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## INTRODUCTION

The PAH – Plataforma d’Afectats per la Hipoteca –, which translated into English means Mortgage Holders Platform, is today one of the main social movements that acts in Spanish state. The speculative effects in housing had – and are still having – disastrous effects for its population. The non-stopping rates of unemployment and evictions have been suddenly the direct experience of capitalism for millions of people since 2008 in Spanish state. To these effects it should be added the continuous cuts from the government. Education, health, social aid, public services and so on are increasingly seen as new opportunities for capital. The popular demonstrations of refusal to lose the last souvenirs of welfare state have been answered by an increase of political repression. Although these proofs have evidenced that any attempt to push forward with the neoliberal programme will have a strong response, any alternative is yet visible. By looking at the causes that bursts in crisis drama in Spanish state this essay try to understand the current situation. In this path it will start discussing the particularities of the bubble housing in Spanish state. The necessary ideological presence of a shared belief to make possible that bubble, housing as a capitalist commodity and the discussion between theory of value and of financial capital will appear at this point. With this first step it will be possible to comprehend the reasons of the PAH. After this the focus will be how capitalism is reshaping again its population. The suggestive reading of Capital (Marx, 1990) made by Jameson (2011) along with statistics of the last years will allow us to identify who are the subjects of the PAH and the contradictions that carried by themselves. Finally, the enquiry will turn to its specific demands and its position as Excluded into that totality which is capitalism. The reference here will be Žižek (2009) and the possibility of the PAH to stand for a communist universality.

## BLOWING BUBBLES

To understand the emergence of forms that has been taken by the demands around housing since the economic crisis of 2008 the first step of this analysis is to grasp house from the theory of value developed in the first three chapters of Capital (Marx, 1990). From this insight a house could be understood by its quality and quantity properties. A house as quality is " a physical structure meant to protect us from the weather and give us some privacy" (The Housing Monster, 2012: 11) and this is why it has use-value. Meanwhile, the use-value of a house cannot explain the fluid quantitative relation of its exchange-value. To figure out the equivalence of the exchange-value of a house with any other commodity Marx argues that " a common element of identical magnitude exists in [these] two different things" (1990: 127). This is that they are products of labour, that as " all commodities [they] are merely definite quantities of congealed labour-time" (Marx, 1990: 130). What interests us at this point regarding the financial crisis of 2008 is precisely to grasp this dialectic between use-value and exchange value of houses. The premise is that houses adopted a use-value that was partially different from a shelter for human beings. Because of this deformation, when the crisis bursts, the labour supposedly contained in them loses its value (Marx, 1990). To answer how this transfiguration was possible the use-value of a house should be reformulated. The seemingly never ending exponential increase of house prices that took place between 1996 and 2008 was what gave an additional use-value to them. In Spanish state a house adopted two use-values for most of their owners: it was a shelter and at the same time a bearer, or Träger, of increasing exchange-value. Their consumption as use-value was displaced by the future to come and people who inhabited – or consumed – a house were at the same time the owners not of a commodity but of capital. Even more, houses became the universal equivalent: money could vanish but the incessant increase of value of houses would remain. Houses were transformed into capital because, " in the phase of prosperity, a general rise in the price of commodities is expressed as a fall in the relative value of money" (Marx, 1990: 771). To have a house was the most secure measure to enjoy a pleasant retirement. An important reason for this driving force was the situation of renting in Spanish state. Rents were a free market, with an average price upper than minimum wage, while the fiscal and financial aids were mostly concentrated on buying. Moreover, public rental housing is practically non-existent (Caicedo et al., 2008). Therefore to buy a house seemed the perfect option: the house could be consumed while at the same time it was increasing its exchange-value. In fact, it was its unavoidable use-value as a shelter what allowed the emergence of that illusion of houses as an investment. It was an appearance that became real because it was collective and historical (Jameson, 2011: 44). The paradox was that this indefinite increase on the prices of houses was precisely based on the use-value as a shelter and the assumption that people could not stop to buy and pay for their seemingly never ending increasing prices. With the crisis, housing fetishism temporally vanishes and " the labour-time socially necessary to produce them asserts itself as a regulative law of nature" (Marx, 1990: 168). Nevertheless, despite the lowering of exchange-value for houses after the crisis, houses haven’t lost any of their use-value as a shelter. The causes of this increase in the house prices have been widely explained and can be summarized as the intensification of financial capitals in housing sector and the soil after the ". com" crisis at the beginning of this century along with the public encouragement through tax benefits and a temporal extension of mortgages with low interests (Etxezarreta & Ribera, 2008). However, what this process conceals is the possibility of a commodity to have an exchange-value that surpasses the simple average labour contained in it. The comparison of the salaries and the house prices in Spain between 1995 and 2007 reveals that salaries had an increase in average of 30% while in the same period houses one was of 277. 