

Marketization, housing politics and Roma exclusion

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The aim of the paper

To illustrate how economic processes (such as marketization) and politics (in particular the politics of housing) are interlinked in the post-socialist context of Romania.

Most importantly, I aim to show how these broad economic and political processes are generating social exclusion, which in the case of poor Roma means the juxtaposition of multiple material deprivations, cultural stigmatization and non-participation on the societal life (economy, culture, politics in the large sense of the term).

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Who are 'the Roma'?

Without entering into details, it is just to be mentioned that the term “Roma” refers to a whole range of groups differentiated from each other. Some of them are nurturing traditions in what regards cultural and economic practices, while others are more or less assimilated or integrated into the mainstream society in what regards occupations, desired lifestyle etc. Out of the latter some assume and affirm, others deny their Roma or Gypsy ethnicity, claiming that they are Romanians, or – in a local context where Hungarians are forming the local majority – Hungarians. Some speak, but many do not speak Romani. And last, but not least, some are economically better off, but many live in poverty even in extreme poverty.

During socialism Roma were not recognized as national minority: traveler/nomad Roma groups were forcibly settled, settled Roma groups were dispersed across cities in the working class neighborhoods – they became part of the working class, the human resource for socialist industrialization and urbanization, and underwent a related assimilation and universalization process. However, some forms of independent/informal economy survived during the socialist times.

After the collapse of socialism, recognized as ethnic minority, Roma are racialized, perceived not as ethnic, but as a racial, ultimate Other, associated with darker skin color and particular/inferiorized behavior towards school, labor, or social benefits.

My empirical researches conducted in the past 10 years demonstrated that the variety of Roma groups is quite diverse even within a relatively small rural area.

These researches were targeting issues such as access to reproductive health of Romani women, access to school education, decent work and housing. Lately I was focusing on how social exclusion is territorialized, i.e. how it is manifested in the (urban or rural) space in different instances of territorial separation and segregation, or how is it created by local and trans-local forces and processes in a post-socialist context (www.sparex-ro.eu).

My talk refers to the results of the latter work and as well as to my experiences as activist for housing justice – methodology: multi-sited ethnography (institutions, communities), anthropology of policy

During my researches on Roma marginalization and exclusion (also manifested territorially) I could observe how this is linked to:

- the economic underdevelopment of immediate and surrounding areas, including: the acute lack of job opportunities due to economic restructuring (collapse of former industries and forms of agricultural production)
- precarious housing circumstances in territorially isolated zones with extremely low access to quality public services and goods
- the lack of political will and/or technical competency of public authorities to elaborate or implement evidence-based, inclusive and cohesive development policies at local level
- national public policies (housing, Roma policies, inclusion policies) that fail in decreasing social inequalities produced by market economy and even more they contribute to their advancement

Conceptual frames

When one interprets the phenomenon of Roma exclusion, observes that three factors are acting simultaneously in this process (Fraser 2004, 2007):

- class inequalities that are excluding them from resources distributed across the society;
- status hierarchies that lead to their cultural misrecognition and racial inferiorization; and
- political exclusion, which makes that poor Roma do not count as members of the political body, do not participate on the negotiations regarding who should benefit of just redistribution and of reciprocal recognition.

Roma living in extreme poverty are not only marginalized, but are also excluded, they are not even in the game, or on the public agenda.

Moreover, I am addressing Roma exclusion as form of advanced marginality produced by neoliberalism.

Neoliberalism remakes the state as the core agency that actively fabricates the subjectivities, social relations and collective representations suited to making the fiction of markets real.... (Wacquant, 2012)

Neoliberalism disseminates an enterprise model over the entire social body, and puts governmental technologies developed in private and business spheres to work within the domain of the state(van Baar, 2011)

Romania, in statistics

Population and employment, Censuses

	Population size	Employment
1966	19 million – 39% urban	
1992	22 million – 54% urban	(1990) 8.1 million
2011	20 million – 55.20% urban	4.5 million Out of the active population (cc 10.5 million), around 3 million are working abroad

