

Spain

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This chapter discusses housing policy and construction in Spain in the post (Civil) War era. An attempt is made not only to discuss the evolution of Government policy in the housing field, but also to discuss the impacts housing deficits and house construction have had on the growth and everyday life of the country's main urban areas.

The chapter comprises four main sections. The first of these focuses on the immediate post-war (1939-53), when the early state Housing Acts were approved, the housing deficit grew and construction remained low. Then, the new era of housing dating from the passing of the 1954 Housing Act is examined: private sector construction increased rapidly, first relying upon the support of State subsidies and then boomed in the non-aided sector. The third main section looks at the decline of production in the seventies and the unsuccessful attempts of post-Franco Governments to introduce a new loan system for house buyers.

Finally, some concluding comments are made.

Post-War Housing Shortage and the 1939 and 1944 Housing Acts (1939-53)

In April, 1939, the Spanish Civil War ended. War damage was severe (192 settlements had suffered destruction of 60% or more of their buildings), and the Franco Government set about creating the institutional and legislative machinery to facilitate new house building and administer the reconstruction effort in general. The National Institute of Housing (Instituto Nacional de la Vivienda – INV) was founded in 1939, followed by the Syndical Housing Authority (Obra Sindical del Hogar – OSH) in 1942, the former within the Ministry of Work, the latter responsible to the Home Office. The INV was to develop and direct State housing policy throughout the post-war era (from within the Ministry of Housing after its creation in 1957) whilst the OSH became a second State housing construction body (along with the INV), constructing over 300,000 dwellings in all Spain in the post-war.¹

At the same time, a number of other authorities acting within different ministries were charged with certain reconstruction duties and responsibilities, divisions which inevitably brought about certain conflicts and contradictions. These bodies included the General Directorate of Devasted Regions (Home Office), the General Directorate of Architecture (Home Office), and the National Institute of Reclamation (Ministry of Agriculture). More important, however, was the generally low level of house construction in the forties, and the consequent increase in the housing deficit.

During the first 40 years of the century annual house construction figures in Spain remained relatively low (Figure 5.1). The cheap Housing Acts (Leyes de Casas Baratas) of 1911 and 1921 offered rate exemptions and low interest loans to co-operatives building low cost dwellings for renting out. These measures, to be administered by Local Authorities, had little overall impact because of the scant resources of such co-operatives and general lack of support from the Savings Banks and other credit organisations.

