of class realities. This perspective eases the transition from an analytical focus set almost exclusively on the direct/primary forms of exploitation, found in the productive sphere, towards the inclusion of the indirect/secondary forms of exploitation characteristic of social reproduction and systemic debt-based profit extraction mechanisms. This offers a materially grounded, non-mechanical and non-deterministic account of class formation and subject articulation.

Two key elements can be extracted from this tradition: first, the notion of class as a relationship; and second, the importance of time and process. The former must in its turn be understood not as one but two relationships, one inter-classes and one intra-class. In other words, there is a vertical dimension of class involving the antagonistic and potentially conflictual relations between capital and labor, and there is an internal, horizontal relationship between the members of a class that may involve recognition and cooperation. An analysis of how both of them operate is needed to understand the composition of class subjects.

Traditionally, the productive process brought workers together in factories and companies, pitting them directly (vertically) against any particular representatives of the capitalist class. However, what attracted Thompson's attention was the way in which class relationships emerged horizontally among those workers who were not brought together by the productive process, something he thought, could only be explained by the mediation of other shared experiences. Thompson's work focused then on the traditions, culture and institutions which brought the working-class together and disposed it to behave as such. However, far from a universal conception, Thompson's approach took these elements as historically specific and committed every future attempt at exploring processes of class formation to a focus on their particular historical configuration. This forces us to face a scenario where the productive process does not assemble working-class debtors and where, in fact, systematic over-indebtedness functions precisely as a tool for separating and isolating (Lazzarato, 2012) an already fragmented potential subject lacking traditions, institutions and even social (and physical) spaces of its own; leaving us with the task of finding them and bringing them to light. Not only do we need to identify the new other at the end of vertical class relationships based on debt, but also those standing together at the bottom end and, more importantly, how can they come together. It is in this specific sense that I will examine the PAHC as a class institution, as a space where the experiences of determination can be articulated into a collective process of political subjectivation by and for the working-class.

The second key element is time, and with it the notions of process, tradition and memory. Thompson's approach to the historical formation of the working-class in England had the explicit intention of showing how a preexisting “commoner consciousness” (although multiple and fragmented) had not only existed, but had also been “refracted” in the ways in which the people, through their own culture and institutions, had handled new social experiences in a way which would end up producing a new (yet related) consciousness suitable for the industrial working-class. In the very words of Thompson:

“Change in material life determines the conditions of that struggle, and some of its character: but the particular outcome is determined only by struggle itself. This is to say that historical change eventuates, not because a given "basis" must give rise to a correspondent "superstructure," but because changes in productive relationships are experienced in social and cultural life, refracted in [peoples'] ideas and their values, and argued through in their actions, their choice and their beliefs” (Thompson, 1979, p.266; as cited in Steinberg, 1991, p.176)

Traditions and collective memory play a decisive role in this process of class refraction through time by forming the framework within which experience is interpreted (Gómez, 2013), earlier struggles are incorporated into the “urban landscape” (Fields, 2017), and the genealogies of urban rights discourses and broader anti-capitalist social movements (Shin, 2018). In a similar fashion, it is possible to explore how the PAHC Sabadell may have functioned as one of these working-class institutions, able to weave back together the radical past of buried political traditions of class struggle, whose thread was lost within the rush of inter-generational upwards social mobility during the boom years.

In this sense, the history of Sabadell exemplifies some tendencies in the development of the working-class in Spain since the late 60s (Domènech, 2003), helping us understand the collective memories under which new experiences may be refracted. The configuration

of Sabadell as a leading site in the development of an industrial infrastructure favored the settlement of migrants from the rest of Spain, who experienced the harshness of housing auto-construction in the city's peripheral slums and often clashed with the police to defend their illegal homes. These migration waves joined a local working-class with its own radical tradition, and were pivotal in kick-starting a cycle of struggle which had its most vigorous manifestation in 1976's "metal strike", which seriously threatened the state's political stability as one of the last antagonistic political mobilizations of the working-class (Domènech, 2002). Memories of past struggles, oft attributed to older generations or harder times, are a smudged lens through which the present is seen and a personal link to a pool of accumulated experiences which can become very relevant when analyzing the PAHC's composition of political class subjects. If the English commoner consciousness shaped the formation of the English working-class, the consciousness of the 60s and 70s labor movement may have shaped some of the forms that new class identities may take when facing the conflicts and antagonisms of financial capitalism.

Finally, the concept of the "moral economy of the crowd" (Thompson, 1971, p.79) can help explain the narrative and cultural aspects of the PAHC. Related to popular traditions, Thompson used this notion to conceptualize the violent protests of peasant mobs which, during the eighteenth century, would strike violently to lower prices and press a fatherly government into action. He provided a comprehensive account of such recurring phenomena without abandoning a materialist point of view, going beyond explanations based on the simple reaction to famine and exposing a deeply embedded popular resistance to emerging market forces. This mob behavior was described as partially the result of a moral economy built upon a traditional consensus on the social norms regulating the community's distribution of economic functions which, when violated, produced outraged claims.

While Thompson's original use of the concept was historically restrictive, other authors have extended its applicability beyond pre-industrial economies. Svallfors (2006) included within it public perceptions on the welfare state, and the normative effects of policies

and institutions; while Götz (2015) defended the outright universality of the concept, challenging Thompson's idea of popular rights trampled by the market to give way to an amoral economic system. Götz appeals to Thompson's (1991) own revision of the concept, and his agreement with Tilly's definition of the term, which distilled it into claims to non-monetary rights to commodities backed by third parties. Dogan (2010) criticized this sharp distinction between pre-modern moral economies and modern amoral economic rationality, highlighting the capacity of capitalist societies to coexist with (and exploit) non-market social relations, and the capacity of the latter to resist (and resurface) when facing further commodification by forces lacking social legitimacy. For Dogan, the moral economy helps explain how threats against modes of subsistence key for the social reproduction of communities can spur resistance and contention. Similarly, Palomera and Vetta (2016) stressed the inadequacy of dichotomous uses of the concept (moral versus amoral), pointing at the multiplicity of overlapping moral economies. They deemed the concept applicable to broader fields of social antagonism as long as these integrate the concepts of class, capital accumulation and the interactions with the state and the market. The specific moral economy of housing markets has been explored by Alexander, Hojer and Koch (2017), who have conceptualized the rationale behind rights-based demands for housing (a basic need with a fair price and a mutually accepted market regulation) stressing the need to incorporate the state's representations and practices in addition to the market. About the Spanish case, Muriel (2016) has addressed those views on mortgage over-indebtedness which understood it as a breach in a moral economy built on promises of security and ever-growing income, prices and investment returns. This bundle formed the basis for debt-fueled forms of home ownership available for a new 'investor' working-class. The failure to fulfill these promises threatened the core of social reproduction and fueled a Polanyian defensive reaction in the emergence of the PAH and a new moral economy based on an understanding of creditor-debtor relations as fundamentally exploitative.

Thus, when Thompson describes dearth as a shock capable of becoming fury when faced with inequality and artificial scarcity, one can hear the echoes of the PAH's chants: "it's not a crisis, it's a

scam”, “all the bankers have one desire, filling their pockets with our money” or “makes no sense, people without homes and homes without people”. Even if the collapse of the housing market did not bring pre-industrial dearth, it did jeopardize the foundations of a social reproduction held up only by growing amounts of household debt. When the bubble burst, the dormant contradiction between market uses of goods (housing as an investment) and a non-market culture (housing as a need, as a fundamental right) was finally brought forth. This opposition between capital accumulation and social reproduction, between housing's exchange and use value (Harvey, 2012; 2015) would fundamentally shape the PAHC's moral economy.

3.4 The PAH and the PAHC

The PAH represented, as a state-wide social movement, the most cohesive attempt at organized contestation to the consequences of the Spanish mode of accumulation's collapse. As such, it has been regarded and analyzed by most of the literature as a single, essentially homogeneous organization. However, its grassroots structure, based on the creation of many semi-autonomous local branches, allowed for the development of considerable internal variation. Thus, while all the local PAH assemblies superficially shared the same discourse and action repertoires, some differed significantly when analyzed in terms of class antagonism, organization and subjectivation. Among them, the PAHC Sabadell offers one of the most interesting class-based perspectives, due to its considerable uniqueness and its strong influence within and outside the movement. Its case can, hopefully, tell us quite a different story regarding the potential for the political composition of class subjects in social reproduction. The following sections start with a review of the literature's approaches to the PAH regarding class analysis and systemic household debt. This is accompanied by a comparison between the PAH and the PAHC destined to highlight those elements of the latter which, differing from the literature's take on the former, distinguish it as an active class institution. This difference is taken as the key in explaining the PAHC's capacity to compose class subjects and de-

velop a class reading of the failing mode of accumulation which can, in turn, lead to the formulation of emancipatory politics.

3.4.1 The PAH

Turning to the PAH's class analysis, three approaches can be identified in the literature. First, those who, focusing on campaigns and resources, have not used class as a category (González, 2019; Fominaya, 2014; Romanos, 2013; Ordóñez, Feenstra & Tormey, 2015). Second, those which, assuming the working-class condition of most PAH members (Suárez, 2017; Rodríguez, 2019), have studied its subjectivation processes without identifying an articulated class subject (Di Feliciano, 2016a, 2016b; Berglund, 2020), although some underlying processes have been pointed out (García-Lamarca, 2016, 2017a, 2017b). And third, those who, without directly addressing the PAH in their work, have theorized some of the relations between indebtedness, class and/or the state (Aalbers, 2014a, 2014b; Lazzarato, 2015; Caffentzis, 2014, 2018; Fields, 2017 or Soederberg, 2014, 2018).

Of the latter group, Caffentzis' (2018) has readily adopted the term "creditor class", entailing the necessity of a debtor class counterpart. This idea is shared by Ross (2014), who uses the term "creditorocracy" to describe the domination of one over the other. For both authors, the gap between class location and class as a political subject can only be bridged over through prior action, although they differ in the form it should take. For Caffentzis, the socialization of the private condition of debtor is enough to shake the burden of isolation and enable class action. Ross identifies the refusal to pay as the defining rupture moment, a turning point prompting a fundamental change in self-perception and disposition to act. However, most of the literature on the PAH has been inconclusive on the matter of class, with little empirical evidence to substantiate the appearance of such a political subject. Nevertheless, if we look at PAH members' locations within a production-based class scheme (Ravelli, 2019), the PAH appears as an organization largely formed by people in working-class positions, with a massive presence of manual workers both among men (81,2 percent, with 69.6 percent com-

ing from construction) and women (61,3 percent,). More precisely, the widespread presence of negative equity confirms the PAH as composed mainly by a class fraction of over-indebted workers.

The connection between these class locations of PAH members and their dispositions to act as one in a context without a clear class identity requires a clarification that goes beyond the notion of class relevance. We can find a starting point in Gramsci's seminal categorization of collective political consciousness (Gramsci, 1971)⁵⁸, split between *corporate*, when action pursues local economic interests through, for example, trade unions; *economic*, elevating the corporate stage to the collective level through union federations (or parties) striving for legal changes; and *hegemonic*, the moment when these class interests are presented in a universal frame. This classification relies considerably on the relation of the constituent parts of an organization with its center, mediated by different forms of leadership, something we can find detailed in Bonfert's (2021) account of the Gramscian conception of the "collective organic intellectual". This figure is considered fundamental in assessing a coalition's political outlooks and, crucially, its potential counter-hegemonic nature. In other words, its capacity to develop a hegemonic disposition of its own, one involving a path towards a "substantial rupture", would depend on the fulfillment of three functions: a) the development of a common strategy in pursuit of a new political and economic order, b) a distribution of leadership and practices which stimulate "followers" to lead, blurring the division with the leadership, and c) the creation of a collective identity (whether it revolves around the conception of class or not being a crucial aspect) and mutual solidarity bonds.

This taxonomy can be first fleshed out by looking at the PAH's action repertoire. The most immediate defensive actions, including the stopping of evictions, collective assessment and several forms of negotiations, were carried out (especially during the early stages) at the local level and mostly within a corporate framework. Later on, the development of regional and state-level coordination and decision-making mechanisms (mimicking to some extent the formation of a union federation), propelled the organization towards the eco-

58 Recounted in Burawoy (2003)

nomic stage. While no party was ever founded, most major campaigns of the PAH belong in this category as attempts to implement regulatory changes. All ILP's, "*Romper por abajo*" or "*Las 5 de la PAH*", were based on the use of formal institutional channels and/or the direct interpellation of political parties. Finally, regarding the presence of hegemonic elements (necessary to form a hegemonic disposition), while implicitly present to some extent across the action repertoire, they developed only in those forms of praxis that addressed the fundamental contradiction at the heart of market-based housing provision. This approach, characteristic of the PAHC, could not be sustained without addressing class relations in social reproduction and, ultimately, it diverged from the PAH's general approach, more reliant on the notions of citizenship, democracy and fundamental rights. This has been addressed by Berglund (2020), in noting the internal differences in the movement, especially regarding the role of PAH Barcelona (more liberal and more reliant on "tactical leadership" and hierarchical structures) which, de facto, exercised an informal strategic and discursive leadership for the majority of the movement. This dominant line has been described as a "reformist" way of seeking to "secure housing rights within the current institutional setup" following "a liberal fidelity to the law' without subverting 'prevailing power relations" (p.8-10). These characteristics are somewhat at odds with the Gramscian requirements for the development of a collective hegemonic disposition, especially regarding the rupture with the economic order and the development of class identities.

Contrastingly, the rejection of the market's logic of value appropriation/indirect exploitation through rents had its concretion in the "*Obra social*" campaign, dedicated to the occupation (or "recuperation") of empty houses and largely carried out by a reduced number of local branches under the leadership of the PAHC Sabadell and the PAHC Bages⁵⁹. This analysis points at the connection between class positions and more developed forms of class action resting on the mediation of a class institution *acting as such* (both in praxis and narrative), something mostly absent from the movement's main current.

59 Both sharing close political and personal ties.

On the reasons for this absence, Diez & Laraña (2017) point at the connection between the 15M and the PAH which, in addition to the personal links of some prominent activists, rests on a shared ideological matrix that located the movement outside the left-right axis and within a political narrative of democracy, liberties, and civil and human rights (López, 2013). This discourse largely avoided the class approach in favor of an appeal to a social majority of disenfranchised citizens. Some of its aspects entailed an internal debate both in general assemblies and in the Catalan coordination committee which remained unresolved (“there has been no consensus, there is no positioning”, Manresa Catalan PAH’s Assembly, 08/06/13) and implicitly sanctioned the majority’s line. This kind of subterranean tensions surfaced recurrently and usually diverged not only in terminology but in the general approach to the organization’s role and/or strategy towards other movements. The large degree of autonomy of local PAH’s allowed the minority to develop its own agenda (within some commonly established boundaries) while the PAH as a whole was able to sidestep a deeper internal division.

“A debate is generated over the PAH as a broad popular front which reaches all social problems. It is proposed that these kinds of common fronts could and should be carried out at a local level, it’s unnecessary to bring them to the global coordination”. (Barcelona, Catalan PAH’s Assembly 08/09/2012)

Nevertheless, the PAH was not hostile to traditional mobilizations tied to labor or left-wing positions, and it occasionally participated in (and steadily received support from) other social movements and organizations. However, these were neither organic nor systemic, as no stable coordination mechanism or communication channel was established (besides some local assemblies).

“Everybody’s in support of the mobilization on the 14th, without hesitation; -there is need for the creation of a wider platform for social rights; - the general strike spreads to all the Mediterranean. [PAH] Murcia explains their

march against unemployment, cutbacks and precariousness in their community” (Valencia, State PAH’s assembly, 20/10/2012)

Overall, the language used by the PAH, both externally and internally, conformed to and reflected the aforementioned narrative. In all the minutes from both Catalan and State PAH assemblies (2012 - 2017), there are no mentions of the terms “class”, “workers” or even “debtors”, while the references to “citizens”, “citizenry” or “citizenship” as political subjects more than double those referring to “the people” or any manifestation of ‘popular’ elements (“popular will”, “popular struggle”, etc.). The collective self-identification of most PAH’s as political subjects captured in these meetings is notably explicit.

“What we need to do is put forth a campaign [Las 5 de la PAH] and prove that we are the citizenry and the vanguard of housing rights”. (Caldes de Montbui, Catalan PAH’s Assembly, 04/02/2018)

“In the Table, the banks are represented, but not the citizenry, although the public administration holds the majority”. (Mollet del Vallès, Catalan PAH’s Assembly, 22/11/2014)

However, rather than as a dichotomy (worker vs citizen), subjective identification functions as an ensemble of locations along a continuity, with a multiplicity of possible manifestations harboring elements from both far ends of the spectrum. These positions appear and combine in uneven (sometimes contradictory) ways in what is, effectively, an ongoing dispute over the political interpretation and representation of the same phenomena. There is, for example, a steady identification of the ILP with a “popular will” emanating from the citizenry which, when perceived as betrayed, brings forth an underlying hierarchy where civic and popular elements (the will of the people) conflate to override state authority and regulation.

“The popular will has not materialized in the law”. (Valencia, State PAH’s assembly 15-16/06/2013); and *“The 24/2015 law is a citizen initiative, much more than a law”*. (Tordera, Catalan PAH’s assembly, 11/06/2016)

Ultimately, despite the nature of the PAH as a class-relevant institution and its capabilities for the articulation of new political subjects, its narrative and praxis remained mostly within the political framework of liberal moral legitimization, citizenship and human rights instead of that of class antagonism, within an anti-austerity political outlook and identity instead of an anti-capitalist, hegemonic one.