2% (Iglesias & Mayals, 2008). Could be justified this disparity by an increase of the labour contained in houses? If we assume that " construction industry is very backwards" (The Housing Monster, 2012: 33) it could be said that the comparative increase in productivity within the other productive sectors could explain at least part of this disparity. This kind of argument has at its basis the assumption that the labour deployed for the construction of a house would have remained constant while for the other commodities it would have been possible to provide a further number of products with the same amount of labour by an increase in productivity. Nevertheless, if this process was true it would also have its effects in the amount of constant capital necessary for building a house because it would reduce the price of constant capital and, consequently, the exchange-value of houses for a constant degree of exploitation. A way to save the theory of value developed by Marx could be to argue that housing is not a capitalist commodity and therefore its theoretical analysis cannot be used in housing sector. The argument would be that the conditions for housing production – its uniqueness and its apparent incapacity of simple reproduction and also the amount of specialized workers involved in it – are distant from the capitalist ones. Le Corbusier’s dream has not reached yet. From this point of view, house production wouldn’t be explained by Marx’s theory of value. It would seem then that the theory of financial capital gains ground by an analysis of the bubble housing. The abridged form adopted by housing was one where M-M’ was at its core: " value which is greater than itself" (Marx, 1990: 257). However, there is a trick in this argument when it is applied to home owners. The role of financial capital in housing has a double effect. On one hand, " the business of loaning does not create value but is useful for the businesses who (sic.) do (…) [because] Credit allows the separation of buying and selling in time" (The Housing Monster, 2012: 63) to the construction contractors and speeds up the circuit of capital. In fact, the general formula for capital and " the enigma of a final whole greater than the value of its individual parts" (Jameson, 2011: 47) is now what appears. It is the loan (M) what allows the construction contractors to produce a house (C) that once sold will provide them an extra value (M’). Although a part of the difference between M’ and M should be given to the moneylender, the surplus value has been already originated in the production process. The dialectic return to use-value and exchange-value now for labour-power makes its appearance: " it is the use value of the worker’s commodity of labor power which is disengaged from its exchange value and suddenly made to produce more value than it was worth" (Jameson, 2011: 50). On the other hand, financial capital has also its impact in people who in order to have a shelter should request for a loan to acquire it. Besides the public regulations that encouraged buying instead of renting, the increase of prices cannot be understood if it is not taken into account the amounts of capital invested in housing on this sphere of circulation. The rates of surplus value obtained in all those economic sectors related with housing that were translated in an exponential increase of house prices have their causes in a wider access to loans. The contradiction of this course is self-evident. The same access to a house was its impossibility to achieve it. The result is already known and those capitalized loans that were put in the market as future revenues finally collapsed. Suddenly, to request for a loan was an impossible mission for those who have nothing else to sell than its labour-power. Žižek ironically asserts that " The paradox of capitalism is that you cannot throw out the dirty water of financial speculation while keeping the healthy baby of real economy" (2009: 15). The disruption of the planned future of those financial assets invested in housing paralyzed a whole sector and with that an economic domino effect was prompted. Anyone knew which one would be the next to fall. No one knew their future so no one with an uncertain situation would receive a loan. When house prices started to decrease the last ones to arrive were blocked from them. Furthermore, if we look at the National Statistics Institute (INE) – all the statistics in this essay were taken from its website – how the housing bubble had affected in Spanish state at the structure of the property we will see that it hasn’t changed too much. In 1996 the first home ownership status was 81. 5% while renting was 12. 5%. In 2008 it had the same pattern: 82. 2% for ownership and 11. 4% for renting. In both years the remaining households were in free cession. Meanwhile, although the rate between first homes and housing stock from 2001 to 2008 only increased 1. 