Socio-economic indicators, EUROSTAT, 2008-2010

In-work poverty	17%
Under the risk of poverty	41% (compared to UE27's 23%)
Percentage of homeowners	97.5% (compared to UE27's 70.8%)
Percentage of homeowners without bank loans	95.3%
Rate of overcrowded housing	55.3% (compared to EU27's 17.7%)
Percentage of those who lacked toilet in the dwelling was	42.5% (compared to the EU27's 3.5%)
Housing deprivation	28.6% compared to the EU27'S 5.9 % (NSI, 2012: Romanians spent 43.3% of their income on dwelling (for equipment, improvement and utility bills), and 40.8% on food and non-alcoholic beverage

Gap (Roma and non-Roma socio-economic condition, UNDP 2011)

	Roma	Non-Roma
Literacy rate		
16+ years	75	97%
16-24 years	80%	98%
School enrollment		
Preschool (3-6 years)	37%	63%
Compulsory education (7- 15 years)	78%	95%
Upper-secondary education (16-19 years)	23%	83%
Average years spent in school		
25-64 years	5.45	10.47
16-24 years	6.29	11.04
Employment rate		
15-64 years	30%	44%
15-24 years	22%	24%
Unemployment rate		
15-64 years	33%	18%
15-24 years	43%	28%
Share of people not having access to		
secure housing	27%	4%
improved water supply	72%	52%
improved sanitation	83%	52%
Access to electricity	85%	97%
Square meters per household members	13.50%	32.24%
Absolute poverty rate (PPP\$4.30) income based	54%	13%
Relative poverty rate	74%	26%
Ratio of richest 20% versus poorest 20%	13.49	6.96
Financial security	3%	14%
Life expectancy	63-64	70

Behind the statistics – from post-socialist
transition to neoliberalization

Broad economic, social and political changes underlied and justified by shifting cultural conceptions about state, market, citizenship, rights, or development:

“Post-socialist transition” of the 1990s:

The promise of democratization and the liberation of the individual from state oppression + the belief that privatization and marketization will bring economic growth that automatically generates wellbeing

Neoliberalization, 2000s:

The development of market economy sustained by state politics and the related ideology of the “minimal state” or the “death of the social state”. This consists of several interconnected elements, such as:

a. Discreditation of the socialist-collectivist-egalitarian policies, rights and development or of the socially responsible state

b. Construction of a neoliberal state that:

-sustains its own reform besides the reform of the society (a reform that is about supporting capital accumulation by marketization and privatization)

-makes appeal to ideologies of meritocracy, (un)deservingness and the minimal state

c. Process of privatization and financialization that also means the extention of the principles of business, such as efficiency and competitiveness on every domain of life

d. Capital accumulation through dispossession as a multidimensional process:

- facilitated by privatization and financialization of the housing sector,
- accompanied by the formation of the “precariat”, a social category that has access only to unsecure and underpaid jobs, is deemed to be undeserving, and is socially and spatially marginalized in an exclusionary way (forgotten, invisible, neglected, de-humanized, at the best kept in the promise of temporariness)

e. Disconnectedness from and connectedness to the macroeconomic development of the country or another territorial/administrative unit (ex. city):

- the growth known by the city does not improve the living conditions of the marginalized by exclusion, however
- the development of the city (including urban regeneration ex “slum/poverty pockets clearance”) also results in the dispossession of people deemed as undeserving to belong to the city

Neoliberal practices in housing politics

National and local level tendencies

Policies informed by politics

Politics (governmentality and governing)

Housing politics had an instrumental role in the processes of regime changes from socialism through post-socialist transition to current neo-liberalization

“Making justice” by privatization (individual rights, property rights):

- Privatization of public housing stock (all the inhabitants of apartments from state-owned blocks of flats could buy their homes due to a decree from 1990)
- Restitution of private property on buildings nationalized by the socialist state

The ideology of who owns the city/ meritocracy

The state withdrew from the domain of housing, very low number of social housing was built by public funds since 1990 – local authorities might use private funds to build or refurbish

However the Housing Law suggests providing social housing for the most vulnerable, the Law of Public Administration delegates the right to define the criteria for distributing social houses to the local councils and mayoralties, which not always support the most disadvantaged because this does not fit into their imaginary of desired urban development

The role of the state in financializing the housing sector

National Housing Agency (Agentia Nationala de Locuinte, ANL) established in 1998, subordinated today to the Ministry of Regional Development, was the first institution from Romania offering housing credit and it was the main promoter of the country's mortgage market. At the beginning, the Agency built new houses or refurbished older ones, which were sold through mortgage. In 2003 the Agency established public-private partnerships with several banks, so today its mortgage program is solely financed by banks. Since 2001, ANL also implements a program for constructing houses dedicated to youth under the age of 35, which are distributed by local councils. Owners might first rent, and after one year might buy these apartments.