3.4.2 The PAHC

Turning to the PAHC, we can observe how, during its early stages, the smaller size of the assembly and the long solution times of mortgage-based cases made deep socialization experiences possible. The collective counseling and management of the assembly as well as the experience of confrontational direct action strategies, generated strong interpersonal solidarity bonds and inspired a collective sense of autonomy, a condition identified by Thompson as key in delimiting the formation of a class (along with organization and self-awareness). Additionally, the informal leadership of the founding core of activists helped to shape two key elements: first, the overall narrative of the assembly, already heavily indebted to the state of the crisis and its pervasive presence, which politicized most of the discussions, especially during the welcoming assembly; and second, many member’s understanding of the crisis as a capitalist crisis (not a “scam”) and, most significantly, of their role in it as members of the working-class.

The majority of new PAHC members came from working-class backgrounds (qualified manual workers) or the recently impoverished middle strata (white-collar workers, self-employed and some small business owners), often displaying common trajectories of inter-generational upwards social mobility followed by a sudden drastic relapse.

“My parents lived in shantytown (...) the neighbors would have communal working days and be like 'come on, I'll help Palomo and we'll help Rodriguez', and that's how the neighborhood was built (...) and when the cops came to tear down our house they would pretend my sister was sick in bed to prevent it. And that marked me, how my parents fought to get ahead...we are talking about the 60s (...) I started working in the market when I was thirteen”. (17/03/2018) [Interview 7]

“All my life I've worked in the textile industry, until I was thirty-something, when it collapsed. I have always been self-employed and made a good living (...) my father always worked in the metal industry, at the Unidad Hermética, and my mom was a housewife until we all grew up (...) and then she came to work in the textile industry”. (11/05/2018) [Interview 5]

“My dad took part (...) in the metallurgy strikes here in the city (...) and when the company he worked for closed down (...) he established his own business (...) we never were high class nor had lots of money, but for some years we lived well”. (04/05/2018) [Interview 13]

Most of them had no previous activist experience, showed a very low level of apparent politicization and did not align themselves with working-class identities. However, some of the most successful subjectivation processes in terms of class awareness pointed at a truncated political family history which was later picked up through their involvement and activities with the PAHC. These breaks or gaps in their political traditions -not limited to their families, but easily extendable to their social environments-, are often tied to experiences of moderate inter-generational upwards social mobility. We can see examples of both the Gramscian concept of negotiated

antagonism, established during the boom, and E. P. Thompson's idea of refraction, re-emerging after 2008.

“My father always explains how when he came here he would run from the 'grises'⁶⁰. When he saw that there was a world that was very different from his village, a whole range of possibilities opened up for him, of being able to fight for a better society, general strikes...he's lived through all of that and he has always taught us that you have to fight for certain things (...) he was a member of the communist party here in Sabadell”. (20/03/2018) [Interview 15]

“My family is all left-wing, they come from the struggle, but I may have lived in a 'well-off' era...the job, the house, the kids...when I really start thinking something is going on is when I feel it directly (...) My father and my brother, my father was always a union representative, he always liked to be in the movement, try to defend rights in the factory, and my brother was a member of the PSUC⁶¹”. (17/03/2018) [Interview 7]

While the presence of similar profiles was a dominant characteristic throughout the movement, what distinguished the PAHC from most of the PAH was its anti-capitalist agency, closer to far-left positions. Subsequently, participation in general strikes and traditional working-class celebrations, together with a steady relationship with other local political organizations, including small trade unions and anti-capitalist movements (which coalesced in the formation of an anti-capitalist platform called ‘*Sabadell Lluitant*’, of which the PAHC was a founding member), solidified this political stance. These conditions enhanced the political tone of its assembly meetings.

“It is explained that for the anti-capitalist organizations that are part of ‘Sabadell

60 Slang for ‘police’ during the dictatorship.

61 Unified Socialist Party of Catalonia

Lluitant', the PAH is an example of anti-racist and anti-capitalist struggle, and it's the same in the rest of the country, so total support is asked for that action". (PAHC assembly minutes, 20/11/2013)

"MAY 1st DEMONSTRATION CELEBRATION OF THE working-class (...) Remember that the PAHC SBD is the highest representative of the working-class in Sabadell". (PAHC assembly minutes, 27/04/2016).

"From the start, we considered that the collaboration arm in arm with the rest of the social and political rupturist movements of the city and of our closest environment was indispensable". (04/05/2018) [Interview 8]

The combination of these elements with practical and discursive expressions of class antagonism was able to dig up preexisting traditions of class struggle entrenched in the history of an industrial town that had been considerably subdued and buried during the transition to democracy. These experiences were processed and 'refracted' through a largely autonomous class institution operating as a catalyst for political class subjectivation. The negotiated subalterity built on the back of a moral economy that had accepted the commodification of housing (as long as it provided a steady path towards wealth and social mobility) was ending, and resistances to the logic of profitability re-emerged.

"It was our first [general] strike, most of us had not gone on strike or been in a picket line or a demonstration in our lives, and about fifty people from the PAH showed up at six AM to participate in a picket line (...) it was like putting a mirror in front of us, if we are here it's because of their fault, and we need to go out on the streets to tell them that this cannot stand, that -like they used to

say in the 15M- that we are not commodities”.
(04/05/2018) [Interview 13]

Later on (circa 2014), two stabilization processes took place almost simultaneously, one within the PAHC Sabadell and one in the broader economic and political context. As the PAHC (and the PAH) consolidated its more mature organizational structure and strategy, and while it was able to secure significant advances in mobilization capacity and influence, the combination of State and national capital reacted re-configuring the housing and financial sectors and adjusting the legal framework to the challenge posed by the growing anti-eviction movement. The gradual accumulation of minor reforms in mortgage and eviction-related legislation, together with the natural conclusion of the evictions cycle changed the type of cases arriving at the PAH (favoring rent and squatting), thus laying the foundations for a change in its internal composition and its class subjectivation capacities. Additionally, increases in the PAHC's size and complexity reduced and fragmented interpersonal relations, making additional extra-assembly work necessary and helping to introduce several forms of delegation which hindered the members' sense of autonomy and empowerment.

During this period, the government was incorporated as a main antagonist for the PAH (not just in discursive terms but as a specific target, due to its rejection of the ILP) and even more so for the PAHC Sabadell, advocate of a political strategy which saw little potential in the interstitial strategies of legislative reforms.

“The [ILP's] goals are not so important in themselves, it's the road and the way in which it allows you to hegemonize a certain discourse and have very powerful media speakers and, bit by bit, build a deeper and more politicized narrative that goes to the root of the problem, which is not the mortgage legislation but the commodification of the right to housing which happens because we are in a capitalist system and there's a class struggle and a struggle over the accumulation by

dispossession which throws working-class people into misery". (04/05/2018) [Interview 8]

The main split between the PAH and the PAHC is manifested here. The challenge to the legal framework, driven by a moral outrage channeled by the organization based on a prior breaking of the moral economy, aims at establishing a "new legality" (Ravelli, 2019) confronted with the antagonist's old one. Civil disobedience and all direct actions deviating from the current legal framework are subsumed within the aim to restore a lost moral standard. The question, however, lays on the instrumentality of this new legality, whether it is driven by a desire to fix or to surpass the fundamental contradiction at the heart of financialized housing markets, moving towards a hegemonic conception of class or, at least, of the organization as a bearer of universal interests.

"The bankers, the PAH's enemies are the bankers, who also control the politicians, the banks control Spain, they are not just our enemy, they are everyone's enemy, the enemy of every Spaniard, the banks are the enemy, there's no other way". (11/05/2018) [Interview 5]

"There's working people and people who take advantage of working people (...) people who profit from other people's work, who live off other people's work". (20/03/2018) [Interview 15]

Callinicos addressed this issue (2009 [1988]) through his reading of Gramsci and his critique of mechanical conceptions of subjectivity. Noticing the fragmentary and inconsistent nature of workers' thought, Gramsci developed the idea of a double consciousness: a narrower emancipatory part, stemming from the material reality and activity of their class (debt and evictions), and a broader one, "uncritically absorbed" from the past and more open to misconceptions (the 'boom years' social arrangement). The jump over the gap between them is where, according to Harman (1998), false generalizations take shape based on the capacity of classes to impose their material interests as universal. The degree to which

this contradiction can be resolved depends on the state of class struggle. A favorable balance would allow the immediate reality to dominate and foster the working-class to articulate its own interests, worldviews, discourse and praxis; while a dis-favorable one would hinder it. In this sense, class struggle becomes, per se, an ideological struggle between people's social identities (Callinicos, 2009 [1988]) and, therefore, a dispute over their political subjectivation as either workers -and class members-, or as citizens -and state members-. The consequences of their relative articulation will affect the political reading of their experiences and the kind of conflict-proneness of emerging subjects.

“I didn't use the term social class, ever, I haven't used it regularly until these last years in which you become an activist at many places and you work on certain vocabulary which you were not using (...) it's linked to your purchasing power, to where you come from, or in which neighborhood do you live (...) the poor and the rich, I used to talk about the haves and the have-nots, and the poor were not poor, I used to say I was middle class (...) which was false, it was a lie, but well, I believed I was middle class”. (20/03/2018)
[Interview 15]

“Sure, [participation] increases [the chances of becoming aware of one's class position] for sure, because they are talking to you about this, week after week (...) I used to be posh, a spoiled posh daddy's girl, and now I'm more normal, I know better what I can and what I can't get”. (04/05/2018) [Interview 13]

Around 2016 the effects of the financial and housing sectors' re-composition during the stabilization period were fully developed, causing changes in the subjects at both ends of the antagonistic class relations within which the PAHC operated. First, there was a considerable withdrawal of the central state and national financial capital and a re-focus towards local administrations, small owners

and international investment funds. Second, profit-extraction mechanisms turned towards rent, while those sectors of the population most affected by the recession kept being pushed towards socioeconomic exclusion, changing the nature of those addressing the PAHC from members of the working-class and impoverished middle strata to a growing underclass. While the size of the assembly shrank, the organizational changes implemented to face the needs of the new dominant case typologies (rent and squatting) coupled with shorter time margins and assistentialist solutions, hindered the development of the mutual recognition, collective solidarity and political socialization processes. This period also saw the dissolution of local alliances, a considerable withdrawal from supra-local PAH coordination, and a devolution into a “corporate” stage.

These changes and re-configurations disrupted the class subjectivation in the PAHC, reinforcing its conceptualization as non-mechanical, non-linear and unstable, and considerably nuancing the emancipatory potential of the movement. While the lack of a class reading in class-relevant institutions (like the PAH) may not be a problem in overcoming the alienation “from others”, it is only in autonomous class institutions (like the PAHC) where it is possible to overcome the alienation from structural class oppression.

3.5 Conclusion

Having explored the connections between household indebtedness, understood as a threat for social reproduction, and class subjectivation, channeled through a social movement organization, our main conclusion is that the class element of the PAHC’s subjectivation and its potential for successful class struggle are fundamentally intertwined. That is to say that the way and degree in which political subjects, born out of debt-based struggles, can oppose profit-extraction and value-grabbing schemes rooted in housing is inextricably tied to their class nature and the organization of their composition. Or, in other words, that class subjectivation is a fundamental piece in the development of emancipatory struggles, *also* in social reproduction.

In this regard, however, we must note that a single, unified process resulting in a single, unified subject composition has not taken place in the PAHC, and it would be more accurate to refer instead to the joint articulation of a multitude of interconnected processes, mediated by past and present experiences of class struggle. In the PAHC Sabadell, class subjectivation has been non-linear and discontinuous, and it has produced both cases of successful class subjectivation with an active awareness of class identity and a capacity to read debt relations in class terms; and less developed examples of class-relevant subjectivation, shaped by class situations but lacking an active, self-aware identity (Wood, 1986: 1998). Treating class subjectivation as a non-binary process linked to ongoing, changing antagonistic struggles enables us to see its varying results as part of a continuum. The movements along this continuum can then be explained as the result of the combination of, on the one hand, the material conditions resulting from the shifting balance of power between the state, capital and the working-class; and on the other, the different forms of mediation exercised by class-relevant institutions such as the PAH and the PAHC.

In the case of the PAHC, through experience-sharing, direct action and a class-based antagonistic political narrative, the movement's organization operated as an active class institution refracting past experiences of class struggle. Socialization and the public sharing of the personal burden of debt could, by virtue of creating collective spaces, bring the isolated debtors together, overcoming their alienation from each other and enabling the implementation of collective debt-refusal strategies. However, as much as these strategies challenged debt-based power structures from a class-relevant antagonistic perspective, they shared origins with a sense of grievance standing on the moral grounds resulting from the breakdown of housing's moral economy. The role of the PAHC was pivotal in taking this corporate disposition beyond its natural limitations (partially restorative goals and a re-negotiated form of cooperative antagonism) and towards an anti-capitalist perspective through the composition of a class subject with a "hegemonic" disposition.

Only in class and power terms (especially power to extract benefits through direct exploitation or rents and value appropriation) can the

effects of structural private debt and the commodification of social reproduction debt be *politically* read, piercing the veil of its characterization as a technical issue, a temporary injustice derived from a solvable malfunction. The capacity to decode the foundational political elements of financial capitalism lays in the development of a class subjectivation process that emerges organically from the new socioeconomic relations characteristic of the so-called financial turn and from the embedded locations PAHC members occupy in this relatively new relational structure. The formation of a hegemonic class subject enables this class reading to occur based on a cohesive narrative for the -otherwise fragmentary- anti-austerity discourses and identities.

However, this class subject was not composed exclusively around debt, nor was it a mechanical transfer from traditional class identities embedded in production. Instead, the PAHC operated as the link -or bridge- between the two possibilities; as an autonomous class institution hybridizing those working-class identities based on production with the emerging systemic debt relations taking place in the sphere of social reproduction and, specifically, in the catch-all experience of a collapsing housing market. The resulting political subjectivity neither negated nor surpassed traditional class identities, it was the result of a process capable of bringing together the struggles and antagonisms of both production and reproduction. In the search for the achievement of emancipatory goals, political praxis in itself is not enough, the articulation of any political subject is not enough, and class institutions and class subjects are still indispensable. However, we may have to look for them in unconventional spaces, and in doing so a certain symbiosis between Gramsci's strategic approach and Polanyi's focus on the unbound market's effects may be very helpful. The 'indebted subject' may not be able to compose a hegemonic class project founded on its condition alone, but class institutions like the PAHC can bring together what of class antagonism there is in the debtors' positions and knit it into the long thread of working-class history. As trade unions did for the world of labor, organizations operating in the sphere of social reproduction can refract past experiences into new political subjects coalescing around unions for social reproduction, unions of multiple trades or, perhaps, a union without a trade.

Bibliography

Aalbers, M. (2008) The Financialization of Home and the Mortgage Market Crisis, *Competition and Change*, 12(2):148-166.

Aalbers, M. & Christophers, B. (2014a) Centering Housing in Political Economy, *Housing, Theory and Society*, 31(4): 373-394.

Aalbers, M. (2014b) The Housing question under capitalist political economies. *Housing, Theory and Society*, 31(4): 422-428.

Alexander, C. Bruun, M. and Koch, I. (2017) Political economy comes home: on the moral economies of housing, *Critique of Anthropology*, 0(0): 1-19.

Alós R. & de Jodar, P. (1998) Nuevos cambios y viejas divisiones. Globalización del capital y segmentación del trabajo, in Vence, X. and Outes X. L.(eds.) *La Unión europea y la crisis del estado de bienestar*, pp.141-168. Madrid: Síntesis.

Andreucci, D., García-Lamarca, M., Wedekind, J. & Swyngedouw, E. (2017) Value grabbing. A political economy of rent, *Capitalism Nature Socialism*. 28(3): 28-47.

Bhattacharya, T. (ed.) (2018) *Social Reproduction Theory. Remapping Class, Recentering Oppression*. London: Pluto Press.

Berglund, O. (2020) Building revolutionary subjectivity: creative tensions in the Plataforma de Afectados por la Hipoteca. *Globalizations* 17(5): 854-868.

Brenner, R. (2009) *La economía de la turbulencia global*. Madrid: Akal.

Burawoy, M. (2003) For a Sociological Marxism: The Complementary Convergence of Antonio Gramsci and Karl Polanyi. *Politics & Society*, 31(2): 193-261.

Caffentzis, G. (2014) Against the Debt Economy, *Red Pepper* (Feb-March). [Online] Available at: <https://www.redpepper.org.uk/essay-dealing-with-debt/> [Accessed April 2021].

Caffentzis, G. (2018) *Los límites del capital. Deuda, moneda y lucha de clases*. Buenos Aires: Tinta Limón & Fundación Rosa Luxemburgo.

Callinicos, A. [2009 (1988)]. *Making History. Agency, Structure, And Change In Social Theory: Historical Materialism*, 3. Chicago: Haymarket Books.

Christophers, B. (2010) On voodoo economics: theorizing relations of property, value and contemporary capitalism. *Transactions of the Institute of British Geographers* 35(1): 94-108.

Di Feliciano, C. (2016a) Social Movements and Alternative Housing Models: Practicing the 'Politics of Possibilities' in Spain, *Housing, Theory and Society* 34(1): 38-56.

Di Feliciano, C. (2016b) Subjectification in Times of Indebtedness and Neoliberal/Austerity Urbanism, *Antipode* 48(5): 1206-1227.

Diez, R. & Laraña, E. (2017) *Democracia, dignidad y movimientos sociales: el surgimiento de la cultura cívica y la irrupción de los 'indignados' en la vida pública*. Madrid: Centro de Investigaciones Sociológicas.

