La Plataforma de Afectados por la Hipoteca and the struggle for the right to housing
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Preface

The Plataforma de Afectados por la Hipoteca (PAH, or Mortgage Holders Platform) is one of the most significant social movements to have emerged in the state of Spain in recent years. The PAH started as a response to a pressing need – people were being evicted from their homes and in many cases continued to be burdened with unpayable debts. As a movement which focuses on the right to housing, and given the centrality of mortgage debt to the expansion of financial capitalism in Spain, the PAH has come into direct conflict with the banking sector as well as a government which prioritizes that sector above all else. Starting in Barcelona in 2010, the movement has spread to various other cities, notably Madrid and Sevilla, and has successfully resisted over 200 evictions. The PAH simply struggles for the right to housing, a right which is recognised both in the Spanish constitution and internationally. They have developed a range of tactics and strategies suited to the various challenges they confront: direct action to resist evictions; campaigning to change mortgage law; building public support for the right to housing; and occupying housing held by banks to be used as accommodation for the victims of eviction.

We decided to put this series together in large part due to the similarities between Spain and Ireland with regard to the financialization of housing. In both countries, mortgage debt and house prices sky-rocketed over the last 15 years, in large part driving their respective economic growth via a unsustainable asset-price bubble. Similarly, mortgage crises currently afflict both countries, with rates of negative equity and non-payment going through the roof. Perhaps most strikingly of all, in both countries dramatic housing
crises are coupled with vast quantities of empty houses: six million in Spain and almost 300,000 in Ireland.

Unlike Spain, which has seen over 300,000 evictions since the onset of the crisis, a relatively small number of evictions have taken place in Ireland so far. However, given the rates of mortgage arrears, not to mention the significant possibility of a continually deepening financial and sovereign debt crisis, it seems likely we will see more evictions in coming months and years.

It is also important to stress that the financial crisis is an international one; at its centre are transnational capital and a European Union which has supported the financial sector since the beginning of the crisis. We believe that in this context only a transnational movement can deliver rights such as that to housing. This is another reason to promote learning and dialogue between social movements in Ireland, Spain and in across European countries.

We begin by looking at the initial challenges of the PAH and its early development. We go on to focus on the three principle campaigns and forms of action the PAH is involved in. Firstly, the dación en pago campaign focuses on achieving legislation to change existing mortgage law and to guarantee the right to housing. Secondly, Stop Evictions engages in direct action and civil disobedience to resist the evictions of individuals and families who cannot pay their mortgages. We discuss the obra social campaign, through which the PAH have occupied dozens of housing units held by banks. The final section sets out the context to the PAH.
Building the struggle for the right to housing

The first eviction successfully resisted by the PAH was that of Luis. Luis got involved with the group when he faced eviction, an eviction that threatened to take his home and saddle him with an unpayable debt. Moreover, if he became homeless he also risked losing custody of his son, a fact which underlines the importance of a home and, therefore, of housing as a right. But while the successful resistance of Luis’ eviction was a first ‘little big victory’, much work had already been undertaken with others affected by the same issues.

Indeed the first challenge that the PAH confronted was the feelings of fear, depression, anxiety and guilt felt by many mortgage holders. The ideological climate at the time (in the media and elsewhere) placed responsibility on individual mortgage holders whose borrowing had been ‘greedy’ and ‘irresponsible’. This is part of the way debt works; it individualizes us, it makes us individually responsible (on a legal level) as it involves the ‘voluntary’ signing of a contract. However, these individualized feelings are part of a broader social and economic dynamic. Just as the financial risk relating to a mortgage is shifted onto the individual (away from the bank), so the moral burden had been placed at the feet of the individual mortgage holder. Ada Colau (2011), a key activist with the PAH in Barcelona, outlines how they responded to these initial challenges:

In order to confront evictions the first thing we had to do was create and consolidate a space of trust, a place of encounter where those in danger of eviction could experience that (1) their problem was not individual but collective and that the causes were structural; (2) as a result we shouldn’t feel guilty or
ashamed; and (3) that collective action can transform reality and make possible what seems impossible.

Similarly, Tatiane Roeva, another activist who resisted her own eviction with the PAH in Madrid, says: “Mortgage holders shouldn’t feel guilty. It is the banks that are guilty; they robbed and scammed us and now they want to throw us out of our homes and leave us with a life-long debt to pay back.”