79%, 3. 212. 774 first homes were constructed in this period. To read properly these figures it is necessary to take into account demographics. The foreigners in the same period increased in 4. 673. 871 people. To explain that increase in housing stock - not every foreigner of any age bought a house - it is also necessary to consider the effects of baby boom that took place from 1960’s to 1979 in Spanish state. The bubble housing coincides with their aim for an own place to live. The changes in the family units could have its impact too. Finally, it should be said that second homes had also increased their stock by 882. 674 units. Nevertheless, its relative rate decreased. Hence, it could be deducted that the increase of house prices affected primarily those people more exposed to precariousness: young and immigrant population. At this point, and considering the figures showed above, the standpoint defended by The Housing Monster (2012) against homeownership for the working class because of its contradictory position losses most of its critical effect when it is only around 12% of the population who rent. In fact, the figures of homeownership dispersed by age groups show that in Spanish state it is a generational question too. The steady decrease in renting is inversely proportional to age: in 2008 people between 16 and 29 years old that stood for person of reference of the household depicted 31% of them in renting condition versus 7% for those over 65 years old. Because " extreme poverty is extremely profitable" (The Housing Monster, 2012: 88) in the Spanish state context this situation was expressed in renting. The true issue was that renting a house was more expensive than to buy one. The increase in house prices had also its effect in renting and from 1996 to 2008 the renting prices increased by 58. 9%. In 2008, at the highest point of the housing bubble in Spanish state, those who lived in a rented house at market prices had an average expense in housing of 599 euros versus 467 euros for those with a home loan. The gentrification process had minor effects because to become a homeownership was first of all a matter of survival. Moreover, at this point, the vitality of housing market was not too much problematic for someone who needed to sell it quickly to move on. The problem, as we will see, was when the housing market stopped. Finally, gentrification existed but its prey was basically young and immigrant people truly interested in having a loan for a house even if it was exceeding its real value.

## WHO IS THE PAH?

The real matter of interest to understand the social movements that have emerged around housing is the increasing disparity between salaries and house prices. At this point what becomes clear is that with the relative increase of house prices the labour-power has been deeply affected. In this sense, if " the value of labour-power is the value of the means of subsistence necessary for the maintenance of its owner" (Marx, 1990: 274) the contradiction of the disparity between salaries and house prices it is found in its roots. From this perspective, the argument that a house was a kind of investment was completely illusory for those that can only afford one. The increase of the house prices was a general one so when the owners sold their houses they should invest the same amount of money to buy a similar one. The gains were null because the use-value provided by the former house had to be replaced by another use-value which its cost was equal. The equation M-M’ did not work for them at all because of the necessary use-value of a home. Therefore the effect of this increase in the house prices can be purely understood as an increase in the degree of exploitation of those who represent the labour-power. Is not a shelter a necessary requirement for the reproduction of labour-power? The answer is not a positivist one and as Marx puts it the " so-called necessary requirements, as also the manner in which they are satisfied, are themselves products of history" (Marx, 1990: 275). From this point of view, the effect of the increase of house prices was before the crisis an increase in the degree of exploitation because to have a shelter was understood as a necessary requirement. The prolongation of time to pay the mortgage was the manner in which it was satisfied and also a relief for the increase in the degree of exploitation. Nevertheless one of the hypotheses of this essay is that after the crisis a reshaping of the necessary requirements for the reproduction of the labour-power took place: " what was hitherto considered unthinkable within the horizon of the established standards of decent working conditions now becomes acceptable" (Žižek, 2009: 21). With the crisis what was denied in states like Spain with a previous high affluence of financial capital in housing was the possibility to afford a house for those who because of low income or generation have not yet had access to it. To them it should be added those who lost their jobs as an effect of the recession and, consequently, couldn’t pay their mortgages any more. Their perspectives of the necessary requirements were broken down. In fact, it does not only occur in housing but in all those necessary requirements for the reproduction of the labour-power. The incessant cuts made by the successive governments testify it. The right to inhabit a house has been understood as a necessary condition for the reproduction of the labour-power and, for instance, in the Spanish Constitution it is written down in its section 47. It specifically says: All Spaniards have the