Dogan, M.G. (2010) When neoliberalism confronts the moral economy of workers: The final spring of Turkish labor unions. *European Journal of Turkish Studies*, (11) Special Issue: 2-17.

Domenech, X. (2002) *Quan el carrer va deixar de ser seu. Moviment obrer, societat civil i canvi polític a Sabadell (1966-76)* Barcelona: Publicacions de l'Abadia de Montserrat.

Domenech, X. (2003) La otra cara del milagro español. clase obrera y movimiento obrero en los años del desarrollismo, *Historia Contemporánea* 26: 91-112.

Eley, G. and Nield, K. (2011) *The Future of Class in History: What's Left of the Social?* Ann Arbor: The University of Michigan Press.

Fields, D. (2015) Contesting the financialization of urban space: Community organizations and the struggle to preserve affordable rental housing in New York City. *Journal of Urban Affairs* 37(2): 144–165.

Fields, D. (2017) Unwilling subjects of financialization, *International Journal of Urban and Regional Research*, 41(4): 588-603.

Fominaya, C. (2015) Redefining the Crisis/Redefining Democracy: Mobilising for the Right to Housing in Spain's PAH Movement, *South European Society and Politics* 20(4): 465-485.

García-Lamarca, M. and Kaika M. (2016) Mortgaged Lives: the biopolitics of debt and housing financialisation. *Transactions of the Institute of British Geographers*, 41(3):313-327.

García-Lamarca, M. (2017a) Creating political subjects: collective knowledge and action to enact housing rights in Spain. *Community Development Journal*, 52(3): 421–435.

García-Lamarca, M. (2017b) From Occupying plazas to recuperating housing: Insurgent practices in Spain. *International Journal of Urban and Regional Research*. 41(1): 37-53.

González, R. (2019), From the squatters' movement to housing activism in Spain: identities, tactics and political orientation in Yip, N. M., Martínez, M. & Sun, X. (eds.) *Contested Cities and Urban Activism, The Contemporary City*. London: Palgrave Macmillan, p.175-197.

Gómez, M. (2013) La mirada antropológica de E.P. Thompson. *Sociología Histórica*, (3): 285-309.

Götz, N. (2015) 'Moral economy': its conceptual history and analytical prospects, *Journal of Global Ethics*, 11(2): 147-162.

Gramsci, A. [1932 (1972)] *Antologia*, ed. Sacristán M. Madrid: Siglo XXI Editores.

Gramsci, A. (1971). *Selection from the prison notebooks*. New York: International Publishers.

Haiven, M. (2014) *Cultures of Financialization. Fictitious Capital in Popular Culture and Everyday Life*. Basingstoke: Palgrave MacMillan.

Harman, C. (1998) *Marxism and History*. London: Bookmarks.

Harvey, D. (1999) *The Limits to Capital*. London: Verso Books.

Harvey, D. (2012) *Rebel Cities. From the Right to the City to the Urban Revolution*. London: Verso Books.

Harvey, D. (2015) *Seventeen Contradictions and the End of Capitalism*. Oxford: Oxford University Press.

Jessop, B. (1999) The strategic selectivity of the state: reflections on a theme of Poulantzas, *Journal of the Hellenic Diaspora*, 25 (1-2): 1-37.

Jessop, B. (2008) Polanyian, regulationist, and autopoieticist reflections on states and markets and their implications for the knowledge-based economy in Ebner, A. & Beck, N. *The Institutions of the Market: Organizations, Social Systems, and Governance* pp.328-347. Oxford: Oxford University Press.

Jessop, B. and Sum, N.L. (2012) Cultural political economy, strategic essentialism, and neoliberalism, in Kunkel J and Mayer M (eds)

Neoliberal Urbanism and its Contestations: Crossing Boundaries
Basingstoke: Palgrave Macmillan.

Katz, C. (2001). Vagabond Capitalism and the Necessity of Social Reproduction. *Antipode*, 33(4): 709–28.

Krippner, G. (2011) *Capitalizing on Crisis. The Political Origins of the Rise of Finance*. Cambridge, MA: Harvard University Press.

Lapavistas, C. (2013) *Profiting Without Producing: How Finance Exploits us All*. London and New York: Verso Books.

Lazzarato, M. (2012) *The Making of the indebted Man*. Los Angeles: Semiotext(e).

Lewobitz, M. (2005). *Más allá de 'El Capital'*. Madrid: Akal.

López, M. (2013, July 28) Ada Colau interview at El País. [Online] Available at: https://elpais.com/elpais/2013/07/25/eps/1374754845_971730.html [Accessed April 2021].

Woods, E. M. (1986: 1998) *The retreat from Class: A New 'True' Socialism*. London: Verso Books.

Montgomerie, J. & Tepe-Belfrage. (2017) Caring for debts: How the Household Economy Exposes the Limits of Financialisation, *Critical Sociology*, 43(4-5): 653-668.

Muriel, I.S. (2016). The Spanish Mortgage Crisis and the Re-emergence of Moral Economies in Uncertain Times. *History and Anthropology*, 27(1): 107-120.

Muriel, I.S. (2018). To repay or not to repay: financial vulnerability among mortgage debtors in Spain. *Etnográfica: Revista do Centro em Rede de Investigação em Antropologia*, 22(1): 5-26.

Ordóñez, Feenstra & Tormey (2015) Citizens against Austerity: a Comparative Reflection on Plataforma de Afectados por la Hipoteca (PAH) and Bündnis Zwangsäumung Verhindern (BZV),

Araucaria. *Revista Iberoamericana de Filosofía, Política y Humanidades*, 17(34): 133-154.

Palomera, J. and Vetta, T. (2016) Moral economy: Rethinking a radical concept, *Anthropological Theory* 0(0):1-21.

Palomera, J. (2014) How did finance capital infiltrate the world of the urban poor? Homeownership and social Fragmentation in a Spanish Neighborhood. *International Journal of Urban and Regional research*, 38(1): 218-35.

Steinberg, M. (1991) The Re-Making of the English Working Class? *Theory and Society*, 20(2): 173-197.

Poulantzas, N. (1978) *State, Power, Socialism*. London: Verso Books.

Ravelli, Q. (2019) Debt struggles: How financial markets gave birth to a working-class movement. *Socio-Economic Review* 0(0): 1-28.

Romanos, E. (2013) Evictions, Petitions and Escraches: Contentious Housing in Austerity Spain. *Social Movement Studies: Journal of Social, Cultural and Political Protest*, 13(2): 296-302.

Rodríguez, E. & López, I. (2010) *Fin de ciclo. Financiarización, territorio y sociedad de propietarios en la onda larga del capitalismo hispano (1959-2010)*. Madrid: Traficantes de Sueños.

Rolnik, R. (2013) Late Neoliberalism: The Financialization of Homeownership and Housing Rights. *International Journal of Urban and Regional Research*, 37(3): 1058-66.

Ross, A. (2012) You are Not a Loan: A Debtors Movement, Culture Unbound. *Journal of Current Cultural Research*, 6: 179-188.

Ross, A. (2013). *Creditocracy and the Case for Debt Refusal*. London & New York: OR Books.

- Rubery, D. (2003) *Organization of employment: An international perspective* (London: Palgrave Macmillan).
- Sanjaume, M. (2015) Spain's Mortgage Victims Platform (PAH) as a case of a hospitality social movement. *Hospitality & Society* 5(2): 221-232.
- Shin, Hyun Bang (2018) Urban movements and the genealogy of urban rights discourses: the case of urban protesters against redevelopment and displacement in Seoul, South Korea. *Annals of the American Association of Geographers*, 108(2): 356-369.
- Suárez, M. (2017) Debt Revolts: Ecuadorian foreclosed families at the PAH in Barcelona. *Dialectical Anthropology*, 41: 263-277.
- Schipper, S. (2015) Urban social movements and the struggle for affordable housing in the globalizing city of Tel Aviv–Jaffa. *Environment and Planning*, 47(3): 521–536.
- Soederberg, S. (2014) *Debtfare States and the Poverty Industry* Abingdon: Routledge.
- Soederberg, S. (2018) Evictions: a global capitalist phenomenon. *Development and Change*, 0(0): 1-16.
- Svallfors, S. (2006) *The Moral Economy of Class: Class and Attitudes in Comparative Perspective*. Stanford: University Press.
- Teresa, B, F. (2016) Managing fictitious capital: The legal geography of investment and political struggle in rental housing in New York City. *Environment and Planning*, 48(3): 465-484.
- Thompson, E.P. [1963 (2013)]. *The Making of the English Working Class*. London: Penguin Modern Classics.
- Thompson, E.P. (1971) The Moral Economy of the English Crowd in the Eighteenth Century. *Past & Present*, 50(Feb): 76-136.

Thompson, E.P. [1978 (2013)]. *The Poverty of Theory*. London: Merlin Press.

Thompson, E.P. (1991) *Customs in Common*. London: Merlin.

Vásquez-Vera, H., Palència, L., Magna, I., Mena, C., Neira, J., & Borrell, C. (2017) The threat of home eviction and its effects on health through the equity lens: A systematic review. *Social Science & Medicine*, 175: 199-208.

Woodcock, J. (2014) The Workers' Inquiry from Trotskyism to Operaismo: a political methodology for investigating the workplace. *Ephemera: Theory & Politics in Organization*, 14(3): 493-513.

4. Organizing the Political Subject: The PAHC Sabadell

Abstract

The PAH has been one of the most salient social movements in Spain's last two decades, with its outstanding capacities for organization and discourse generation built around emerging forms of debt-based precariousness and socioeconomic exclusion. It has thus been largely seen as a success story but, has the PAH -in any of its multiple incarnations- been able to form a new political subject? This article aims to explore the relations between the different organizational forms and the different subjectivation capacities through the study of the PAHC Sabadell's praxis and its particular form of class struggle. To do so, it employs action research and an ethnographic approach to focus on an analytic triangle formed by the movement's organization, its socioeconomic context and its composition; and on the evolution *through time* of the combinations of these three elements and their relation to experiences of subalternity, antagonism and autonomy. This analysis identifies three phases (feint, parry and riposte) in the changing relationship between the aforementioned elements, as well as two over-arching processes of political class re-composition and de-composition within the PAHC's struggle.

Key words: *PAH, social movements, debt, social reproduction, subjectivation, social class, class composition, subalternity, antagonism, autonomy.*

4.1 Introduction

Financialization in Spain, and its concretion in the construction of a financialized housing market, has been a state-backed project which sought the establishment of debt-based profit extraction mechanisms in the social reproduction sphere through the direct targeting of households (Rodríguez & López, 2010, 2011). As such, and given the collusion between political elites and financial capital ex-

plored in the first chapter of this thesis, it should be considered as a distinct class endeavor. The organized response to this phenomenon took the shape of the PAH, a social movement/organization which used several civil disobedience strategies to oppose the effects of the housing crisis (essentially in the form of evictions and long-standing debt) while at the same time it sought legal reforms to put an end to systemic indebtedness and to effectively grant a universal right to housing.

Since its foundation in 2009, the PAH has been able to produce different subjectivation mechanisms through several means (its organization, discourse, forms of direct and/or institutional action, etc.), most especially via the commonly named empowering processes. However, the nature of the PAH -and its capacity to articulate these processes- has been far from uniform, neither internally nor over time, as it has been subject to an array of influences that have conditioned its class composition⁶² and primary needs, thus causing significant changes in its functioning structure. What I propose in this article is the need to explore the relations between the PAHC's varying *subjectivation capacities* and the movement's different *configurations*.

In this sense, the selection of the PAHC Sabadell (beyond the methodological need for an in-depth analysis achievable only at the local level) responds to the combination of two factors intrinsically tied together: a) the particularly politicized nature of the PAHC, and b) the city's long history of working-class struggles. As a mid-sized industrial hub (focused on the textile and metal sectors), Sabadell has -since its emergence as the so-called Catalan Manchester- been home to all the main labor-fueled migratory waves which have taken place in Spain, most notably from the 50s to the 70s and, more recently, during the 00s. This character of the city as one of the most notable Catalan working-class epicenters favored the de-

62 A concept which, further down the line, we will divide in two different meanings: *technical* and *political*. For now, and until further notice, we will refer to it in the first sense as the array of characteristics relevant for the organization that are derived from its members relation to housing and debt. In other words: who makes up the organization and why.

velopment of a distinct left-leaning political⁶³ and organizational tradition, which crystallized in some of the most important labor mobilizations in Spain's recent history (Domènech, 2002, 2003). Thus, both the political nature of the PAHC Sabadell and the long-standing local history of class-based conflict are intertwined and salient features.

Consequently -as stated before-, to lay the foundations for an analysis of subject formation in the PAHC, it is necessary to examine the evolution over time of the complex interactions at play between the three vortexes of an analytic triangle formed by the movement's: A) organization (including practice and discourse), B) socio-economic context, and C) its technical composition. The different combinations of these three elements *through time* have produced different subjectivation processes, the analysis of which can offer three things: First, insight on the specific relation between the PAHC's class composition, its needs and its *changing* responses to the latter; second, an analysis of the evolution of the underlying conflict between finance capital and the PAHC, including changes in its political, legal and economic context; and third, an explanation of the mechanisms behind the partial disruption of political subjectivation processes taking place at the PAHC.

The article's analysis is divided in two sections: The first one is devoted to the theoretical framework, and it includes two sub-sections: first, a review of the current literature's approaches to the analysis of the PAH; second, a theoretical proposal centered on the relation between the notions of class composition and class subjectivation to help us fill some research gaps. The second section presents an in-depth exploration of the central categories of analysis, focused on the ideas of organization, composition and context, and it develops an in-depth exploration of their changing interactions and results along three time periods corresponding with three different phases in the movement's trajectory.

63 The local government, for example, belonged to the euro-communist PSUC - and its heirs, ICV, from 1976 until 1999, when it was replaced by the social-democrats of the PSC who would, in turn, be ousted by a coalition of anti-capitalist, left-wing and republican secessionist parties in 2015.

4.2 Theoretical framework

4.2.1 Analytical approaches to the PAH

Following some of the aforementioned perspectives, several authors have conducted research on the specific characteristics of the PAH as a social movement, where we can essentially distinguish two approaches. First, a *classic* approach, with a framing and political opportunities background has focused mostly on the PAH's organization (the first element of the analytical triangle previously proposed) including the movement's campaigns, resources, discourse and narrative. Romanos (2013), under a largely framing-centered approach, has described some of the movement's practices and tactics, as well as its use of institutional strategies and engagement with institutional actors; Mir et al. (2013), who have stressed the role of activists' trajectories in the formation -and success- of the movement as well as the relevance of collective empowerment processes for people with a mortgage, a social sector understood here as a burgeoning political subject; also from a framing-centered perspective, Fominaya (2015) has developed a critical discourse analysis of one of the movement's campaigns (the so-called "escraches") to show the way in which its narrative can transcend issue-based protest and challenge "hegemonic definitions of crisis and of democracy" (p.465) under a transversal citizenship-based framework and a democratic-deficit point of view, acknowledging the relevance of "deliberative and participatory practices" as well as "consensus and non-hierarchical structures" (p.466) in the PAH's decision-making processes; Barbero (2015), in a similar vein, has conceptualized the PAH as vindication of a different citizenship model and of those citizenship rights which have been eroded by increasing inequality and precariousness (highlighting, in the process, the links with the 15M movement), as well as exploring some forms of judicial support and pointing out at the (maybe involuntary) creation of "new legal and political subjects" (p.278); and, more recently, Martinez (2019) who, coming from a political opportunities approach, has analyzed the unintended outcomes of the PAH action in terms of their success, drawing partially from the work of Aguilar and Fernandez (2010) -who analyzed the housing movement prior to the PAH's for-

mation- and seeing the abandonment by the PAH of its predecessor's more "radical" approach and its adoption of a more "moderate" and less "exclusive" frame as a reason for its success.

For this literature, the focus is largely set on campaigns and resources, on discourse and narrative, and on several forms of institutional engagement, but these are generally assumed as given -almost independent- elements (framing efforts, for example, are rightly attributed to activist efforts, but they tend to overlook the material foundation on which they stand) leaving little room for an examination of how they interact with each other and, especially, with the socio/economic context (the second vortex of the analytic triangle which, despite being largely acknowledged, is seldom explored). Overall, these authors have centered mainly on the portrayal of the organization's most salient features and campaigns, as well as on some of their external effects, success and impact (mostly in terms of goal achievement, but not so much in those of the state and capital's response -and its effects on the overarching context-), but the internal processes and composition of the movement, as well as its outcomes, have stayed out of focus.

These trends and schools have been the main theoretical source for most of the analysis of the PAH so far, and they provide an excellent point of departure to supplement some of their missed angles by exploring a critical and inter-disciplinary analysis. Following this idea, a second group of authors (Suárez, 2014; García-Lamarca, 2016; Casellas and Sala, 2017; Bailey et al. 2018) has developed a more holistic and integrated approach, bringing together, from a critical standpoint, the fields of political economy, geography and anthropology into their work, and thus fully incorporating the relation between the PAH's organization and the socio-economic context.