In the initial discussion and engagement between mortgage holders in danger of eviction, one of the key issues that emerged was that of having a future beyond debt. In many instances, while people were obviously deeply affected by the possibility of losing their home, what weighed most heavily upon them was the debt they would continue to owe having lost their home. As a result, the first demand launched by the PAH related to accessing the right to a future beyond debt: dación en pago.

**Dación en Pago**

*Dación en pago* refers to a situation in which outstanding mortgage debt is cancelled upon handover of the property in question. As things currently stand, when a mortgage holder is in negative equity they can be evicted by their bank, their home can be auctioned and they can still be pursued for the remaining mortgage debt over and above the price obtained for their home at auction. The PAH identified this as one of the most unjust components of mortgage law from an early stage. Here the fact that financial exploitation operates via debt, which is in turn based on a contract between the individual/family and the bank, becomes significant. In other words, this form of exploitation is based on existing mortgage law which systematically allows banks to exploit the need for housing. The effects of this mortgage
law tend to be particularly intense and individualizing: desperation, hopelessness, inability to imagine any future, anxiety, feelings of failure, etc. Given the contractual nature of the way debt operates, that it finds its foundations in law, the right to freedom from debt, the ‘right to start over’ as some have called it, requires legislative change which shifts this power relation. This is precisely the aim of the campaign for dación en pago.

In March 2010 the PAH, in conjunction with the civil society organization Observatorio DESC, developed a legislative proposal which would change the relevant regulations with retroactive effect – making it possible for those evicted to be absolved of any outstanding debt. This proposal was then developed into a written motion suitable for proposal at city council or at a regional/national level. The motion also makes reference to halting evictions and to the use of existing housing stock as social housing. As such it represents a formidable array of legislative mechanisms based on the right to housing. The PAH were also able to achieve support from the largest Trade Unions (Comisiones Obreros and UGT) and a wide variety of civil society organizations.

The motion has subsequently been proposed and passed in over one hundred city councils. Typically, political parties such as Iniciativa per Catalunya or Esquerra Republicana (in the Catalan context) bring forward the motion. Despite being supported by so many city councils, the legislation has not moved on to the national level. Hence, PAH has initiated an Iniciativa Legislativa Popular (people’s legislative initiative). This makes use of a piece of national policy which allows for legislation to be proposed by popular petition. The PAH need to collect 500,000 signatures by the end of
October 2012. If they succeed the *dación en pago* motion will go before national parliament and be voted upon.

PAH’s legislative work has gone hand in hand with various forms of protest, publication and media work to build an understanding of the plight of those in negative equity and in danger of repossession. Such work has placed this issue very much in the national spotlight and built extremely widespread support for *dación en pago*. The work around the transformation of legislation with regard to *dación en pago*, evictions and social housing makes for a very significant return of the notion of housing rights to public discourse. Following decades of deregulation, privatization and financialization the notion of collectively organizing and guaranteeing the right to a house is once again a major political issue. Of course we shouldn’t exaggerate here, neither of the two big parties supports the legislation and, given the very repressive strategies of the recently elected PP government, the battle has only begun.

The *dación en pago* collective self-organizing has mixed the politics of the street and people power with a set of strategic alliances with the institutional left and the use of existing legislative possibilities, making for a pragmatic campaign in which those who are at the front line of financial exploitation have been able to generate and propose widely supported demands. However, huge numbers of evictions, in a context of housing over-supply, have also pushed the PAH to take on forms of direct action around the right to housing.
Stop evictions: Direct actions against evictions

The ‘stop evictions’ campaign kicked off on the 3rd of November 2010 when the PAH successfully resisted the eviction of Luis, mentioned in above. Ada Colau (2011) notes that resisting evictions involves much more than a bunch of people turning up on the day to block the eviction. The process involves putting in place a plan which deals with the entire process for as long as it continues and creating a continuous network of solidarity and support. This ‘before and after’ work covers a number of areas. Mainly, this means using the institutional mechanisms to delay the eviction, for example by liaising with social services, the court, and so on. A delay can also be achieved by putting pressure on the bank in question. This can work via media pressure and the PAH have found the banks are quite concerned about negative publicity. Actions to pressurize banks usually involve a protest outside the bank branch in question, informing the public and customers about its abusive practices, and putting up posters and stickers saying things like “this bank cheats people and throws them out of their home”. These actions can sometimes lead to a meeting with the bank manager, who can try to seek an intervention from further up the chain of command. The PAH also support people when it comes to negotiating with their bank. For many people threatened with eviction negotiations with banks are extremely stressful and difficult. The imbalance in information and understanding of mortgage law are key obstacles. Collective support and education can ensure that the PAH enter into the negotiations with the confidence and weapons they need for effective negotiation. If any of the above are successful, and the eviction is delayed, a march is organized to the city council, demanding to meet with a representative of some sort with the objective of achieving a commitment in
relation to the suspension of the eviction. The city council can sometimes pressure the bank in relation to the eviction, and they can also make available alternative accommodation. Normally the various processes described so far (negotiations with various parties etc.) will continue over a period of time and so it is important that collective support and action continues throughout.