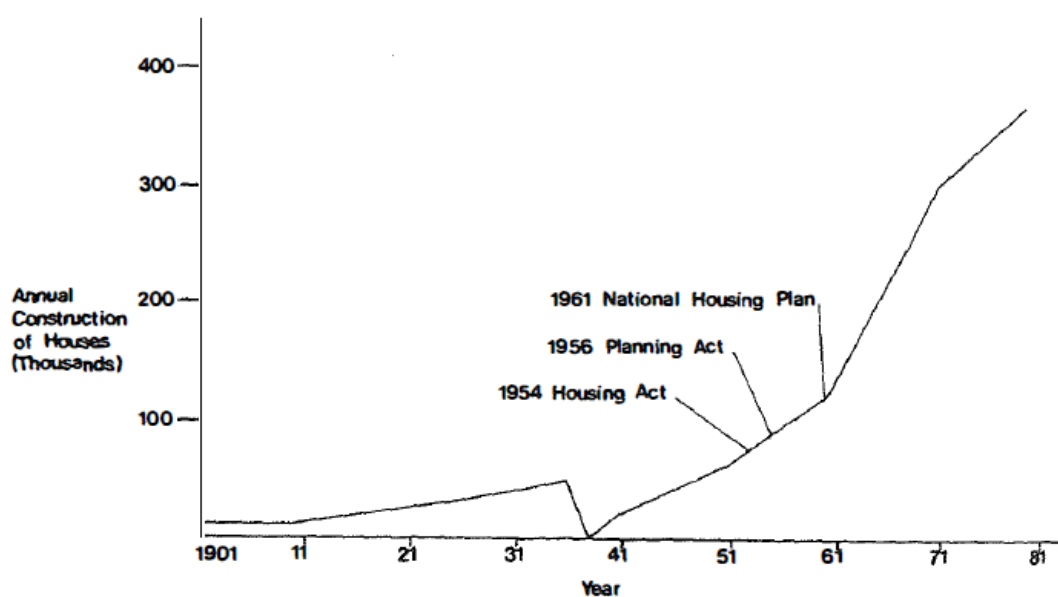


Figure 5.1 House Construction in Spain this Century

Source: Instituto Nacional de la Vivienda, Memoria de Actividades, INV, 1976.

Within two weeks of the end of the war, Franco's Government passed its first Housing Act, which apart from indulging in the customary demagogic rhetoric,² attempted to centralise the administration of state aid to house

constructors. The newly formed INV was made responsible for administering a new system of state aid to the constructors of 'protected houses' (viviendas protegidas). Incentives included 90% exemption of local rate payment (contribución urbana) for 20 years, interest free loans to cover up to 40% of the construction costs of public or syndical housing authorities, and grants to cover up to 20% of constructions costs for housing co-operatives (Table 5.1).

Table 5.1 Benefits and Incentives Offered to House Constructors in 1939, 1944, 1954 and 1957 Housing Acts

Benefit/ Incentive	Legislation			
	1939 Housing Act	1944 Housing Act	1954 Housing Act	1957 Housing Act
Local Rate Exemption**	90% exemption for 20 years	90% exemption for 20 years	90% exemption for 20 years	-
Low Interest loans to cover Construction Budget	Interest free loans* for up to 40% of construction budget	4% annual interest rate on loans of up to 60% of construction budget	Interest free loans up to 75% of construction budget	900 pts/m ² if more than 75m ² floorspace; 600 pts/m ² if less
Complementary Loans	-	-	Complementary loans also available (for Group II only)	
Grants	Up to 20% of construction** budget to housing co-operatives	-	Grants of* up to 20% of construction budget	'Fixed Subsidy' of 30,000 pts per dwelling
Others		-	Supply of Building Materials	

* To public and syndical agencies only.

** Members of co-operatives must use their own labour in housing projects.

*** Fiscal Exemptions in the 1939, 1944 and 1954 Acts also included exemption from Land and Property Transfer Taxes, and from Business Trade taxes. The 90% rate exemption was in fact a 90% discount on the tax base for calculating the contribución territorial urbana and other municipal taxes for a 20 year period. 'Rate Exemption' is thus a loose translation only. For a more detailed account of the incentive system, see J. Rafols, 'Evaluación Económica de los incentivos fiscales a viviendas de protección oficial' Hacienda Publica Española, No.47 (1977).

Table 5.2 House Construction in Spain 1943-60

	State-Aided Houses (see Table 5.1)					Total State-Aided Houses	Total Houses Constructed
	'Protected Dwellings' (1939 Housing Act)	'Subsidised Houses' (1944 Housing Act)	'Group 1 Houses' (1954 Housing Act)	'Group 2 Houses' (1954 Housing Act)	'Fixed Subsidy Houses' (1957 Housing Act)		
1943	80	-	-	-	-	80	
1944	595	-	-	-	-	595	464870
1945	1326	-	-	-	-	1326	constructed
1946	2701	783	-	-	-	3484	structured
1947	4120	2051	-	-	-	6171	1941-50
1948	5736	3108	-	-	-	8844	
1949	5429	4100	-	-	-	9529	
1950	5822	8514	-	-	-	14336	
1951	12898	17760	-	-	-	30658	26300
1952	8766	16994	-	-	-	25760	37200
1953	9711	15971	-	-	-	25682	41300
1954	14844	15598	-	-	-	30442	56600
1955	27537	18184	-	-	-	45721	66300
1956	45238	30578	98	1812	-	77726	44300
1957	30741	25802	4080	6115	-	66738	41300
1958	30413	21826	12093	31488	137	95957	33400
1959	32105	16062	23280	36749	16979	125175	12500
1960	18589	6199	26591	32605	43534	127518	16800
TOTAL 1943-1960	256651	203530	66142	108769	60650	695742	840870
							1536612 (1941-60)

Source: Instituto Nacional de la Vivienda, Memoria de Actividades, INV, 1976.