Starting with Casellas and Sala (2017), they have conceptualized -and incorporated- neoliberal governance and the state-backed Spanish housing model (most especially land speculation) which led to the housing bubble (and its collapse) as key structural elements to understand the PAH, linking this with more organizational elements through the identification of the causes for the PAH's success,

namely, the historical presence of social movements (focusing mostly on the direct precedent of *V de vivienda*⁶⁴ and the links with the 15M), the sophisticated grassroots movement and territorial organization, the new narrative and in the existence of empowerment through collective action. On a similar line, Suárez (2017) has analyzed the PAH as a case of grassroots organized response to the use of debt and financial predatory practices as the new preferred profit-extraction tools of current neoliberal capitalism, conceptualizing the Spanish legal system as instrumental in producing financial predation, therefore tying together the State and the production of financialized housing and mortgage markets, and thus bringing the focus to the more contextual elements. Her work has focused mainly on the Ecuadorian families of the PAH Barcelona -subject to some of the direst forms of predatory lending- and on the capacity of the PAH assemblies to encourage anti-debt (or even anti-capitalist) practices -such as debt default or the occupation of vacant housing- (again, tying in the organizational element into the analysis) and, ultimately, change the narrative on indebtedness (something which is seen as a revolutionary in this context) and the self-perception of the families from one of individual failure deserving guilt and shame to an understanding of a “broader process in a system of economic dispossession” (p.271). Although subjectivation is not explicitly mentioned, the combination of the equalizing effect of indebtedness and the transformative power of assemblies (spaces of learning, socialization and the expansion of political horizons) does point implicitly at an undergoing process. In class terms, the PAH is seen as a facilitating space for a “cross-class alliance” (p.266), even though Ecuadorian families are considered as part of the “international working-class” and it is acknowledged that participants in the movement come mainly from low-income backgrounds.

However, if these self-perceptions and narratives are tied in with an economic system of dispossession which is made more or less visible depending on collective action and political practices, the need for a clear notion of the positions held by different actors in such a system becomes increasingly relevant. These locations within a debt-fueled extractive mechanism should then be

64 A wordplay on the comic book “V for Vendetta” which would roughly translate as “H for Housing”.

conceptualized as -at least- class-relevant if we define the working-class not as a thing (a social group, a stratum) but as a social relation confronting capital in its diverse incarnations (e.g. financial capital). Here, debt -and most especially mortgage debt- quickly becomes a defining and unifying class characteristic understood in its broadest sense (Caffentzis, 2018) and, under this new light, the ensuing analysis of the economic dispossession process (as well as anti-debt and anti-capitalist practices) also becomes a class-relevant endeavor. It is at this point when a deeper look into the (class) composition of the PAH assemblies emerges as a need yet to be addressed.

Delving deeper in the much wider context of a general analysis of housing's political economy and its consequences in the form of widespread over-indebtedness and evictions (at a European scale and with a decades-spanning time frame), Bailey et al. (2018), have studied the PAH's trajectory, its organization (including its strategies), and its effects on its members, pointing at the emergence of new collective identities and activist subjectivities through forms of community organizing, paying special attention at the pragmatic prefiguration aspects of its activity.

Finally, García-Lamarca (2017a, 2017b) has analyzed the emancipatory potential of the PAH's practices (specifically the blocking of evictions and the occupation of empty housing under the “*Obra Social*” campaign banner), understanding them as fundamentally disruptive of -urban- capital accumulation mechanisms. She has conceptualized these “insurgent” practices (both practical and discursive manifestations of organizational aspects) as processes of political subjectivation, meaning the reconstitution of marginalized identities and the creation of political subjects, and has shown the links between these processes and the aforementioned disruptions of accumulation. This incorporation of the underlying material conflict between finance capital and social reproduction (the necessary connection with the socioeconomic context), according to which “financial expropriation can also be conceived as a process of proletarianization” (p.46), opens up the possibility of examining the potential class dimension of these newly emerging subjects in relation to

the kind of organization and practices the movement develops within the frame of such a confrontation.

These “insurgent practices”, by making visible this conflict between capital and social reproduction, constitute the forms of “contingent, context-specific collective action” (Rutland, 2013, p.989) which (re)make the subject. Their study can thus benefit from a complementary analysis of the evolution of the changing contexts in which they are organized, one which also establishes clear links between them, individual needs, collective organization and the processes of subjectivation that may take place. In line with this, a first approach is made by García-Lamarca (2017a) in considering the PAH assemblies (especially some of their functions like collective counseling) as key factors in generating relations and “formulating deeper sayings that connect to the structural causes” (p.46), understanding them as spaces where one can start to experience one's problem as collective, structural and political, where to shed guilt and shame and where to start believing in the transformative potential of collective action. In a similar fashion, Berglund (2020) has identified organizational aspects (in the combination of tactical leadership and horizontal democratic practices) and a mix of strategic and discursive ones (in the respective liberal and anarchist narratives provided to justify direct action and civil disobedience tactics) as key elements in the formation of an anti-austerity “revolutionary subjectivity” (p.9).

4.2.2 Class composition: A bridge to the subjectivation process

Generally considered, the literature analyzed so far provides a solid knowledge foundation on which to build upon, allowing for a more in-depth analysis and detailed exploration of the interconnections between the PAHC's features, its praxis and their changing environment. There are, however, at least three important aspects that need a closer look. First, the specific mechanisms and forms of subjectivation. Second, the class composition of the PAH (one of the three elements constitutive of the previously presented analytical triangle) and the evolving material needs of its members. And third, an anal-

ysis that brings the previous two together, tackling how the changing relations between context, organization and composition affect the capacity of the PAH to produce -or not- different subjectivation processes and results.

Nevertheless, before we address these matters empirically, we must provide some theoretical anchoring for subjectivation as a concept. As a starting point, Cox & Nilsen (2014, p.7-8) provide us with the idea of “active experience” -formed under the parameters of specific historic and spatial contexts- as the seedbed of consciousness (and thus, one may add, of becoming subjects). These experiences are shaped by our attempts to, essentially, make and change our realities, and by our reflection and understanding of these processes. However, the specifics of the nature of these experiences and their connections with subjectivation still needs to be defined. For this, we can turn to the work of Modonesi (2014), who has defined political subjectivation as the “formation of political subjectivities around a group or series of collective experiences born out of relations of domination, conflict and emancipation” (p.1) which take place amidst structural conditionings. The experience⁶⁵ of these three types of relations of power (power over, power against and power to) brings us to -yet another- conceptual triad in the notions of subalternity, antagonism and autonomy. For Modonesi, these concepts, far from being heteronomous, mutually exclusive or even subsumed within each other, are instead homologous and coexist unevenly in what are labeled as subjective formations, where one may be dominant over the others, albeit never in a linear or teleological way.

Subsequently, subalternity (or the experience of domination) and subaltern subjective formations would define -partially in the footsteps of Gramsci’s thought- those situations where there is a tension between acceptance of and resistance to power, but it is one from which the subaltern does not break free nor attempts to overcome and which, in the end, will be directed “towards a renegotiation or adjustment of the exercise of power over” (p.141), a (re)negotiated subalternity. For its part, antagonism (the experience not just of con-

65 The use of the term ‘experience’ here refers specifically to E. P. Thompson’s definition.

flict, but of insubordination), which Modonesi takes mostly from the early works of Negri, incorporates the active⁶⁶ idea of collective agency -based on that of praxis- into the core of political subjectivation. Thus, a subjective formation emerges that is “derived from relations and processes of conflict and struggle” (p,141). However, unlike subaltern forms of resistance, antagonism is aimed explicitly “against the existing domination” (p.141), and the capacity to exert power against. Finally, autonomy (the experience of emancipation) would encompass those formations where social relations based on self-determination and collective practices (mostly concretized in self-management or “*autogestion*”) become the main conduct for political subjectivation. Autonomy would then be, simultaneously, a means (a tool, a condition), an end in itself, a process (of subjectivation) and a prefiguration of the emancipated relations to be realized, all oriented toward the “negation and [overcoming of] the existing domination” (p.142) and the development of “power to”.

The point to which subalternity, antagonism or autonomy dominate a specific subjective formation informs the way processes of subjectivation unfold, and thus constitutes our main subject of research. However, to understand transitions from one synchronic stage to another, one must add a diachronic approach to the analysis of these changing subjective configurations, a point of view which is largely absent from the literature we have seen so far. What this absence highlights is -returning to the words of Modonesi- the importance of “exercises of periodization that permit the decryption and disaggregation of the processes of subjective construction” (p.150), an endeavor for which we will need to develop a substantive analysis of their changing material foundations. This analysis takes us back to the concepts of organization, context and composition of the PAH, and the need for a better understanding of the latter, especially in its political acceptance.

In order to carry out this task, and intending to bridge over the gap between subjectivation theory and our analysis of the movement, we need to turn towards critical political economy and to a transla-

66 Versus more ‘structural’ -and static- views of conflict, which Negri labeled as ‘polarity’.

tion of the Italian autonomist tradition from its first conception in the sphere of production towards that of social reproduction.

Following this path, we must first delve further into the distinction between the technical aspect of class composition -the one we have used so far- and its political counterpart. Originally⁶⁷, this first meaning referred largely to the technical (in a broad sense, including technology, hierarchy, etc.) conditions and organization of the work process that brought the working-class together in specific configurations, and signaled the working-class' fraction on which capital based its accumulation (Battaglia, 1981). This conception would be expanded beyond the confines of the strictly productive sphere by Tronti's (1962) notion of the "social factory" or Negri's (1971) take on the "social worker". However, both the 'factorization' of society and the growing abstraction of "cognitive" work remain tied to the notion of the workplace as the gravitational center for capitalist accumulation and remaining largely oblivious to the importance of later developments such as structural household debt. But if we follow the work of authors such as Madden & Marcuse (2016), Harvey (2012, 2015) or Aalbers (2016), it becomes necessary to understand that, in financialized capitalism, the extraction of benefits from social reproduction (and from housing in particular) has become a systemic feature of the economic structure akin to the extraction traditionally carried out in the productive sphere, and thus the analysis of the organization of the production process - which was the object of both Marx and the autonomist tradition- can give way to an analysis of profit-extraction mechanisms targeting social reproduction⁶⁸. This understanding of the development of systemic household debt not only as a profit-extraction mechanism, but also as a disciplinary one, enables a parallelism between the introduction of financial technologies in social reproduction and the implementation of technological changes in production for similar purposes. It allows us to see the targeting of households as a re-articulation of capital's power (Panzieri, 1961) and, later on, to under-

67 In the works of, for example, Alquati in the *Quaderni Rossi*, also analyzed in el-Ojeili (2015).

68 The UK-based journal *Notes From Below* has further developed the concept into that of 'social composition', intended to encompass *all* aspects of social reproduction, including culture, family structures, etc.

stand “technological change as a moment within the changing balance of class power: class composition, political recomposition and decomposition” (Clever, 1991; p.6). However, by translating the analysis of technical composition to the -mostly private- reproduction sphere, the possibility to observe it in the workplace⁶⁹ disappears and, therefore, it needs to be transported to the one space which housing-related debtors share: The PAHC assembly. There, the manifold relation of its members with debt and housing will inform their needs, as well as almost every aspect of the movement’s organization and relation with its context. This way, looking at the PAH’s internal composition appears to be the best -if not the only- way to see a reflection of an otherwise hardly visible phenomenon.

Having thus understood that the class composition of those financially expropriated -or indirectly exploited- sectors of the population can be as good an indicator of “class power” (Clever, 1979) as class composition within a factory or an industrial sector, we need to turn our attention to the political aspect of class composition. This is, simply put, the sum of the ways in which the response to the needs brought by a changing technical composition is channeled and organized to pursue newly emerging interests, and it involves the active experiences of domination, struggle and autonomy that may arise from -and exert an influence on- a specific mode of profit extraction to, ultimately, produce class subjectivities. These experiences are, as we have stated before, the key to any understanding of subjective formations, but we now possess, in the concept of class composition, the tools necessary to understand the transitions between them. These changes (e.g. from subalternity to antagonism or vice-versa) are, in turn, fundamental to explain the ebbs and flows between offensive moments, capable of aggregating and articulating political subjects; and defensive ones, where the opposite takes place. This is what, in the words of the autonomists, we would call processes of class re-composition and de-composition. They are, in sum, parts of an ongoing dialogue between composition and subjectivation.

⁶⁹ Unlike how, for example, the ‘mass worker’ could be identified within the long assembly lines of the FIAT factories.

Thus, to the original triangle composed of organization, context, and *technical* composition we should now add the production of different **subjective formations** affecting the *political composition* and, ultimately, resulting in different **subjectivation** processes. The PAHC's different periods can then be analyzed as part of a double movement (almost a pendular swing) of class *political* re- and decomposition, both affecting and being affected by its organizational form and capacities.

4.3 Feint, Parry & Riposte

In fencing, a *feint* is a deceptive offensive movement, a discontinuous blow resembling a direct attack that, secretly, intends to change its course before it finishes. Commonly, a feint is responded with a *parry*, a defensive action destined to avert an attack with minimal motion and, in certain styles, to buy enough time for an effective *riposte*, a counterattack aimed at defeating the opponent.

Just like a good fencer, the PAHC Sabadell started its duel with a *feint*. Aiming for housing rights, it actually intended to hit capital directly in one of its core accumulation dynamics, and while stopping evictions, the goal of its founders was the articulation of a new political subject around notions of solidarity and class. This first offensive phase (2011-2012) was met by state and capital with a *parry* consisting of changes in the socio-economic **context** through the controlled stacking of minor reforms on mortgage and evictions legislation, coupled with the re-configuration of the financial sector. This defensive phase (2013-2015) altered the **composition** of the PAH both technically and politically, and gained capital enough time for a *riposte*, which has recently (2016-2017) thwarted the PAHC's capacity to articulate class-relevant political subjects.

The following sections are structured according to these three phases, with each one being additionally subdivided into three categories corresponding to the three vortexes of the analytic triangle proposed in the first section, namely: Composition, Organization and Context. In turn, each of these subcategories comprises several features identified as their fundamental components. For the move-

ment's (technical) composition, these features are the size of the assembly, the number of weekly new cases, their typology, average duration and staying ratio. For the organization, they are the organizational structure, the decision-making mechanisms and processes, the case management, the narrative and the predominant type of discussion and strategy. Finally, for the context, the key features are the organization's antagonists, the policies and legal framework, the local government and the general housing situation. The different combinations of these elements are then linked to a moment of transition between subjective formations and, ultimately, to the process of political subjectivation.

Table 4.1

Elements of Analysis

Composition	Organization	Context
Size of the assembly	Organizational structure	Antagonist/s
New cases/week	Decision-making mechanisms/ processes	Legal framework and Policies
Case typology	Case management	Local Government
Avg. case duration	Narrative	Housing crisis state
Staying ratio	Predominant type of discussion	
	Strategy	

4.3.1 Feint (2011-2012)

a) Composition

During this period, especially during the first half, the reduced **size of the assembly** (between thirty to fifty people) and the relatively small **weekly number of new cases** (five to ten, approximately) al-

lowed for close and sustained interaction between members, both old and new, as well as between “victims” and “activists” (an intermittently emerging distinction -especially among newcomers- against which most members, especially veterans and “activists”, actively fought). PAH members recall having a detailed knowledge of every case and a strong feeling of community and solidarity. This, in turn, made assemblies reasonably easy to conduct and allowed for all matters to be addressed collectively, also enabling high levels of participation for most of the attendees. By the end of the period, weekly case numbers would start to rise rapidly, reaching their peak between 2012 and 2013.

In terms of **case typology**, the presence of occupation or rent-based cases was mostly anecdotal and the virtual dominance of mortgage-defaulting cases defined the needs and tempos of the movement (both for the PAH in general and in Sabadell). Regarding **case duration**, the nature of the eviction process (always depending on the moment when the case arrived at the PAH) meant that, on average, it would take at least a year (and often two or more) until its resolution, giving ample time for the development of political socialization and subjectivation processes, which in turn created strong interpersonal bonds and resulted in a high **staying ratio**⁷⁰.

“When I joined the PAH there was a lot of people with mortgage problems, and those make your problem stretch on for a long time, and that makes people stay because they end up getting hooked, not just because of their case but to help others, because you feel useful, you learn many things and you feel part of the project”.
(20/03/2018) [Interview 15]

70 Close to a majority of newcomers would stay as new members.

Table 4.2

Feint Composition

COM- POSI- TION	Size	Small (30-50)
	New cases/week (approx. avg.)⁷¹	5 to10
	Case typology	Mortgages
	Avg. Case duration	Year/s
	Staying Ratio	High

PAHC Sabadell data, Own Elaboration

b) Organization

Most newcomers knew very little about the PAH beyond its existence and its eviction-stopping activity, and their notions about the organization's nature (as a social movement), its functioning (structure, activity, strategies, etc.) or its long-term goals were vague at best. In terms of the PAHC's **organizational structure**, it was during this period that the newcomers' assembly was created to deal with these issues by organizing weekly introductory meetings which provided a crash-course on the movements basic principles, and fulfilled a key role in generating a first chink in the mainstream narrative on mortgage defaulting and the economic crisis. During several months, this smaller assembly ended with newcomers joining the regular assembly to introduce themselves, explain their case and have their first experience of collective counseling which ended with specific instructions -depending on the particularities of the case- to be carried out during the following week (further reinforcing the aforementioned high staying ratio by developing a positive structure of incentives).

"I went [to the PAH] with the intention of handing my documentation to a lawyer or to someone knowledgeable so they would solve it for me". (20/03/2018) [Interview 15]

⁷¹ Not all the new cases stay; there is a varying 'return rate' and several degrees of participation which directly affect the members' rotation and thus the total numbers.