In terms of physically resisting an eviction, it involves the following. A rally will take place outside the house beginning at least 30 minutes before the assigned time of eviction. Normally, when the individual in charge of the eviction arrives, sometimes accompanied by a small number of police, they make no attempt to pursue the eviction as they have no authority to use physical force in this instance. They can return to the court and have the eviction suspended or rescheduled. Meanwhile, the activists undertake a number of actions. One or two people should be inside the house with the family keeping them informed and trying to create a relaxed atmosphere. Someone should be in charge of dealing with the authorities, explaining the reasons for the action in a “calm and respectful, but firm” manner. Someone should also take responsibility for dealing with the media explaining the motives, identifying alternatives to eviction, and pointing out that the financial institutions are responsible. At the same time, people will also be needed to keep the rally going by keeping everyone informed, chanting and so on.

Using this assortment of tactics the PAH have been able to successfully resist over 220 evictions across the Spanish state, providing an important illustration of the power of collective organizing in terms of defending social rights. The PAH operate by putting in place collective mechanisms at each
point in the process, intervening collectively wherever an individual or family is in danger of being vulnerable, isolated or individualized. From negotiations with the bank manager to appearing in court, and from resisting evictions to putting pressure on the city council, the PAH operates collectively on a number of levels to ensure the right to housing.

**Obra Social**

The last campaign discussed here is what the PAH refer to as *obra social* (public/social works). This element of the campaign has emerged out of the intransigence of both the banks and the government in terms of the continuing prioritization of creditors and financial interests over the right to housing, despite the fact that the latter is guaranteed by the constitution and international treaties. It has also emerged from the immediate need of the PAH activists and others who find themselves homeless and faced with outstanding mortgage debt. Given the unpayable nature of this debt, rising unemployment, the absence of social housing and the deregulation of both the mortgage market and the private rented sector, the possibility of those in grave economic difficulty accessing housing is extremely slim. As a result, the PAH and other activists have begun to occupy empty housing units held by banks.

In a manner characteristic of the PAH the recourse to civil disobedience is not undertaken in a ‘gratuitous’ fashion. Instead, this recent initiative is situated as part of a broader project of collective social transformation which involves battling on all fronts, constructing a political language and legitimacy for their actions and responding to real social needs. As part of
the announcement of their campaign, the PAH made the following declaration:

Faced with an unjust law which allows financial entities to throw families out of their homes, and at the same time to continue to collect a large part of the debt, we have exhausted all legal and administrative possibilities to defend basic rights:

• We have tried to negotiate with the banks in relation to the application of dación en pago and so that families can remain in their homes paying a ‘social rent’
• We have tried to achieve justice in the courts;
• We have tried to change the law at parliamentary level;
• We have tried to force city councils to defend their citizens by impeding evictions arising from inability to pay.

Moreover, they have linked the above to the general political situation of financialization. They describe the obra social campaign as a response to “a public administration which lacks the political will to respond to a genuine housing emergency…a failed state incapable of guaranteeing fundamental rights…and a public power which prioritizes the profits of banks over the solvency and the survival of people.”

As such, the PAH have begun to occupy housing which is under the control of banks as a result of foreclosures and evictions. But this ‘second phase of struggle’, which the PAH consider a ‘turning point’, was also promoted by a change of tactics on the part of the State. Recently, judges have begun to issue evictions without a fixed time or date, making collective resistance much more difficult.