right to enjoy decent and adequate housing. The public authorities shall promote the necessary conditions and establish appropriate standards in order to make this right effective, regulating land use in accordance with the general interest in order to prevent speculation. The community shall have a share in the benefits accruing from the town-planning policies of public bodies. (Spanish Constitution, 1978: 26)A perverse reading of this section could even understand the events before the crisis as an application of this very right: the facilities to engage with a mortgage lender would be its particular solution to guarantee a shelter for everyone. However the contradictions of this political decision have been already noted and its result, at the end, was that a significant part of the labour-power was excluded from a shelter. Any legalist reading of this section without linking it to its context is in vain. The recuperation of Polanyi’s description of fictitious commodities – money, land and labour – in The Great Transformation (2001) could be useful to grasp the contradictions rooted in our neoliberal spirit. Although this book was written in 1944, the economic and political consequences since the crises of 70’s have given to it a new validity. After the golden ages of the Welfare State a new faith in " the self-regulation of economic life" (Polanyi, 2001: 74) is at the basis of the release of financial capitals, the destruction of state housing and the deregulation of the labour market. Money, land and labour were again completely transformed " into commodities in order to keep production going" (Polanyi, 2001: 79). The self-regulating market system would be then the impracticable ground where housing for the labour-power had to succeed. Nevertheless, although Polanyi’s denounce of these fictitious commodities could be rendered as an attempt to subordinate the economic to social needs, it is necessary to follow our argument by the very contradictions of capitalism. In fact, if " human society [became] an accessory of the economic system" (Polanyi, 2001: 79) it would be in the analysis as a totality of this very economic system where any answer should be found. To appeal to the auto-protection of society to overthrow this on-going process presupposes a preeminent form of society. As said above, because social conditions are historical, Polanyi’s position should be pushed further. At this point, a Jameson’s reading of Capital " as a book about unemployment" (Jameson, 2011: 2) provides an insight that directly relates to our current concern: can people be excluded from the means to reproduce themselves? Conversely to our previous use of Capital as a tool to look at those details of housing affair, Jameson’s reading raises " the question of capitalism as a totality" (2011: 6). His reading of Capital finds its meaning in the succession of dialectical problems and solutions unfolded from Part Two to Seven. He sticks to the second law of the production of surplus-value to reach his purpose:" the tendency of capital to reduce as much as possible the number of workers employed (…) stands in contradiction with its other tendency to produce the greatest possible mass of surplus-value" (Marx, 1990: 420)This strategy allows Jameson to clarify by the resolution of successive dialectical paradoxes that the general law of capitalist accumulation " has to do with non-work: (…) with a " reserve army" which includes people who will never work and who are indeed incapable of working" (Jameson, 2011: 70). In this sense, the contradiction of " reserve army" reproduction is fulfilled because they remain within capitalism, " the unemployed – or here the destitute, the paupers – are as it were employed by capital to be unemployed, they fulfil an economic function by way of their very non-functioning (even if they are not paid to do so)" (Jameson: 2011: 71). It is not that kind of regulative ambition for capitalism from Polanyi’s position what is at stake here, but this very contradiction inside capitalism pointed by Jameson. My hypothesis is that the social movement around housing developed in Spanish state since the last capitalist crisis is one of the symptoms of such a contradiction. Its form is the PAH. The true contradiction is that its subjects are pushed to their extinction by capitalism while they have a position on it. A quick look at the main figures of Spanish state will show the phase of its unemployment process. The starting point of this analysis will be the beginning of 2008 because it signals the moment when financial capital initiates its withdrawal of housing sector and will finish with the last data available at the end of 2012. Overall, the unemployment rate in Spanish state had increased from 9. 63% to 26. 02% in this 5 year period. It should be noted that this increase, in absolute percentages, had not its causes in an increase of the amount of people seeking for a job: the economic activity rate remained almost constant at 60%. The figures for unemployment rate of those below 25 years old depicted a rise from 21. 28% to 55. 21% for the same time span. Nevertheless, in this age group the economic activity rate has decreased from 50. 91% to 41. 03%. But because of the demographic structure, it is not the case that this drop was translated automatically in an increase of those over 25 years old. In fact, the specific relative increase of the older age group was 1. 54%, from 60. 51% to 62. 05%. Another interesting feature was the evolution of the economic activity rate when compared by gender. In this case, the male population seeking for a job or actually working diminished 2. 