Keeping this in mind, the PAH's structure of weekly meetings was divided in two parts, with the first one (often called the “political part”) dedicated to deliberation and **decision-making processes** regarding all sorts of issues related to the collective, and the second one (simply called “counseling” or “cases”) dedicated to the collective counseling process. The scheduling of both parts, with the so-called political half taking place first, was a deliberate organizational choice taken by the founding members with the explicit goals of encouraging participation in decision-making and disincentivizing an instrumental type of participation limited to case counseling. Key assembly roles (moderation, minute taking and turn management) rotate every week to prevent -as much as possible- the emergence of informal power positions. An emphasis on the nature of the PAH as a horizontal social movement whose success chances depended on the degree of involvement and commitment of its members -against a more vertical, professional and charity-based NGO model- became a staple of newcomer assemblies. The number of extra-assembly working commissions was small and they held little to no decision power, taking charge mostly of logistical tasks like dissemination (at street markets, unemployment offices and especially during public PAH appearances like actions against banks or at signature gathering stands), the preparation of materials to be used during the actions, resource management and the statistic tracking of all cases. All these commissions were formed largely by non-activists with the only exception of “external relations” (including the non-rotating role of spokesperson), in charge of dealing with the press, the public administration and the rest of the movement. The goal was to have rotating members, including veterans and newcomers, to foster the transmission of acquired knowledge, the integration of new members and, ultimately, the processes of empowering.

“Commissions were created to work in the name of the rest of 'compañeros’⁷², but they all have to work, all of them. And if I am in a commission, let's say the Courts commission, and I know that if I go to the SAC and ask

72 I opt here for the original Spanish, as the sense of the word here is halfway between 'companion' and 'comrade', with the first carrying too little political meaning and the second one carrying too much.

about a 'compañero', they are going to stop that eviction, but if I can go with the person who's being evicted, so that he can know how to do it, and then you come with me and you hand in the documentation with me, then next time you will be able to do it yourself, and it's a way of rotating and not taking over a commission just because I know how to do something” (11/05/2018) [Interview 5]

During this period, relations of new members with the founding core of activists were constant, partially as a result of the assembly's dynamics and partially due to conscious group efforts to reinforce political socialization and learning, and a deep feeling of interpersonal solidarity.

“It was different in the past, there were less people, you could know cases a lot more, there was a will to get to know the families, we could know their situation a lot better, personal and emotional links were created, relations were created, but they were very natural (...) we used to talk a lot with everyone, not just during the assembly or in the organization's spaces but during actions or even in informal spaces, meeting people, having coffee...”. (04/05/2018) [Interview 13]

“There were very few of us back then, and the struggle became like a brotherhood, we were a very closed circle and no one could touch us, everything was beautiful and that's when many of us devoted ourselves to it, because we touched each other's hearts”. (11/05/2018) [Interview 5]

The absence of a separated coordination committee and the deliberate choice of the assembly as the only formal **decision-making locus** was fundamental in generating a more horizontal distribution of power, allowing in turn for greater self-determination, empowerment and autonomy. This particular shape of PAH Sabadell's organizational structure can be conceived as analogous to the shared *collective counseling* (a type of **case management** opposed to the

professionalized use of lawyers and experts) in the way in which the latter allows for the sharing of similar experiences between members and the identification of common problematics and interests related to debt; all of them crucial factors in the articulation of the horizontal element of class-based social relations. In addition to the pragmatic need for collective counseling (considering the ineffectiveness of traditional legal strategies and the need for alternative solutions based on the cumulative shared knowledge of trial-and-error tactics), there is a determined and politically motivated avoidance of both formal and informal vertical elements that is characteristic of PAH Sabadell's model. In this sense, it is hard to overstate the importance of the *informal leadership* roles of the founding members in shaping not just the organizational structure and the overall political orientation and **narrative** of the assembly, but also in keeping the movement united and operating as a:

“Potential element of politicization and an entry point into rupturist organizations, and a dissemination tool for anti-capitalist discourse to reach people to whom we didn't have the practical, material or organizational instruments to reach (...) as a space for the self-defense of the working-class, as a space of self-sufficiency for our material needs, we see it as an instrument for politicization and class self-recognition, as a political tool at the service of a wider struggle which is social liberation”. (04/05/2018) [Interview 8]

In the words of veteran members who have very actively and steadily participated in the regional and state coordination of the movement (getting to know most of the local and supra-local assemblies):

“[They] are very, very politicized profiles, people who have been active militants almost since before they started to walk...at least since their teenage years, (...) and this shows, because they have had super strong profiles in the assembly since the onset (...) and that's what gave us strength, and it has made many of us

learn, learn from them, and that's what makes this PAH different from the rest". (04/05/2018) [Interview 13]

"[They] have played a super important role, they have taught us to stand for ourselves, to step on red lines without crossing them, to know how to ask for what we want, to get empowered". (11/05/2018) Interview [Interview 5]

In terms of **strategy**, the PAH Sabadell engaged mostly in confrontational direct actions of civil disobedience (office occupations, stopping evictions) designed to force negotiations, combined with several dissemination tactics (from handing leaflets to a local demonstration). Overall, the tactics of PAH Sabadell were mostly in line with the common repertoire of the rest of the movement, even if the tone was considerably harsher (with, for example, chants like “banker, tonight, look below your car”, or “our next visit will be with dynamite”, unheard of in the rest of the movement). However, while 2012's ILP was seen as a legitimate and credible horizon of possibility by most members -in line with the mainstream narrative fostered by PAH Barcelona-, it was considered more of a dissemination and unification tool -with limited possibilities of passing- by the core of Sabadell's more politicized members, something which partially foresaw the upcoming disagreements over the movement's tactics and strategic priorities.

"The ILP, seen in perspective, was very useful for us to be on the streets, to explain it to the people... and the signature-gathering was a nice process, it was a way to get involved" (17/09/2018) [Interview 9]

"The ILP was... not bad, but the ILP accompanied by the escraches was very good". (04/05/2018) [Interview 13]

Generally, the **narrative** for this period was deeply shaped by the stark feelings of injustice caused by the combination of the growing eviction numbers with the ongoing financial bailout. Additionally, Sabadell's late birth as a PAH -in the wake of the 15M-, together

with the distinct political background and orientation of its founding members, facilitated the initial implementation of a more radical approach, rooted in the conflictual framework of class struggle (which would contribute to shape the emerging political subjectivities). At this point, the juncture of this narrative with the novelty of the movement and its need to explain and define itself -not just outwards but also inwards- imprinted a *highly politicized* tone to most of the **discussions** held during the assemblies.

Table 4.3

Feint Organization

OR GA NI- ZA- TI ON	Organizational Structure	Assembly (dominates) + Commissions
	Decision-making mechanisms/ processes	Informal leadership (close-knit) + Assembly
	Case management	Collective counseling
	Narrative	Conflictual
	Predominant Type of discussion	Political
	Strategy	Conflict (civil resistance) vs. Financial institutions + Negotiation with the State (ILP)

PAHC Sabadell data, Own Elaboration

c) Context

These are the years of the high tide in terms of the **housing crisis**, and the percentage of mortgage defaulting was very high and still on the rise, as were the number of newly started eviction processes per month and, subsequently, the number of evictions being carried out. However, the **policy and legal framework** -specifically mortgage legislation- remained almost without changes for most of the period, with the only exception in the *Real Decreto-Ley 6/2012 de medidas urgentes de protección de deudores hipotecarios sin recur-*

ses⁷³ (known as *Código de buenas prácticas bancarias*, or Code for Good Banking Practice), a voluntary set of measures for financial institutions which included the so-called *dación en pago* (non-recourse mortgage debt), but which limited its application to unemployed families without any source of income.

Additionally, between 2011 and 2012, while the economic crisis was on its way to reach its most grievous effects, the bulk of the of the financial system's bailout was carried out by the Spanish government, as several major financial institutions (including the CAM, Banco de Valencia, Caja Madrid, Caixa Catalunya, Novacaixagalicia and Unnim) were intervened (and de facto nationalized) during 2011, followed by the official announcement of the EU's hundred-billion bailout, made in June of 2012⁷⁴, and the creation of the SAREB (a "bad bank"). This, together with the context of political and economic crisis -and generalized unrest-, facilitated the clear identification of an **antagonist** figure which embodied the adversarial class-relevant relations embedded in systemic household indebtedness and the housing crisis.

"During the first period there is a clear antagonist which are the banks, bankers worked as antagonists, a bit as an abstract entity, and in this sense, in a time of financialization, they replaced as a class the historical capitalist class, which have always been the antagonist of the working-class movement, and it was a very clearly identified antagonist". (09/01/2018) [Interview 12]

Regarding the **local government**, Sabadell's city council (in the hands of the PSC⁷⁵ since 1999) was largely indifferent to the PAH when not openly hostile -more so than its party's official line- due partially to historical political tensions with the founding core of activists. This may have reinforced PAH Sabadell's conflict-prone

73 Royal Decree-law 6/2012 of urgent measures to protect mortgage debtors without resources

74 A re-structuring process which would develop over the following years, until the completion of the financial system's overhaul.

75 Partit Socialista de Catalunya

ness from the onset, as the organization received no sympathy from any level of the administration.

Table 4.4

Feint Context

CON-TEXT	Antagonist	Financial institutions
	Legal Framework	Minor reforms at the end of the period.
	Local Government	Indifferent/hostile (PSC old guard)
	Housing crisis state	High (and rising) number of evictions. Financial institutions: High % of toxic assets. Start of re-composition.

PAHC Sabadell data, Own Elaboration

d) Subjective formation

The PAHC's early period -the offensive *feint*- is characterized by the transition from some forms of subalternity, present in the increasingly growing numbers of newcomers -most of whom need to be convinced to stop paying (Muriel, 2018)-, to the domination of antagonism and a **collective** sense of *emerging self in struggle* vs. an **antagonistic** other essentially represented by financial institutions. Actions like the stopping of evictions or demands like the *dación en pago* walk the line between resistance and struggle, combining an essentially defensive strategy (keeping one's home or, at least, exchanging it for total debt cancellation) and a conditional acceptance of domination (e.g. campaigns focused on the use of legal channels, like the ILP) with an increasing rejection of structural domination crystallized in civil disobedience tactics, widespread calls to insubordination and the generation of a growing counter-power intending on the development and imposition of its own agenda.

4.3.2 Parry (2013-2015)

a) Composition

During this period, the assembly's growth is consolidated and its **size** is increased dramatically up to five times the size of assemblies carried out just a year before (occasionally reaching more than 300 attendants). The number of **weekly new cases** remains very high at the beginning of the period, when the absolute majority of the cases come from mortgage defaulting (611 in 2013), almost three times the number of those coming from rent defaulting (132) and squatting (101) combined. However, during 2014 and 2015, overall numbers -while still considerably high- started to dwindle and dropped significantly (also affecting rent-based cases, which will not see their ranks go up until 2016-17 and the rise of the rent bubble). In this sense, there are two notable tendencies present in **case typology**: First, there is a drop in mortgage cases (from 268 in 2014 to only 178 in 2015, representing a 31,1 percent of the overall number of cases, compared to the 72.4 percent of 2013) which, paired with the steady rise from 101 occupation cases in 2013, to 113 in 2014 and to 145 in 2015 (from 12 percent to 32 percent of the total number) evinces the first signs of the forthcoming dominance of occupation as the PAH's main issue; second, there is also a drop in the total number of evictions (from 49 in 2013 to 28 and 29 in 2014 and 2015 respectively) but, most significantly, the relative weight of mortgage-related evictions falls from a 53 percent of the total in 2013 to a 32 percent in 2014 and a mere 24 percent in 2015. Very little for an organization *named* after mortgages. Notwithstanding these two tendencies, the **average case duration** -so closely linked to the predominant case typology and its effects on organization, strategy, etc.- remained notably high on average during these years (in good measure due to older unresolved cases). However, its progressive decline had already started (it was well underway by 2015) and, combined with the increases in total number of cases and the subsequent weakening of direct interpersonal ties, it would start having its effects over the **staying ratio**, which would also start to dwindle.

Number of cases by type (2013-2015)

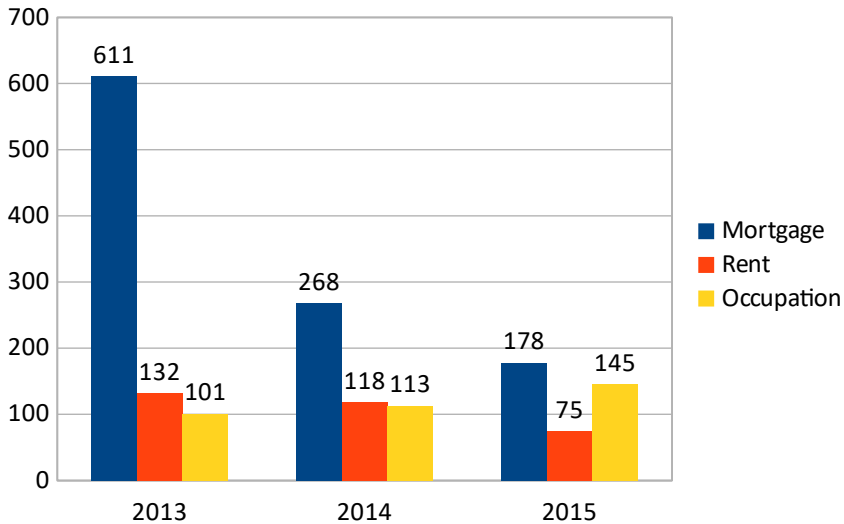


Fig. 4.1

PAHC Sabadell data, Own Elaboration

Table 4.5

Parry Composition

COM- POSI- TION	Size	Big (300+)
	New cases/week (approx. avg.)	20
	Case typology	Mortgages + (some) Rent & Squat
	Avg. Case duration	Months-year/s
	Staying Ratio	Mixed

PAHC Sabadell data, Own Elaboration

b) Organization

Two -mostly counterbalancing- trends take place roughly at the same time. First, as the movement (both in general and in Sabadell) finds itself at its peak in terms of membership, organization and

strength, its sees its capacity to engage the Spanish state reinforced, allowing for an intensification of its characteristic dual **strategy** (conflict-negotiation) that crystallized in the so-called *escrache* campaign during 2013, designed for the last stretch of the ILP run and directly confronting the PAH against the state and its demo-liberal rules of engagement. The *escraches* would -among other things- challenge hegemonic definitions of violence and political participation boundaries, attempting to redefine both. At the same time, the *Obra Social* campaign challenged widespread notions of property rights, disrupted financial capital's processes (including numerous clashes with the recently created SAREB) and greatly enhanced the autonomy of the movement by taking on the self-provision of material needs and the self-guarantee of fundamental rights.

“What's given strength and made visible the movement, and what has empowered a lot of people are direct actions, occupation of bank offices, blocking evictions, home occupations through Obra Social, the escraches...it's direct action what has allowed people to feel as protagonists and as an essential part of this struggle, it's what has allowed people to experience the collectivity, the community, the struggle, the little victories which in the end are what determines if there is a certain degree of hope in social transformation, in seeing that collective struggle produces results, to feel you are collectively enjoying a very powerful empowering process”. (04/05/2018) [Interview 8]

This tendency helped maintain the considerably *politicized tone of assembly discussions*, even though they started to incorporate a growing amount of *strategic* elements, as the assembly moved away from a discourse intended for its understanding of itself (its reasons, motivation and legitimacy) and towards one focused on effectiveness and results. This gradual shift towards a strategic approach implied the appearance of an organization-centered tone in the overall **narrative** of the PAHC, turning towards its own *corporatist* interests as a movement (oft rightly perceived as the sole representative of the housing struggle) in relation to the general political situation, rather than the situation itself.

A second trend can be identified in the way in which the combination of the imperious needs imposed by shorter time margins (linked to new case typologies) with the logistic limits of a much bigger assembly, including a more indirect and less intense socialization process, created the conditions for a change in its **organizational structure** founded on a technical, bureaucratic -or in the PAHC's own words, assistentialist- turn. This was based on a certain degree of delegation and on the immediate provision of solutions. The demand for a re-distribution of the assembly's workload brought by its growth crystallized in the formation of new work commissions and further changes in **case management**, with the implementation of new negotiation dynamics in the form of “collective negotiations”, including the figure of a responsible person in charge of multiple cases (grouped by financial institution), thus abandoning the no-delegation principle.

“Counseling is done like when we started, collectively, but now there's many more of us and maybe...maybe there's counseling outside the assembly”. (17/03/2018)
[Interview 7]

“Cases are so urgent that you prioritize assistentialist solutions, also because there are no other kind of solutions (...) people don't feel welcome to the assembly (...) there are lots of cases and we don't take care of the emotional part at all (...) also there's been a lot of tension (...) I don't think the people see the PAH as a socialization space (...) this has been lost, I don't think we are changing people's lives a lot”. (17/09/2018) [Interview 9]

Additionally, changes in the local administration's attitude (from the former indifference and/or hostility to a certain approachability) generated new negotiation opportunities and management needs, which brought about more changes in the **organizational structure** with the formation of the “Courts commission” and the opening of a steady communication channel with the local administration (especially with the social services circuit), a task which would end up generating a development in the **decision-making processes**

through the formation of expert activists who would not rotate their positions as members of these commissions. This allowed for the emergence of dependent relations between a core of veterans and a first circle of veterans on one hand and, on the other, an increasingly large proportion of newcomers who were not participating in the processes which had characterized the organization during the previous period.