In September 2011 a couple involved in the PAH and their six-year-old daughter were evicted. Not only had they been evicted, the bank was still
pursuing them for outstanding debt amounting to €300,000. One week later, the house was collectively re-occupied and the locks were changed. In December of the same year the PAH in the city of Terrassa, a group which at one point managed to stop four evictions in only 15 days, organized a march for the right to housing. During the protest an apartment block was occupied. The PAH announced as part of the same action that a separate apartment block had been occupied by five families a number of months previously. Both blocks were the property of a bank and the PAH immediately demanded that the residents by allowed to stay on the basis of a ‘social rent’.

In the above we have seen how a process of collective organizing has developed in Spain to resist the financialization of housing and to fight for the right to housing. Much more could be written on the PAH - our aim here has just been to provide an introduction to this movement and sketch out its key campaigns. One final element of the movement has been its relationship with the 15-M movement. The occupied plazas which sprung up all over Spain in the summer of May 2011 provided an important place for building solidarity around the issue of housing. The relationship between the PAH and 15-M is an incredibly positive example of how an existing form of collective self-organizing oriented towards accessing a concrete social right has been able to link up with new social movements in a mutually enriching way. The PAH was over a year old when Spain’s 15-M movement kicked off in May 2011. Since then many successful actions, including resisting evictions, have been organized through the assemblies of the 15-M movement. Only a few days ago, on the 30th of August, over 200 activists from Sevilla's 15-M movement occupied an apartment block held by the bailed out Bankia. Five homeless families have moved in.
The background to the PAH: the financialization of housing

Having looked at the development of the PAH and its principle avenues of action, it is useful to set out the background to the PAH. We begin by looking at the political economic context in which the struggle for the right to housing emerges as a key social conflict. Afterwards, we provide a short analysis of the social movement context out of which the PAH emerged.

As in the Irish case, property prices in the Spanish state tripled between 1995 and 2007. At the height of the property boom (2002-2006) house prices increased by 30% annually. This was accompanied by an enormous construction boom; an incredible 7 million houses were built between 1995 and 2007.

The roots of this boom are found in the privatization of social housing and the ‘liberalization’ of mortgage lending. To begin with the former, “From 1993 cut backs in the construction of social housing added to the already dramatic decrease in the construction of social housing which had taken place between 1984 and 1989” (Rodríguez and López, 2011: 47). The Boyer Decree (1985) sanctioned the privatization of social housing stock as well as tax incentives for house purchasing. The 1980s also saw the liberalization of mortgage lending. In 1998 the Land Act (Ley de Suelo – often referred to as the ‘build anywhere Act’) freed up huge tracts of land for rapid urbanization (López and Rodríguez, 2011). Like in Ireland, “reducing the public-housing stock, marginalizing renting and providing tax relief for home-buying had become the central planks of government housing policy during the previous
25 years” (López and Rodríguez, 2011). As a result, owner occupancy jumped from 64% in 1971 to 87% in 2007 (Rodríguez and López, 2011).

There was also a significant increase in credit related to property. In 2007 the total debt of real estate companies in Spain amounted to €1.5 trillion. The banks, for their part, had channelled an enormous amount of lending towards property. 70% of the lending of the so-called ‘cajas de ahorro’ (savings banks) was related to construction (López and Rodríguez, 2010). Total credit for the construction sector went from around €42.5 billion in 2000 to over €121 billion in 2009 (Taifa, 2011). Of course all of this was predicated on the international deregulation of the financial system and the extremely low interest rates set by the ECB.

All of this meant that millions of people needed to borrow huge sums of money to access what should be a basic social right - a home. But the house of cards was built on the dream of continuously increasing house prices - an asset-price bubble.

The Spanish property market began to crash in 2006. The year between mid 2006 and mid 2007 saw a 35% decrease in new house building. This was accelerated by the international credit crunch (López and Rodríguez, 2010). Of course all the sectors involved in property speculation now found themselves in trouble. With an estimated 1 million unsold houses and 6 million empty, the situation looked grim. The state responded by subsidizing property speculation and finance on a number of levels. In 2007 €26.5 billion was spent on ‘public works’, providing an important source of profit for the troubled construction sector (López and Rodríguez, 2010). Bank bailouts also came thick and fast. In March 2009 the Caja Castilla–La
Mancha (a savings bank heavily involved in property) was bailed out with €9 billion (López and Rodríguez, 2011) while in June of the same year then Prime Minister Zapatero announced plans for a €99 billion bank bailout fund. In May 2012, Spanish bank Bankia was partially nationalized. Most recently, the European institutions and the IMF have provided a further €100 billion for Spanish banks (Rodríguez, 2012).