The housing market, especially since the bank credit system flourished, became a very profitable domain also for local and national political “entrepreneurs” who due to their political positions were informed about the lands to be privatized and/or about the valorization of different urban areas due to developmental investments

Formation of impoverished urban segments

Abandonment of former worker dormitories nearby industrial areas – these buildings were disconnected from utilities and became devastated; impoverished families moved into

Initially formal settlements, or always informal settlements in the inner city or on the relative peripheries grew due to the natural extension of families whose new generations could not afford moving out or buying homes on the housing market, so added improvised extensions to the old buildings – inner city, or peripheries becoming central areas since 1990s

Real-estate companies interested to extend their investments into these areas, and multi-national or national firms and banks interested in occupying them

In these cases authorities use evictions, hiding its forced nature by intimidation and manipulation, pretending that it was eviction/relocation on people's request or it was people's fault

Housing practices of local authorities

After 2000, in many cities of Romania local authorities tried “solving” the situation of slums/colonies inhabited mostly by poor Roma through administrative measures backed up by decisions of local councils:

- Building up concrete walls around the Roma-inhabited neighborhood (ex. Piatra Neamt, Baia Mare)
- In case they were located in the inner city, demolishing the slums inhabited by smaller or larger groups, or evicting individual families, and turning people into homeless and/or relocating them into marginalized and toxic neighborhoods, sometimes in “social houses”, other times in “necessity houses” or in metal barracks (ex. Cluj, Miercurea-Ciuc, Calarasi, Tg. Mures)

Where ethnic Roma count in the demographic map of the city (for example for electoral reasons) the city halls relocate whole communities into newly built and better-shaped neighborhoods (ex. Calarasi) or improve the housing stock of the area inhabited by them (ex. Tg. Mures)

Totally neglecting informal settlements around garbage dumps (ex. Cluj, Miercurea-Ciuc), letting people moving and living there (at least till these need to be closed) due to deals with sanitation companies – not simply poor, but excluded (cumulated deprivations, non-participation)

Local authorities use different strategies towards different Roma communities from the same city (some are more “privileged”, and others more disadvantaged, according also to their power interests and deals with Roma representatives, and increasing in this way the internal material and symbolic differentiation within ethnic Roma)

These strategies recreate the unsecure tenor status of people affected by them, and for many times generate dependencies within which they are strongly controlled by authorities, being threatened and intimidated if they dare complaining

Symbolic/cultural dimension of these processes – creating the subject, governmentality

Distinction between the “deserving” and “undeserving” citizens according to the extent to which they manage to become competitive enough in the market economy, and in particular on the “free housing market”

The stigma of poor intersects with the stigma of being Roma, eventually “Roma” is associated with poverty and most importantly with “undeserving poor”, and/or with a physical and symbolic threat in the front of whom public authorities has the duty to protect the first hand citizens – accordingly they evict and relocate them to peripheral, usually isolated and polluted areas.

By evicting Roma and/or relocating them into segregated areas, public authorities have a contribution to creating the sense of moral superiority even among the non-Roma poor who might gain in this way a feeling of being a “normal citizen” who deserves belonging to the city

Conclusion

The way in which the housing domain was privatized and marketized in the post-socialist Romania, a process actively sustained by state interventions at national and local level, created instances of advanced marginality characteristic of the neoliberal regime.

The disadvantaged, mostly isolated housing areas are inhabited by people severely impoverished by economic restructuring and the lack of proper social protection measures and social inclusion policies.

These neighborhoods are for many times stigmatized as “Gypsyhoods”, so the identity of the place and the identity of people inhabiting it are associated in a racializing manner.

From the point of view of the impoverished people and territories, the (housing) market sustained by state politics generated undemocratic processes, i.e. less or no participation on the societal life. These processes are situating them into disempowering socio-economic positions from where they cannot act as equal citizens enjoying the resources and goods available in their social environment.