Table 4.6

Parry Organization

O R G A N I- Z A T I O N	Organizational Structure	Assembly (dominates) + Commissions
	Decision-making mechanisms/processes	Informal leadership (distributed) + Assembly + Commissions (subdued)
	Case management	Collective counseling + Commission work (subdued)
	Narrative	Conflictual + Corporatist
	Predominant Type of discussion	Strategic-political
	Strategy	Conflict (civil resistance, direct action -OS, Escrache-) Vs. Financial institutions & State + Negotiation (ILP, NNCC, motions) with the State & Financial institutions

PAHC Sabadell data, Own Elaboration

c) Context

By 2013, with the restructuring of the financial sector mostly complete (and with the majority of savings banks either nationalized or absorbed by the banking system), the **housing problem situation** reached its higher point, where it would remain stable until late 2015. Until then, unemployment levels reached historical heights and banks increased pressure on debt holders (especially after the ECB's mandatory stress tests) while trying to rid themselves of toxic assets by selling enormous amounts of private debt to foreign investors.

Facing the rising tide of evictions and protests, the Spanish government opened the door to several additional changes in its **policy** and the **legal framework** in order to try to stabilize the situation. In May 2013, a reform of the mortgage legislation (*L1/2013 de medidas para reforzar la protección a los deudores hipotecarios, reestructuración de deuda y alquiler social*⁷⁶) was passed by the Spanish government in compliance with the pronouncement in 2012 by the ECHR of a sentence regarding unfair terms in mortgage contracts, and following its own rejection of the first of the PAH's ILP's. Among several other measures -supposedly aimed at alleviating the eviction crisis-, it loosened the very restrictive requisites for the application of the *Código de buenas prácticas* (RDL6/2012), but overall it remained largely ineffective in stopping evictions or reducing household levels of indebtedness. In February 2015, the government passed yet another reform in the form of a royal decree (RDL1/2015), allowing some -considerably restricted- forms of personal debt cancellation and, in July of the same year, it expanded them by promulgating the so-called “second opportunity law” (L25/2015). Meanwhile, the Catalan autonomous government passed the ILP sponsored by the Catalan PAH's, thus promulgating its own *Llei de mesures urgents per a afrontar l'emergència en l'àmbit de l'habitatge i la pobresa energètica*⁷⁷ (L24/2015). A far more progressive piece of legislation, it was later partially repealed

76 Of measures to strengthen the protection of mortgage debtors, debt restructuring and social rent.

77 Law of urgent measures to face the emergency in the field of housing and energy poverty

by the Spanish Constitutional Court after the Spanish government's appeal, leaving as applicable those aspects which bound local administrations (mandatory re-accommodation and financial aid for renters facing eviction) and those that dealt with “energetic poverty”, while suspending those which bound financial institutions in any way (including mandatory social rent, mandatory cession of empty homes, economic fines and a broader second opportunity mechanism).

“But eviction cases are easily solvable nowadays, thanks to the PAH the law was changed, just a bit, but it changed. If mortgage cases come with an eviction order it's stopped ipso facto and you get a social rent the next day, it's no longer a long process”. (17/09/2018) [Interview 9]

“The tempos are shorter, the first royal decree (...) slowed us down a lot, it allowed many people to recourse to a two-year eviction moratorium and after that with the 1/2015 came many more changes, small changes but they can be felt, shortening the tempos... and what it's caused is that people don't come any more”. (04/05/2018) [Interview 13]

Nevertheless, in June of 2013, the law L4/2013 was passed to reduce the mandatory time for renting contracts and to allow the so-called “express evictions” in cases of non-payment, paving the way for the union of slightly increased protection for the remaining mortgage-based cases with an increased vulnerability for those pushed towards the renting market. A combination that would prove itself key in the later shift in the PAHC's *composition*.

Changes in the movement's strategy (the aforementioned es-craches), linked to the government's largely uncompromising position in front of institutionally channeled demands (most notably, the first ILP), fostered the **antagonism** between the PAH and the Spanish State. This direct pitting of administration and movement against each other was thus translated from discursive terms to an active engagement on the PAHC's part. This escalation went be-

yond the usual (up to that moment) passive resistance in front of eviction and directly targeted officials and elected representatives.

While during 2013 the relationship with the **local government** remained largely the same as before, in 2014, a breach in the local government opened up due to the internal struggles within the governing party (PSC), caused by a corruption scandal (Segura, 2017). This weakened the government’s public and political position, causing a displacement of the hostile old guard by an *approachable* fraction of critics. These were willing to open permanent communication channels with the PAH (through the housing and social services councillorships) and, occasionally, to side with it publicly in notorious conflicts (ACN, 2014). This change in attitude increased the PAHC’s influence and its capacity to obtain -partial- solutions through local institutional channels, a tendency which reforms in Catalan housing legislation would reinforce considerably.

Table 4.7

Parry Context

C O N T E X T	Antagonist	Financial institutions + Administration (State)
	Legal Framework	Changes in mortgage legislation, European moratorium, etc.
	Local Government	Approachable (PSC critics)
	Housing crisis state	High (but stable) number of evictions. Financial institutions: re-composition consolidation.

PAHC Sabadell data, Own Elaboration

d) Subjective Formation

The middle period is characterized by the transition from the prevalence of **antagonism** as the main subjective experience driving the PAHC’s subjectivation to the growing relevance of **autonomy**⁷⁸. The double stabilization (external and internal) and the consolida-

⁷⁸ This does not imply their disappearance at all. In fact, new forms of open conflict such as the *escraches* appear during this period.

tion of the organization's form of counter-power allowed for the development of a more self-centered approach, both in strategic terms as well as from a self-management perspective, with the full implementation and systematic deployment of the Obra Social campaign, involving the "recuperation" and management of several housing projects which, in some cases, became (or at least tried to become) self-regulated communities and pre-figurative models (Ribera-Almandoz, 2019). During this period, open conflict with the state and the disappointment with the results of institution-oriented campaigns (such as the ILP) and political representation (exemplified by the *escrache* campaigns) led to the growing conviction of the necessity to act independently (for itself, one may dare say), fostered by narratives denouncing the collusion between finance capital and the state. In this sense, it is possible to identify a transition from "the negativity of the antagonism" towards the "positivity⁷⁹ of autonomy" (Modonesi, 2014; p.124-146) which stands on both the notions of autonomy as "class independence" and as "emancipation (...) prefiguration".

4.3.3 Riposte (2016-2017)

a) Composition

During this period there was a considerable reduction in the total **size** of the assembly (which stabilized between 100 and 150 attendees per week), paired with a noticeable decrease in the number of **weekly new cases**. The downwards tendency of mortgage cases observed during the stabilization period was then fully consolidated and so was the change in the dominant **typology of new cases**, having almost no mortgage-based casuistry, some rent-based ones and an absolute dominance of occupation as the main problem being addressed by the assembly. In 2016, 72,3 percent of the 83 stopped evictions were occupation cases, and in 2017 this figure rose up to a 78,3 percent (with just 8,7 percent of mortgage-based evictions). As rent and occupation-based eviction processes have much shorter resolution times, they thus require the assembly to provide much

⁷⁹ Of course, there is a positive, propulsive element in campaigns such as the ILP, but it remains subordinate to the state's approval.

shorter-term solutions. A considerable amount of these cases had to be resolved in less than a month -sometimes less than a week⁸⁰-. This drop in the average **case duration** left little room for any sort of meaningful political socialization and often resulting in a perverse structure of incentives which lead to instrumental uses of the PAHC's limited resources (not just its capacity to stop evictions, but also its influence on the local administration -most especially on social services- and its own housing provision in the form of OS). This instrumental logic characteristic of new members -which found its counterpart in the assistentialist turn of the assembly- increased the circulation speed for new cases and fostered intermittent forms of participation, resulting in a significantly lower **staying ratio**.

“A mortgage-based process meant two years of fighting against a bank, against a financial entity, two years of asking for the 'dación', for a social rent, [and] when you didn't get the 'dación' then debt forgiveness, it was a continuous, steady and long struggle with the same faces...with an occupation, they come and we give them the necessary tools to get a decent home but once they have it they disappear until the eviction notice”.
(11/05/2018) [Interview 5]

Table 4.8

Riposte Composition

COM- POSI- TION	Size	Medium (100-150)
	New cases/week (approx. avg.)	5 to 10
	Case typology	Rent & Squat + (some) Mortgages
	Avg. Case duration	Week/s-month/s
	Staying Ratio	Low

PAHC Sabadell data, Own Elaboration

80 The time for rent defaulting evictions is thirty days at best once the procedure has started; and for occupation evictions, though it varies greatly, it is usually as short (if not shorter), considering the moment people address the PAH

b) Organization

Accordingly, the main changes in the PAHC's observed during this period were the consolidation of this assistentialist turn in terms of **strategy**, followed by the subsequent changes in the **organizational structure**, in the form of the establishment of commissions as technical solution-providers, especially through the Courts commission, the External Relations commission and -to some extent- even the OS commission. This new technical element meant two things. First, an increase in the type of needs requiring -or better solved by- the use of legal or institutional channels rather than by confrontational direct action means (for example, the possibility of stopping a good number of evictions at court -instead of blocking the door-, or the capacity to directly address social services management). Second, an increase in immediate housing needs which could only be solved by either joining one of the collectively occupied OS blocs, an increasingly limited possibility due to the rapidly decreasing number of available homes, or by an individual occupation with informal PAH support. Both possibilities involving a considerable degree of dependence from veteran members and -especially- from commission members.

Both the Courts and the External Relations commissions required a degree of specialized work in the form of specific know-hows involving the administration (the social services circuit, for instance), the relations built within both environments and a specific set of communicative skills. This, combined with the very low rotation rate within these commissions caused them to end up being largely made up of the same groups of veterans (with little room for newcomers), thus generating informal extra-assembly decision-making spaces and accumulating informal power based on some form of technical knowledge or their position within the assembly. The nature of this delegation affected **case management** considerably, as it became progressively less collective and more specialized, and thus tended to generate dependent relations in which the assembly demanded certain tasks from the commissions but, at the same time, ended up depending on them to do a work it could not do itself. In the end, the assembly retained its place as the central **decision-**

making mechanism, but it saw some of its main features, like the capacity to empower its members or to build strong bonds between them, considerably diminished.

“Commissions are useful, but sometimes what they are doing is make the PAH fall through, because we take it too personally (...) We should emphasize that it's not the people in the commissions who do the work, that we all do it, all of us! And like we said in the extraordinary assembly, commissions should rotate so that people wouldn't always see the same faces and they wouldn't see them as the bosses, because none of us are. And they are marked as such, they go straight for them, because they have been in the commissions a long time and they are very visible faces and people come asking 'where is this person?'”. (11/05/2018) [Interview 5]

“Commissions have stopped functioning as commissions and operate more as lobbies, as affinity groups or almost as internal tendencies (...) certain commissions which should be open and transversal but in which it is impossible for a person to participate if it has not been aligned with a certain line (...) [conflicts] are more personal than political”. (09/01/2018) [Interview 12]

“It's true that the courts commission is the one that basically does the work of stopping [evictions] but it's not that the assembly loses the power to solve cases, it's that it loses the capacity to transform the people who attend it”. (17/09/2018) [Interview 9]

At this point, the PAH no longer had the capacity to provide solutions -beyond occupation- for the kind of cases it primarily received and, as debt had stopped to be the unifying feature of PAH members, what new cases shared was -simply put- their general incapacity to gain access to decent housing. Their social profile was comprised mostly of people not on the brink of socio-economic exclusion, but of those already excluded. Whether as the result of an im-

poverishment process (usually accompanied by several previous evictions) originally triggered by the crisis, or as part of an already excluded underclass (very often with a great over-representation of migrant population), the PAH efforts to enforce the right to housing through disobedient practices (OS) were not enough to solve their problems. The reality was that the PAH did not have the resources to guarantee housing solutions for its members, something that could be seen in its resort to periodic occupation “workshops”, where veteran members tried to provide newcomers with the basic knowledge resources needed to occupy bank-owned empty homes in a semi-autonomous way.

“Many of the people who lost their home years ago because of their mortgage are now losing it because they have occupied one (...) [the problem] has moved and they haven't gotten out of the hole, they are even worse”. (04/05/2018) [Interview 13]

“The problem's so heavy... and it overwhelms us, the administration and us, too. And there's little we can do, there are no blocks anymore to occupy, and we are solving issues of infra-poverty. At the same time, it makes it very difficult for us to grow as an organization and for the people to go through the political consciousness-raising process”. (17/09/2018) [Interview 9]

As a consequence, a pragmatic or managerial **kind of discussion** focusing on logistics, management and technical issues was no longer confined to counseling and became commonplace during the assemblies. This displaced the more politicized tone of earlier periods and created difficulties for the generation of a political **narrative**. This phenomenon deepened the PAHC's shift towards a more self-centered approach which was mainly concerned with the organization's challenges –both internal and external- and growingly apart -for most members- from concerns over structural political and economic problems. Remnants of earlier political discussions focused more at this point with the immediate political scenarios and their relation with the movement's tactical opportunities to ad-

vance its agenda, generating a sort of *corporatist*, inwards-looking tone in the movement's narrative.

“We used to talk more about politics and the problem itself, and now we talk more about personal cases”
(11/05/2018) [Interview 5]

Table 4.9

Riposte Organization

O R G A N I Z A T I O N	Organizational Structure	Commissions + Assembly
	Decision-making mechanisms/processes	Informal leadership (disputed) + Commissions + Assembly
	Case management	Commission work + Collective counseling (subdued)
	Narrative	Corporatist
	Predominant ‘Type of discussion’	Pragmatic-managerial
	Strategy	Conflict (civil resistance, direct action -OS-) + (minor) negotiation + assistential turn (Courts, Social services)

PAHC Sabadell data, Own Elaboration

c) Context

By 2016, the **housing situation** had reached its limit in the number of possible *mortgage-related* evictions and eviction processes, at this point already significantly lower (and still decreasing) than in previous periods. This was due to the previous shifts in **policy** which sought the combination of gradual changes in the **legal framework** (still being built up in 2017 with reforms in the RDL6/2012 and the L1/2013, which loosened even more their requisites and extended the eviction moratorium until 2020), and the natural progressive conclusion of those processes started during the peak of mortgage defaulting.

As was due, the effects of the re-composition of the financial sector -and its implications in the housing one- were fully felt during this phase, with the composition of the PAHC's main **antagonists** changing again. Instead of just financial institutions bailed-out with public funds, the PAHC found itself facing a combination of those very institutions with, on the one hand, many little property owners and enormous vulture funds⁸¹ with very little physical presence (difficulting the usual pressure tactics) and, on the other, a local administration unable to provide solutions. When debt ceased to be the unifying factor for members of the assembly, the intensity and the clarity of the antagonism with the state-backed union of financial and real-estate capital wavered.

“It’s very different to fight against a bank, a mortgage and a debt that you have there, than an occupation where, if you don’t give me a social rent, I’ll just go squat somewhere else. The struggle is very different (...) the enemy is still the same and the collective struggle should be the same, but that’s not what’s in people’s heads”. (11/05/2018) [Interview 5]

Concurrently, 2015’s municipal elections brought major changes in **local governments**, several of which -including Barcelona and Sabadell- saw significant participation of prominent PAH activists in newly formed parties -some keeping a double membership in both movement and party- that would end up in government coalitions which had incorporated promises of major reform concerning the housing issue, diverting resources from the PAH to the so-called “institutional assault”.

“They are ‘big’ people and they have to fight for bigger things, and I understand that, but when they left those who came behind didn’t know how to do it as well as them”. (11/05/2018) [Interview 5]

At the same time, the change from mortgage-owners to renters and squatters altered the nature and/or the intensity of the antagonisms

81 Blackstone, Cerberus, etc.

with the main recipients of the PAHC’s demands, from an almost exclusive focus on banks to the inclusion of social services and, in the end, from national financial capital to, quite often, the local government and administration. This re-alignment of the movement’s allies and antagonists brought about deep alterations in the PAHC’s organization, strategy and narrative (most especially, changes in the role and relevance of the assembly) which led it to be -all while its mistrust towards city council grew- perceived as a sort of problem-solving appendix of the administration, operating para-legally to reach places who are otherwise beyond the administration's capacities (for example, occupying empty homes).

“(...) now the responsible end up being the public administration when it does not satisfy all your demands, and the local administration at that, the one you recur to”. (09/01/2018) [Interview 12]

“The PAH right now...I don't think the PAH right now is a social movement, I think it's a 'tapa-parches'⁸² for the city council”. (11/05/2018) [Interview 5]

Table 4.10

Riposte Context

CON-TEXT	Antagonist	Administration (local) + Small owners + Vulture Funds + Financial institutions
	Legal Framework	Consolidation of new framework
	Local Government	Sympathetic (Left coalition)
	Housing crisis state	Medium (and decreasing) number of evictions. Financial institutions: clean. Vulture funds.

PAHC Sabadell data, Own Elaboration

82 Someone or something barely covering the administration's shortcomings

d) Subjective formation

The third period, state and capital's *riposte*, is defined by a return from **autonomy** to a kind of re-negotiated **subalternity**. An adjustment of the relation of domination through controlled reform, regulation and minor concessions (the eviction's moratorium, for example), leading towards a partial, progressive restoration of order in mortgage markets and a displacement of profit-extraction towards renting markets and of public solution provision towards local administrations. Changes in the PAHC's organizational forms favored technical delegation over autonomous decision-making (the assistentialist turn), while growing conflict with social services' local administration over the management of scarce resources led to a blurring of previous forms of antagonism.

Again, these developments do not mean that practice and experience of autonomy and/or antagonism disappear, but that the emergence of somewhat new -or at least changing- forms of resistance as a response to the evolving framework of domination, as well as the PAHC's internal developments become, once more, the main driver behind the process of subjectivation.

Finally, as a summary, the analysis of the Feint, Parry and Riposte periods, as well as the over-arching class re-composition and decomposition processes has been synthesized in the following table.