While the state and the EU have been only too happy to plough money into the banking sector, those who cannot pay their mortgages are evicted and still forced to pay outstanding mortgage debt. It is this kind of injustice, as well as the brute reality of eviction and debt, which has given rise to the PAH.

The development of social movements and the right to housing

The economic context just described is essential in understanding the PAH. However, it is just as important to take into consideration some of the developments which had been taking place within social movements over the previous years. During the 2000s a number of social movements had emerged which focused on housing and these in turn were linked to some of the debates that were happening within the ‘okupa movement’ (squatters movement). By the late 1990s it was clear that there were a number of problems with the squat movement. It was argued that the political potential of squatted social centres was undermined by a number of factors. These included never-ending legal issues arising from the illegal nature of squatting, the very conflictual relation between squats and the state
institutions, the dominance of a very identifiable aesthetic ‘look’ and the failure of squats to intervene in conflicts in the city (Carmona et al., 2008). These reflections were part of the process through which the so-called ‘second generation’ social centres emerged (O’Broin, 2010). Some of the more prominent include Centro Social Seco (Madrid), Casa Invisible (Malaga) and El Ateneu Candela (Terrassa). The politics of these social centres focuses on using social centres as an organizational machine capable of fomenting new political subjectivities in relation to the antagonisms and conflicts of the 21st century, in particular housing, migration and precarity (Carmona et al., 2008). This approach is sometimes known as bio-syndicalism or social syndicalism (López et al., 2008).

Meanwhile, in Barcelona a somewhat different dynamic had emerged, yet with important parallels. Here some activists linked to the squat movement had been developing some interesting projects around the housing issue. Activists based at the Magdalenas squat were working with residents in the city centre who were being pushed out to make way for gentrification. Subsequently, some of the same activists were involved in the well-known V de Vivienda project which brought tens of thousands on to the streets to protest for the right to decent housing. In September 2006 V de Vivienda held a demonstration in Barcelona attended by around 10,000 people. Similar protests took place in other cities, including Bilbao, Madrid and Sevilla.

The V de Vivienda protests were remarkable because previously projects which emerged from or were linked to the squat movement had not been able to resonate with the everyday needs and thoughts of the wider public beyond the radical left. These protests, which focused on housing as a right
and specifically identified property speculation as a socially destructive force threatening the right to housing, also involved a novel aesthetic style and political language far removed from the ‘rebellious youth’ imagery and ideologically soaked language which had often been associated with the squat movement.

The Social Rights Centres played a particularly important role as they were one of the places in which issues around housing began to be seen. Many of these, such as Seco in Madrid and El Ateneu Candela in Terrassa, were working closely with migrants around a number of issues. As the financial crisis in Spain developed, many migrants began to report problems with mortgages. Those worst effected by the mortgage crisis are those who bought in the years immediately preceding the crisis - when house prices were at their highest. Many of those who bought at this point were migrants, partially as a result of the fact that ownership of a home can make it easier for migrants to gain residency permission or citizenship and hence to access basic social rights. Moreover, migrants typically lack any kind of worker’s rights and occupy the most precarious jobs (such as construction), and as such unemployment has become a major issue. The existence of Social Rights Centres was important because it brought those most effected by the crisis into contact with a layer of activists concerned with housing and with experience in processes of collective organizing.

All of these developments were underway in 2008 when the financial crisis exploded. As such there was a layer of activists who were already examining issues around housing and who had already been experimenting with a new type of politics which could intervene in broader social conflicts and resonate with people’s everyday life.
Conclusion

As we write the PAH are undertaking new actions and working to build the movement, increasingly cooperating with the 15-M movement to take the struggle for the right to housing to the next level. If their *iniciativa legislativa popular* is successful, the PAHs’ proposed legislation around *dación en pago* and the right to housing in general will go before national parliament at some stage in 2013. On the other hand, new direct actions are taking place all the time. We will try to report significant developments within the movement on our blog, provisionaluniversity.wordpress.com.
Works referenced


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**Other resources**

The text of the PAH’s motion on dación en pago is available here:

A video of the presentation of the motion in one city council is available here:
http://affectadosporlahipoteca.wordpress.com/mociones-ayuntamientos/