8%, from 69. 32% to 66. 52%, while conversely the active female population was enlarged by 3. 69%, achieving a rate of 53. 42% at the end of the period. Some conclusions can be drawn from the above figures when they are read along with " The General Law of Capitalist Accumulation" of Marx (1990). The impact of the credit system, that " enormous social mechanism for the centralization of capitals" (Marx, 1990: 778) showed a new effect in housing. If we follow the argument of the housing production as a non-capitalist commodity, conversely to Marx’s assertion, it could be argued that in this case while centralization accelerated the effects of accumulation because of the loans both in homeowners and construction contractors, it did not extend and speed up " those revolutions in the technical composition of capital which raise its constant portion at the expense of its variable portion" (Marx, 1990: 780). It seems that house as a non-capitalist commodity gains ground again. Consequently, the motor of the Spanish economy for over a decade did not diminish " the relative demand for labour" (Marx, 1990: 780). The accumulation of capital took place " only as its quantitative extension [, without] a progressive qualitative change in its composition" (Marx, 1990: 781). Nevertheless, despite the fact that the relative demand for labour remained constant, it does not mean that the effects of centralization in housing had not any repercussion in the demand for labour: its effects were not when it was drawing on but when the system credit vanished from the housing sector because it was too risky to carry on. It should be pointed then that the theory of finance capital takes advantage over theory of value too. However, this process does not negate the theory developed by Marx insofar housing has not been considered a proper capitalist commodity. In this sense, the capitalist accumulation was not accompanied by an increase of the productivity but the surplus population made its appearance when financial capital disappeared and the " capital’s average requirements for its own valorization" (Marx, 1990: 782) were faced. All that freed labour that before was working in housing construction and that now could even be described as a new kind of latent surplus population supposed the new " lever of capitalist accumulation" (Marx, 1990: 784). The data available is only for the period 2004 to 2010 but it depicts a steady increase, from 33. 4% to 44. 36%, in those who earned up to 2 times the minimum wage, which in 2010 was 633. 30 €. In the case of female population it raised to 54. 83% in 2010. The increasing taxes of unemployed are raising their voice; " the re-formation of the industrial reserve army" (Marx, 1990; 785) has taken place. The net migration rate in 2011 was negative for the first time in decades in Spanish state. People " following capital, which has itself emigrated" (Marx, 1990: 794). The substitution of that particular application of the law of capitalist accumulation where financial capital invested in non-capitalist commodity finally gave way to the general one depicted by Marx.

## IT IS POSSIBLE!

It is in this context where the subjects of the PAH appeared. They are the increasing surplus population which " its conditions of life sink below the average normal level of the working class" (Marx, 1990: 796). But the trick of the whole financial operation has not finished yet. To understand the claims of the PAH will be necessary to look at the particularities of the Spanish Mortgage Law. That increase in the unemployment rates obviously brings along with it foreclosures of those who are not able to pay their mortgages any longer. But the matter is that with the forced evictions the families are not free of debt. The amount of money that they received to buy a house was not a mortgage but a loan. The difference is quite important because with the eviction and the foreclosure the debt is partially there. The appraisals are at the heart of the whole operation. When people bought their homes, their prices were pushed by the organisms dependent on the Bank of Spain. Now, with the foreclosures and because in 90% of the cases there are no bidders, the banks can allocate the value of the home in 60% of the appraisal. To this difference one should add the late payments interest and the judicial costs (Colau and Alemany, 2012). Furthermore, most of the loans conceded in the last years of the housing bubble had a clause by which the first years the payments of the householder were only for the interests of the loan. This clause implies an evident worsening of the foreclosure. The result after the eviction is in most cases a debt that also generates new interests and a homeless situation when it is the first home. To avoid this condemn to a situation of permanent exclusion – is not the dwelling in the black economy the solution to not pay for a house that cannot be inhabited? – the PAH has been struggling for the mortgage debt forgiveness after eviction. This petition, complemented in the case of first homes with a plea for stopping evictions and a guarantee for the renting of that house up to 30% of the incomes of the household, collected 1, 402, 854 signatures to be discussed in the Spanish Congress of Deputies. Although the direct pressure to the Members of the Parliament that opposed this legislative initiative from below by dissolving the distinction between public and private sphere – the so called escraches –, the absolute majority of Partido Popular blocked it. Nevertheless, the PAH is not only lobbying on the streets and in