Table 4.11

Summary (Feint, Parry, Riposte)

		Class Re-composition		Class De-composition
		<i>Feint</i> (2011-12)	<i>Parry</i> (2013-15)	<i>Riposte</i> (2016-17)
C O M P O S I T I O N	Size	Small (30-50)	Big (300+)	Medium (100-150)
	New cases/week	5 to 10	20	5 to 10
	Case typology	Mortgages	Mortgages + (some) Rent & Squat	Rent & Squat + (some) Mortgages
	Avg. Case duration	Year/s	Months-years	Week/s-month/s
	Staying Ratio	High	Mixed	Low
O R G A N I Z A T I O N	Organizational Structure	Assembly (dominates) + Commissions	Assembly (dominates) + Commissions	Commissions + Assembly
	Decision-making mechanisms/processes	Informal leadership (close-knit) + Assembly	Informal leadership (distributed) + Assembly + Commissions (subdued)	Informal leadership (disputed) + Commissions + Assembly
	Case management	Collective counseling	Collective counseling + Commission work (subdued)	Commission work + Collective counseling (subdued)
	Narrative	Conflictual	Conflictual + Corporatist	Corporatist
	Predominant type of discussion	Political	Strategic-political	Pragmatic-managerial

	Strategy	Conflict (civil resistance) vs. Financial entities + Negotiation with the State (ILP)	Conflict (civil resistance, direct action: OS, escrache) vs. Financial institutions & State + Negotiation (ILP, NNCC, motions) with State & Financial institutions	Conflict (civil resistance, direct action: OS) + (minor) negotiation + assistential turn (Courts, Social services)
C O N T E X T	Antagonist	Financial entities	Financial institutions + Administration (State)	Administration (local) + Small owners + Vulture Funds + Financial Institutions
	Legal Framework	Minor reforms at the end of the period.	Changes in mortgage legislation, European moratorium, etc.	Consolidation of new framework
	Local Government	Indifferent/hostile (PSC old guard)	Approachable (PSC critics)	Sympathetic (Left coalition)
	Housing crisis state	High (and rising) number of evictions. Financial Institutions: high % of toxic assets. Start of re-composition.	High (but stable) number of evictions. Financial Institutions: re-composition consolidation.	Medium (decreasing) number of evictions. Financial Institutions: clean. Vulture funds.
	Subject formation	High	Medium	Marginal

PAHC Sabadell data, Own Elaboration

4.4 Conclusion

The crux of this article is the co-constitutive nature of class subjects and class struggles, their shared role as both the chicken *and* the egg. Therefore, to fully understand the movement's developments in discourse, strategy and organization in its conflict versus capital, it is crucial to incorporate an analysis of the political subjectivation processes taking place within it. However, to understand these processes, we also need to identify their roots, which lay in the experience of needs and, crucially, in the **organization of those experiences**. This way, we have seen how changes in the movement's **organizational forms** are inextricably tied with the socio-economic **context** in which it operates, and with its technical **composition**; a shifting triangulation on which lay the foundations for the emergence of different subjective formations (Modonesi, 2014). These have, in turn, been a part of and co-developed wider processes of political class re-composition and de-composition. Nevertheless, these uneven combinations of **subalternity, antagonism and autonomy** -and the relative weights in the subjective formations they inform- cannot be simply accepted as given states of affairs, for they also depend on the specific material configurations within which emerging subjects actually operate.

The three time periods analyzed (the feint, parry and riposte; or the offensive, defensive and reactive moments, respectively) essentially correspond with changes in class struggle pointing at moments of transition between the aforementioned subjective formations and, concurrently, with a double process of political class re-composition and de-composition. These processes have been -albeit partially and discontinuously- both the cause and the effect of changes in the economic and political **context**, in the movement's **organization** (its strategy, its tactics and its discourse) and in the needs derived from the PAHC's changing technical **composition**.

The main characteristics of both moments can be summarized in the following manner. First, the subject political re-composition process, located in time between the feint and parry phases, happened due to a combination of collective 'empowering' (the recov-

ery of one's self-determination and, ultimately, of autonomy), experience-sharing and direct action which took place within the framework of a political narrative deliberately articulated in conflict-oriented class terms by an informal but close-knit founding core of activist members. Additionally, these processes were organized and channeled through a set of autonomous and -mostly- horizontal institutions largely devised to maximize the autonomy and political counter-hegemonic elements, like the rejection of debt-fueled mechanisms of profit extraction, of the newly coalescing collective subject. The technical **composition** of this subject was made of a mix of newly indebted members of the traditional working-class, and new members of the middle strata experiencing a sudden and unexpected downward social mobility induced by mortgage debt. During this period, a strategy based on a conflict-prone antagonistic praxis directed against financial institutions and accompanied by an accordingly politicized narrative dominated the PAHC Sabadell assembly. This particular **organizational** configuration was a response to a political and economic **context** where the structural changes in the profit extraction mechanisms⁸³ had shifted the relative proportion between direct forms of extraction, characteristic of the productive sphere, and indirect or secondary forms, characteristic of the sphere of social reproduction, in favor of the latter. The high tide of the eviction crisis, paired with the administration's inaction -if not its hostility- opened the possibility for a virtuous combination of factors (from the movement's perspective) which enabled a powerful process of political subjectivation and class re-composition.

Second, the political de-composition process, located in time between the parry and riposte phases, should be seen as deriving from the changes in the political and economic **context**, entailing a reaction and reconfiguration of the financial and housing sectors, added to the natural evolution of the number of evictions towards a 'low tide'. These changes resulted in a second internal shift inside the PAHC, something which considerably modified the organization's internal **composition** and, therefore, the needs most new members⁸⁴ were facing, as well as the typology of most cases (from home-

83 Characteristic of the Spanish version of financialization.

84 With very different social profiles and often with migrant backgrounds.

owners to renters and squatters) and, consequently, the duration of their cases and their timing needs. This generated further changes in the PAHC's **organization**, with a technical turn and an increase in the levels of internal delegation which fostered a service-provision logic, strengthened informal hierarchies and, ultimately, considerably hindered the practical and discursive mechanisms that enabled political subjectivation. These changes in the needs addressed by the organization were paired with further contextual changes in the antagonists the PAHC was facing, driven by the needs of financial capital to escape a less than advantageous situation. Thus, the PAHC went from confronting mostly *national* political and financial elites (now finally in control of -or at least able to manage- their most toxic assets) to having to add in a mix of *international* vulture funds with no territorial physical presence, mid-tier real-estate capital and, especially, the local administration through the social services circuit. All these changes in the movement's context, technical composition and organization deepened the disruption in the class relations' dynamics on which the PAH's activity had been operating during previous phases, and reinforced a vicious circle of changes in the organizational forms of the assembly, in its tactics and in its discourse which set them further and further apart from their earlier -and more successful- counterparts. In more general terms, the impact of class relations in organizational, strategic and political terms and, more specifically, on the political composition of class simply cannot be overstated.

The different phases of the PAHC's activity can thus be conceptualized as moments within a double process of political class re-composition and later de-composition (Cleaver, 1991; Wright, 2002). These are organized through a class-based institution engaged into varying forms of class struggle from below directed against the effects of the Spanish mode of accumulation's collapse (Rodríguez & López, 2010, 2011) through insurgent disruptive (Garcia-Lamarca, 2017a, 2017b) and prefigurative (Ribera-Almandoz, 2019; Berglund, 2020) praxis. Conversely, the ensuing political and economic reconfiguration of the housing and financial sectors can be thought of as a state-backed legal-technical responses seeking the de-composition of this emerging class subject, the end of potential threats to the re-configuration of accumulation mechanisms and, es-

essentially, the restoration of social and economic order. In other words, a form of class struggle exercised from above.

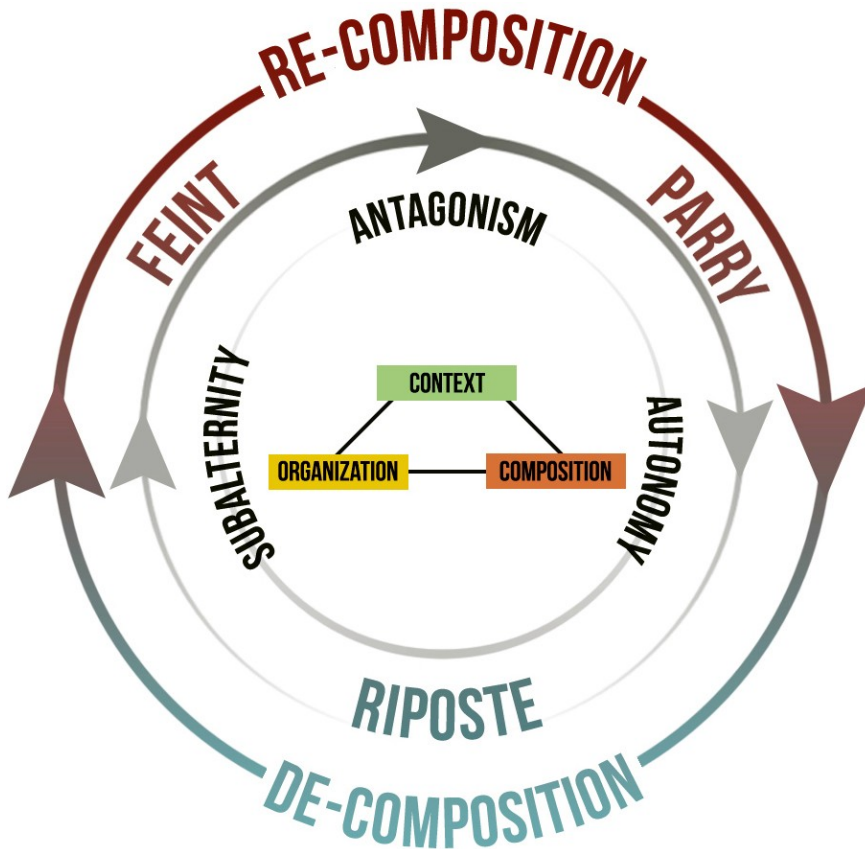


Fig. 4.2

Subjectivation Summary

In sum, class relations, and especially the co-constitutive nature between class struggles and the composition of class subjects, have shaped -and been shaped by- every aspect of the movement, from its narrative to its action repertoires, resources and organization. In doing this, these processes have informed the subjective experiences of the PAHC's members which, in turn, have been a key element in the development of both its praxis and political composition. Ultimately, what this net of interrelations evinces is the need to vindicate the inclusion of class relations as a fundamental factor of

analysis of the PAHC and, possibly, of all social movements struggling against financialized capitalism and its effects.

Bibliography

Aalbers, M. (2016) *The financialization of housing: A political economy approach*. London: Routledge.

ACN (2014, March 20) La PAH abandona l'ocupació del BBVA de Sabadell però presentarà una denúncia per coaccions i retenció il·legal. *La Vanguardia*. [Online] Retrieved from <https://www.lavanguardia.-com/local/sabadell/20140320/54404278471/la-pah-abandona-l-ocupacio-del-bbva-de-sabadell-pero-presentara-una-denuncia-per-coaccions-i.html> [Accessed April 2021].

Aguilar, S. & Fernández, A. (2010) El movimiento por la vivienda digna en España o el porqué del fracaso de una protesta con amplia base social. *Revista Internacional De Sociología*, 68(3): 679-704.

Bailey, D. Clua-Losada, M. Huke, N. and Ribera-Almandoz, O. (2018) *Beyond Defeat and Austerity: Disrupting (the Critical Political Economy of) Neoliberal Europe*. London: Routledge.

Barbero, I. (2015) When rights need to be (re)claimed: Austerity measures, neoliberal housing policies and anti-eviction activism in Spain. *Critical Social Policy*, 35(2): 270-280.

Battaglia, R. (1981) Mass worker and social worker: reflections on the 'new class composition'. *Primo Maggio* 14, Winter. [Online] Available at <https://notesfrombelow.org/article/mass-worker-and-social-worker> [Accessed April 2021].

Berglund, O. (2020) Building revolutionary subjectivity: creative tensions in the Plataforma de Afectados por la Hipoteca. *Globalizations*, 17(5): 854-868.

Caffentzis, G. (2018) *Los límites del capital. Deuda, moneda y lucha de clases*. Buenos Aires: Tinta Limón & Fundación Rosa Luxemburgo.

Casellas and Sala, (2017). 'Home Eviction, Grassroots Organizations and Citizen Empowerment in Spain' in K. Brickell et al. (eds.), *Geographies of Forced Eviction*, pp.167-190. Basingstoke: Palgrave Macmillan.

Cleaver, H. [2000 (1979)] *Reading Capital Politically*. Leeds: Antithesis-AK Press.

Cleaver, H. (1991) 'The Inversion of Class Perspective in Marxian Theory: from Valorization to Self-Valorization' in W. Bonefeld, R. Gunn and K. Psychopedis (eds) (1992), pp.106-144. *Essays on Open Marxism*. London: Pluto Press.

Cox, L., & Nilsen, A. G. (2014). *We Make Our Own History: Marxism and Social Movements in the Twilight of Neoliberalism*. London: Pluto Press.

Di Feliciano, C. (2016a) Social Movements and Alternative Housing Models: Practicing the 'Politics of Possibilities' in Spain, *Housing, Theory and Society* 34(1): 38-56.

Di Feliciano, C. (2016b) Subjectification in Times of Indebtedness and Neoliberal/Austerity Urbanism. *Antipode* 48(5): 1206–1227.

Domènech, X. (2002) *Quan el carrer va deixar de ser seu. Moviment obrer, societat civil i canvi polític. Sabadell (1966-76)*. Barcelona: Publicacions de l'Abadia de Montserrat.

Domènech, X. (2003) La otra cara del milagro español. clase obrera y movimiento obrero en los años del desarrollismo. *Historia Contemporánea*, 26: 91-112.

El-Ojeili, C. (2015). *Beyond Post-socialism: Dialogues with the Far-left*. Basingstoke: Palgrave MacMillan.

Fominaya, C. (2015) Redefining the Crisis/Redefining Democracy: Mobilising for the Right to Housing in Spain's PAH Movement, *South European Society and Politics*, 20(4): 465-485.

García-Lamarca, M. and Kaika M. (2016) Mortgaged Lives: the biopolitics of debt and housing financialisation, *Transactions of the Institute of British Geographers*, 41(3):313-327.

García-Lamarca, M. (2017a) Creating political subjects: collective knowledge and action to enact housing rights in Spain, *Community Development Journal*, 52(3): 421–435.

García-Lamarca, M. (2017b) From Occupying plazas to recuperating housing: Insurgent practices in Spain. *International Journal of Urban and Regional Research*, 41(1): 37-53.

Harvey, D. (2012) *Rebel Cities. From the Right to the City to the Urban Revolution*. New York: Verso.

Harvey, D. (2015) *Seventeen Contradictions and the End of Capitalism*. New York: Verso.

Lazzarato, M. (2012) *The Making of the indebted Man*. Los Angeles: Semiotext(e).

Madden, D. & Marcuse, P. (2016) *In Defense of Housing*. London-New York: Verso.

Martinez, M. A. (2019) Bitter wins or a long-distance race? Social and political outcomes of the Spanish housing movement. *Housing Studies*, 34(10): 1588-1611.

Mir, J., França, J. Macías, C. Veciana, P. (2013) Fundamentos de la Plataforma de Afectados por la Hipoteca: activismo, asesoramiento colectivo y desobediencia civil no violenta. *Educación Social. Revista de Intervención Socioeducativa*, 55: 52-61.

Modonesi, M. (2014) *Subalternity, Antagonism, Autonomy: Constructing the Political Subject*. London: Pluto Press.

Negri, A. (1971) 'Crisis of the Planner State: Communism and Revolutionary Organisation', in Negri, A. (1988) *Revolution Retrieved* London: Red Notes.

Panzieri, R. (1961) 'The Capitalist Use of Machinery: Marx Versus the Objectivists, in Phil Slater (ed) (1980) *Outlines of a Critique of Technology*, pp. 39-68. Atlantic Highlands: Humanities Press. Originally published as "Sull'uso capitalistico delle macchine nel neo-capitalismo," *Quaderni Rossi*, 1.

Ribera-Almandoz, O. (2019) *Searching for Autonomy and Prefiguration. Resisting the Crisis of Social Reproduction through Housing and Health Care Struggles in Spain and the UK*. Phd Thesis, Department of Political and Social Sciences, Universitat Pompeu Fabra.

Rodriguez, E. & López, I. (2010) *Fin de ciclo. Financiarización, territorio y sociedad de propietarios en la onda larga del capitalismo hispano (1959-2010)*. Madrid: Traficantes de Sueños.

Rodriguez, E. & Lopez, I. (2011) Del Auge Al Colapso. El Modelo Financiero-Inmobiliario De La Economía Española (1995-2010). *Revista de Economía Crítica*, 12: 49-63.

Romanos, E. (2013) Evictions, Petitions and Escraches: Contentious Housing in Austerity Spain. *Social Movement Studies: Journal of Social, Cultural and Political Protest*, 13(2): 296-302.

Rutland, T. (2013) Activists in the Making: Urban Movements, Political Processes and the Creation of Political Subjects. *International Journal of Urban and Regional Research*, 37(3): 989-1011.

Muriel, I.S. (2018). To repay or not to repay: financial vulnerability among mortgage debtors in Spain. *Etnográfica: Revista do Centro em Rede de Investigação em Antropologia*, 22(1): 5-26.

Segura, A (2017, November 27) El cas Mercuri compleix 5 anys amb només una sentència ferma. *Nació Digital*. [Online] Retrieved

from <https://www.naciodigital.cat/sabadell/noticia/14995/cas/mercuri/complex/anys/amb/nom/sentencia/ferma> [Accessed April 2021].

Suárez, M. (2014) Social Movements And Buen Vivir: Ecuadorians in the fight for housing in the platform for people affected by mortgages (PAH). *Revista de Antropología Experimental*, 14: 71-89.

Suárez, M. (2017) Debt Revolts: Ecuadorian foreclosed families at the PAH in Barcelona. *Dialectical Anthropology*, 41(3): 263-277.

Tronti, M. (1962) La fabbrica e la società. *Quaderni Rossi*, 2:1-31.

Wright, S. 2002. *Storming Heavens. Class Composition and Struggle in Italian Autonomist Marxism*. London: Pluto Press.

5. Conclusion

The main goal of this thesis has been the study of the evolution of some of the newer forms of class struggle and class subjects that have been emerging outside the sphere of production (specifically in the housing field) under the light of global capitalism's financial turn (Harvey, 2014; Lapavistas, 2012; Aalbers & Christophers, 2014; Aalbers, 2019). In answering the two over-arching questions posed at the onset of the thesis, it has explored how transformations in the sphere of social reproduction have fostered and/or hindered the development of class struggles, as well as the ways in which the organization of these struggles has affected the political composition of class subjects. Treating class conflicts as a single, fluid, overarching process, from above and from below, has allowed this research to avoid a unilateral focus, as well as to encompass the perspectives of both capital and labor, their constant interaction and the ebbs and flows in their power correlation. Collective agency has thus been taken as a fundamental element at both ends of these class relations, with a special focus on the interactions between popular and elite movements representing their respective class interests. The scope of the project has ranged from the macro/meso analysis regarding the formation of a mode of accumulation in Spain, to the study of the organization of specific social movements capable of operating as autonomous class institutions, including their potential for the articulation of class subjects able to read capital's accumulation schemes in antagonistic and emancipatory terms. This has required the adoption of an interdisciplinary approach which included the insights offered by critical geography, political economy and social movements studies and which, ultimately, has enabled a process of cross-fertilization between them. In this sense, the idea of class struggles (whether labor-based or not) as processes separated from social movements as a whole has been thoroughly challenged (as in Cox & Nilsen, 2014), and the need for a critical political economy of -at least- class-based social movements firmly established.

More concretely, we had also posed two grand research questions: First, how can the financialization of housing foster or hinder the development of class struggles? Second, how did the evolution of the struggle in housing impact the PAHC's capacity to re-compose a class-based subject? Next, I will summarize the answers I hope to have provided for each of them.

Firstly, we have seen how the construction of the financialized housing market in Spain constituted a class project mediated through the state's ensemble and the strategic selection and deployment of state power. This project was a response to the need for a capital accumulation model which was compatible with the global economic tendencies and the changing position of the Spanish economy, especially within the European context, which had seen the space for its industrial capacity and development considerably reduced. The shape of the model was determined by the highly unequal access of social, economic and political agents to the state's arena and to the land, real estate and credit markets, as well as the ensuing vast differences in their capacity to defend their interests in either of them. These deeply embedded class inequalities were indispensable for the mode of accumulation to function, as its architecture relied on the triple role of the working-class as the producer of goods and value, as a consumer of debt, and as a consumer of goods. The last two functions fulfilled, in turn, three systemic needs: first, high levels of consumption were essential for the realization of value in the construction/real-estate sector (and for all the concomitant sectors); second, the reliance on debt as a means to guarantee social reproduction enabled a policy of wage stagnation and helped companies keep high rates of profit; and third, the generation of vast amounts of fictitious capital for the financial sector (and the overall increasingly financialized economy) was a major source of yields for those actors involved (Lopez & Rodriguez, 2012). The fuel necessary to keep this economic machine running was the existence of a working-class that was highly reliant on debt and more or less willing to submit to a negotiated form of subalternity, crystallized in a debtfarist state project (Soederberg, 2015) and the promises of upwards social mobility of asset-prize Keynesianism's wealth effect (Brenner, 2006). Meanwhile, the lion's share of

the benefits was reaped, although in an uneven manner and through different mechanisms, by the different fractions composing Capital.

The crisis and collapse of this system would further evince the fundamental inequalities con-substantial to any class-based economic system. The shattering of the value chains attached to debt realization set in motion a massive process of accumulation by dispossession (or, in this case, repossession) which, hand in hand with the state's intervention, facilitated finance capital's re-composition while, at the same time, pushed vast swathes of the working-class towards exclusion and a newfound condition as surplus populations (Wigger, 2020).

Secondly, having understood the class dimension of the financialization of housing, as well as the inseparable nature of exploitation and the debt-based profit extraction mechanisms that are characteristic of fictitious capital's value realization, the next step has taken us to analyze the labor's side response in the formation of class-based organizations and, eventually, class subjects in social reproduction. This has been done through an analysis of the PAHC Sabadell in comparison with the PAH as a whole, understanding that the appearance of the organization, while not being the first to address the housing issue and, in fact, belonging to a diverse and ongoing movement for housing rights in Spain, did represent a shift in power dynamics vis-a-vis capital and the state. While other organizations or sectors of the broad housing rights movement (like the PAH's immediate predecessor, "*V de Vivienda*", or the rather diverse squatting movement) had failed to gather mass appeal, the PAH was able to reach unprecedented levels of public traction. In this sense, one of the main conclusions driven by this thesis has been the intrinsic relation between the organization of class struggles in social reproduction, the articulation of class subjects and the capacity of the latter to disrupt profit-extraction and value-grabbing schemes. This relation is configured in a way that strongly suggests that, similar to the traditional development of trade-unionism in the productive sphere (or moment) of capital accumulation, class-based institutions can appear outside the domain of direct exploitation. These institutions formed, instead, around the daily-life experience of market failures and the threat on social reproduction brought by

the breaking of (housing's) moral economy and the end of the negotiated subalternity (or cooperative antagonism). In this sense, the division between the productive and the reproductive in configuring class schemes, or between old and new class subjectivities is potentially superseded by a hybridization of both, able to refract pre-existing class traditions, experiences and identities through the role of the PAHC as an active class institution. This process of subjectivation, however, was a diverse one, and it was non-linear, uneven and discontinuous in nature, able to produce considerably different results depending on how it was organized and experienced. The creation of collective spaces, the political praxis and the collective sharing of personal situations -common to all PAH local assemblies- were enough to overcome individual alienation and enable the challenging of debt-based power structures. However, the limits of moral outrage and corporate defensive/restorative goals could only be surpassed through the political re-composition of a hegemony-oriented class subject capable of reading and explicitly addressing the fundamental class contradictions lying at the heart of the finance-housing mode of accumulation.

Third -and final-, the economic crisis and the ensuing break in the negotiated form of subalternity that was distinctive of the bubble cycle's growth peak put an end to the cooperative antagonism between classes. As we have seen, this change, in opening the possibility for new forms of organization which, like the PAH, operated in social reproduction, also opened the door for the aforementioned processes of class subjectivation to take place through autonomous class institutions like the PAHC. However, these processes were anything but linear, uniform or continuous, and the analysis of their evolution through time, including their ups and downs, required the inclusion of not just the material circumstances in which they developed, but also the finer details of the conflicts in which the PAHC engaged with both state and capital. Three different phases were identified in this ongoing struggle *vis-a-vis* finance capital (and, to a certain extent, the state) which generally summarized the relative balance of forces between classes. First, a moment of social offensive and development of a strong antagonistic praxis; second, a stale-mate allowing for some strong autonomous and pre-figurative praxis and a defensive moment for capital re-composition and legal

re-adjustment; and third, a reactive moment which led to political class de-composition process. The analysis of this process - metaphorically characterized as a fencing match- linked the changes in the combination of the PAHC's organization, its political and economic context, and the movement's class composition with changes in the different subjective formations (Modonesi, 2014). These changes, in turn, marked the transitions between subaltern, antagonistic and autonomous in subjective formations and the ensuing subjectivation processes. In sum, finance capital was able to mobilize state power to displace the locus of conflict -centered so far on homes mortgaged by national financial capital- towards rent on the one hand (as is typical of recessive conjunctures [Naredo, 2012]), and international and individual actors on the other. At the same time, the deployment of state selectivity softened the pressure on the indebted working-class with the stacking of calculated reforms which, among other things, were able to alter the technical class composition of the movement, disrupting its subjectivation capacity and fostering the -at least partial- political de-composition of the class subject.

Trying to conclude at a higher level of abstraction, we have seen how, in light of contemporary Capitalism's financial turn, the fundamental role that exploitative dynamics located in social reproduction (whether as secondary forms of exploitation, financial expropriation or accumulation by dispossession) have taken in sustaining profit rates evinced two things: first, its incapacity to sustain stable growth, with an even greater than usual inherent tendency towards crisis and instability; and two, in the face of crumbling modes of accumulation, class conflict will follow capital (Silver, 2003), not just geographically but into its different moments and circles of accumulation, with populations on the verge of becoming surplus ones spearheading new forms of struggle and, in turn, eliciting further responses from Capital. Notwithstanding this, while it appears clear that both labor and capital react to each other, the relation between them is far from mechanical, and neither operates in a political or institutional void, set apart from the state and its institutional ensemble; but rather in, through and/or against it (Jessop, 2007), depending on the conjuncture and their capacity to access and mobilize state power.

Therefore, class relations are fundamental in understanding the dynamics of any mode of capital accumulation, especially regarding the establishment and evolution of profit extraction and value realization mechanisms on which it is founded. Just as the combination of the massive accumulation of rent-derived fictitious capital with a reduction of labor costs (characteristic of Debtfarism and Privatized Keynesianism) entails huge profits for capital as a whole, the sum of the displacement of financial risks towards the working-class with the hyper-commodification of housing implies the indirect exploitation of labor as a whole and a clear extractive structural dynamic. These embedded class inequalities are what, ultimately, shapes the living conditions and daily experience of those occupying subaltern class locations, both in production and in reproduction (which, far from being antithetical, are inextricable from each other). However, the bare experiences, even under the extreme circumstances brought by the collapse of the accumulation mode and its shift toward dispossession, are not sufficient to produce articulated class subjects out of the subaltern classes. If experience is the foundation on which these political subjects are supposed to be raised, then experience must be organized. And yet, the organization of a class-relevant subaltern movement, by itself, does not necessarily imply the formation of a class subject that is articulated not just as an antagonistic force, but as an emancipatory one. The identification of the fundamental contradictions at the heart of class conflict and, what is more, the overcoming of the exploitative class foundations of an accumulation mode, can only be carried out by a fully articulated class subject. The concrete experience of organization shapes the subjectivation of its members (Modonesi, 2015) and, in these terms, only an autonomous class institution can prompt the subaltern class substratum from antagonism to emancipation.

These moments of transition from antagonism to autonomy are where, at a more concrete level, the high mark of the class subjectivation tide was set, with a class subject able to assert itself and self-provide/self-protect its needs and rights. However, the movement as a whole was not able to configure as a fully articulated class subject, and the development of the aforementioned transition toward an emancipatory class project was, in fact, uneven and often limited to certain left-flanking sectors within the organization, of which the

PAHC was probably the most notable example. Once the field and the antagonistic actors were able to adjust and re-compose on their own, the movement showed notable difficulties in adapting to the new triangulation between organization, context and composition.

Nevertheless, even if it appears to be clear that class struggles *per se* do not automatically produce class subjects (the process relies, as we have seen, on different forms of organization and political praxis), that does not imply that subjectivation should be seen as a largely voluntaristic matter. The state of class struggle -meaning the power correlation between classes- does influence (and is influenced in return) by the different subjective formations the experience of which is organized into political subjects. Therefore, the bidirectional relation between the state of class struggle and the dominant subjective formations is key in the articulation of a class subject not restricted to the productive sphere and that is capable of furthering its struggle beyond the goals of moral restorative justice and towards a politics of class emancipation.

5.1 Further research

This thesis offers several opportunities for further research. First of all -and still within the field of housing-related social movements and struggles- the present study has not been able to cover the more recent transformations in the re-configuration of the Spanish housing provision system, nor the appearance -or, at least, the growing importance- of new actors at both ends of vertical class relations. The consolidation of the shift towards certain international Capital agents (e.g. the so-called “vulture funds”), or the new role of rental markets as key spaces for value extraction and capital accumulation (for example through the use of REITS, as seen in García-Lamarca, 2020) opens up the possibility of reassessing the organization of power networks and domination dynamics in the housing field, as well as analyzing new actors and tendencies of -more or less active- opposition and resistance. The appearance of the “*Sindicat de Llogateres*”⁸⁵ (Palomera, 2018), the diversification of the housing rights movement in terms of organization and strategy (and the at-

85 Tenants Union

tempts to organize an overarching political structure) or the latest iterations of the dispute over the political meanings of house “occupations” offer not just the opportunity of studying further possible re-compositions of class subjects, but also the chance to test new and past experiences of subjectivation against different backgrounds and on different class fractions.

On this line, the outcomes of the 2008 crisis for the Spanish economy and, especially, for its mode of accumulation, are still unclear. All the external and internal economic and political constraints which led to the development of the “brick economy” are still in place, while the roads for an alternative economic restructuring based on digital green capitalism seem, at least, far from simple. The possibility of a new experience of housing and finance-led growth may be far fetched, but the most recent government economic plans to confront the post-covid recuperation have allotted the second biggest budget item to “housing and urban renewal”, with the first one being destined to “secure and connected mobility”. This combination of housing and infrastructure investment is hardly new, and could, in principle, reinforce similar dynamics to those previously experienced. The exploration of these developments not just in terms of policy, but of capital flows, economic actors and power networks constitutes one of the fundamental elements necessary for the future analysis of class conflict and movement organization.

Secondly, while the financialization of housing represents a fundamental aspect of the process of growing commodification of social reproduction, the “finance-housing complex” and Asset-price Keynesianism’ do not exhaust the many aspects Debtfare societies may take, nor the resistances these may engender. The growing incorporation of more and more of social reproduction’s “background conditions” (Fraser, 2014) into marketized value chains, without a significant change in distributive policies and, in the context of a decades-long widespread retreat of public welfare, fosters the growth of already increasing inequalities in the affordability, access and quality of things like healthcare or education, among others. Additionally, the speculative dynamics associated with over-accumulation and the financialization of the economy as a whole, in-

cluding sectors like food, water and energy provision, are likely to increase secondary forms of exploitation (Yrigoy, 2020), as well as global and local economic instability. This erosion of social reproduction, tied to growing exploitation and inequality, is likely to keep increasing the numbers of surplus populations (or populations in the process of *becoming* surplus) and the organization of resistance movements traversed by the underlying class tensions they face. The extension of the analysis to these fields, struggles and movements would allow us to further explore the possibility of class subjectivation and composition outside the productive sphere, as well as the potential development of an emancipatory politics able to transcend both subjectlessness and “class reductionism”.

Bibliography

Aalbers, M. (2014b) The Housing question under capitalist political economies. *Housing, Theory and Society*, 31(4): 422-428.

Aalbers M (2019) 'Financial Geographies of Real Estate and the City: A Literature Review.' Financial Geography Working Paper Series #21, Global Network on Financial Geography. [Online] Available at: <http://www.fingeo.net/financial-geographies-of-real-estate-and-the-city/> [Accessed April 2021].

Brenner, R (2006), *The Economics of Global Turbulence: the advanced capitalist economies from Long Boom to Long Downturn, 1945–2005*. New York: Verso.

Cox, L. & Nilsen, G. (2014) *We Make Our Own History. Marxism and Social Movements in the Twilight of Neoliberalism*. London: Pluto Press.

Fraser, N. (2014). Behind Marx's Hidden Abode: For an Expanded Conception of Capitalism. *New Left Review*, 86 (March–April): 55–72.

García-Lamarca, M. (2020) Real estate crisis resolution regimes and residential REITs: emerging socio-spatial impacts in Barcelona, *Housing Studies*, DOI: 10.1080/02673037.2020.1769034.

Harvey, D. (2015) *Seventeen Contradictions and the End of Capitalism*. New York: Verso.

Jessop, B. (2007) *State Power. A Strategic Relational Approach*. Cambridge: Polity.

Lapavistas, C. (2013) *Profiting Without Producing: How Finance Exploits us All*. London and New York: Verso.

- Lopez, I. and Rodríguez, E. (2010). *Fin de ciclo: Financiarización, territorio y sociedad de propietarios en la onda larga del capitalismo hispano (1959–2010)*. Madrid: Traficantes de sueños.
- Modonesi, M. (2014). *Subalternity, Antagonism, Autonomy: Constructing the Political Subject*. London: Pluto Press.
- Naredo, J.M. & Montiel, A (2011) *El modelo inmobiliario español y su culminación en el caso valenciano*. Capellades: Icaria-Antrazyt.
- Palomera, J. (2019) Els Sindicats de Llogaters en el nou cicle de financiarització. *Revista Papers*, 60: 156-163.
- Silver, B. (2003). *Forces of Labor: Workers Movements and Globalization since 1870*. New York: Cambridge University Press.
- Soederberg, S. (2014) *Debtfare States and the Poverty Industry*. London and New York: Routledge.
- Tarrow, S. (1998) *Power in Movement: Social Movements and Contentious Politics*. Cambridge: Cambridge University Press.
- Wigger, A. (2020) Housing as a site of accumulation in Amsterdam and the creation of surplus populations. *Geoforum (in press)*. <https://doi.org/10.1016/j.geoforum.2020.10.007>.
- Yrigoy, I. (2020). The Political Economy of Rental Housing in Spain: The Dialectics of Exploitation(s) and Regulations. *New Political Economy*, 26(1): 186-202.