front of the houses of the Members of the Parliament. Since its constitution in 2009 to April 2013 has stopped 612 evictions guaranteeing even in some cases a contract with the bank for an affordable renting to their inhabitants. This struggle has been deployed by an strategy of mutual aid were people stood firm in front of the threatened homes to force the bank a renegotiation of the conditions and prevent to be evicted. In a kind of still precarious " overcoming of property as such in the commons" (Žižek, 2009: 95), the PAH has also squatted empty buildings owned by banks and has relocated those families already evicted. Squatting of bank branches for some hours or demonstrations in the main cities are also their means. They are organized by autonomous local groups that have proliferated around the territory and their consistency is based on their particular interest for stopping evictions and the means to fulfil it. My hypothesis at this point is that even in its still particular goal the PAH can embody the concrete universality of communism if they are understood as the starting point for an alternative visible to everyone (Žižek, 2009). With their actions they carry a discourse that stands for the direct opposition between the interests of the working class as a whole and those of financial capital and its politicians. Their position was raised for the direct effect of that global market that when had not anything else to do there it stole their lives. Nevertheless, the PAH claim is not to return to the previous years before the crisis but a persistent denounce of the impact of capitalism in their lives. For them such a disruption after the crisis cannot be reified, all the ideological dispositif of capitalism " which no longer opposes the market to social responsibility" (Žižek, 2009: 36) crashes when they look themselves. Who have done this to them is only capital: it is the Other and it is disclosed as such in all the acts they do. The Other cannot be the immigrants because many of them constitute the PAH too. In this sense, the PAH is not " the result of a reaction to a disturbing intruder [but] a truly radical emancipatory politics (…) [that] imposes and enforces its vision" (Žižek, 2009: 61). It should also be noted the meaning of the escraches and the persecution on the streets of those politicians who opposed their legislative initiative from below: " there are only those who fight for emancipation and their reactionary opponents: the people and the enemies of the people" (Žižek, 2009: 45). Their slogans No és una crisis, és una estafa (It is not a crisis, it is a rip-off) and Si se puede (It is possible) confront financial capital directly and, with it, the system as such. The fetish is displaced by class struggle against the socio-economic order by a basic demand: a place to exist. Here is where it can be located the antagonist reaction from the Excluded and its possibility to bring into existence the communist idea. Because the PAH struggle to attain justice emerges from that " proletarian position of substanceless subjectivity" (Žižek, 2009: 99), it can invoke " a dimension of emancipatory universality outside the confines of one’s social identity, of one’s position within the order of (social) being" (Žižek, 2009: 105). Their position cannot be avoided within capitalism unless it were externalized to other countries. But in this regard it should be noted the increasing difficulties for capitalism to reproduce itself. What we need to know now is if with the PAH forms of popular participation they will be able to " withdraw from being immersed in a situation [of industrial reserve army] in such a way that the withdrawal renders visible the " minimal difference" sustaining the situation’s multiplicity [of capitalism], and thereby causes its disintegration"(Žižek, 2009: 129). An additional first step for this purpose in the PAH is necessary: the bond with the other homo sacer of its communities.

## CONCLUSIONS

The discussion of the housing bubble in Spanish state has showed that it was necessary to financial capital a belief in the never ending increase of house prices in order to operate. A wider access to loans by extending their capitalization in time and lowering their interests, the non-favourable conditions for renting and the taxes benefits for homeowners were propelled by political decisions that ended in a contradictory result: housing became out of reach when financial capital was withdrawn of this economic sector. Furthermore, it has been pointed out that the speculation in soil and housing construction took place was due to its characteristics as a non-capitalist commodity. This condition allowed a particular kind of effect for the centralization and accumulation of capital. The composition of capital in housing was not accompanied by an increase in the constant capital which cheapened its products while reducing its variable part. Nevertheless, when financial capital was not secure of its investment in housing, its immediate withdrawal hastened the formation of the relative surplus population. As a result of this process the very social conditions for the reproduction of labour-power were threatened. This inescapable contradiction of capitalism demands an alternative that could be located in the PAH subject because their position as surplus population entails a claim of justice. Conversely to other capitalist contradictions, this one cannot be solved in its framework. The bond with the other segments of the surplus population in their communities generated is identified as an unavoidable first step to overcome capitalism.