Emphasis was placed on public and syndical authorities as the main house constructing agencies – the OSH, Provincial Governments, the Savings Banks and the newly created Municipal Housing Foundations (Patronatos Municipales de la Vivienda). Private constructors could benefit from the 90% rate of exemption, but they were not seen as the major agencies to implement the Act. All dwellings built within the framework of the Act had to meet technical

and economic requirements, including a low rent level which was not to exceed more than “a fifth of the monthly salary of the user”;³ and they could not be sold.

The 1939 Housing Act had very little positive effect. State house construction agencies were slow to take-up the incentives offered by the Act, and the private sector chose to invest in more profitable sectors of the economy, or in housing for the middle and upper income brackets. This latter tendency was in fact encouraged by the Urban Rent Act (Ley de Arrendamientos Urbanos), approved in 1946. This froze rents in the main urban areas in an attempt to prevent private investment in housing and channel resources into the production section of the economy.

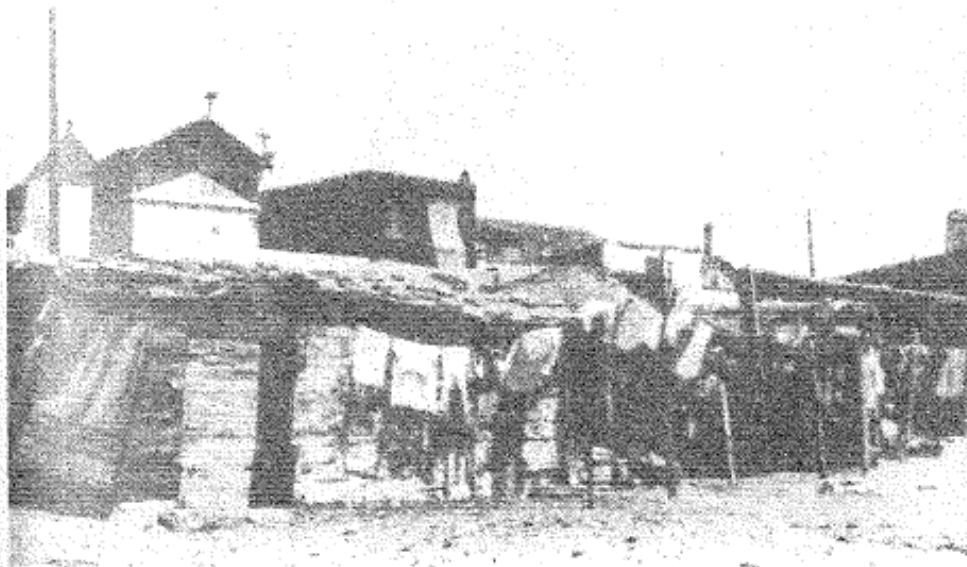


Figure 5.2 Shanty Dwellings (Barracas) on the beach at Somorrostro in the 1930s. 7000 shanty dwellers lived in this area by the late 1940s.

Source: Archivo Historico Municipal de Barcelona.

Nevertheless, the 1944 Housing Act (Ley de Viviendas Bonificables) did provide some stimulus to private house building, although its major objective was to create new employment. It introduced a new system of aid for subsidised houses (viviendas bonificables) to run in parallel with the system introduced in the 1939 Act. The two systems were in fact quite similar (Table 5.1) with loans being increased to cover up to 60% of the construction budget, (at 4% annual interest rates, to be paid off over 50 years) for viviendas bonificables. More importantly, however, sale of these houses

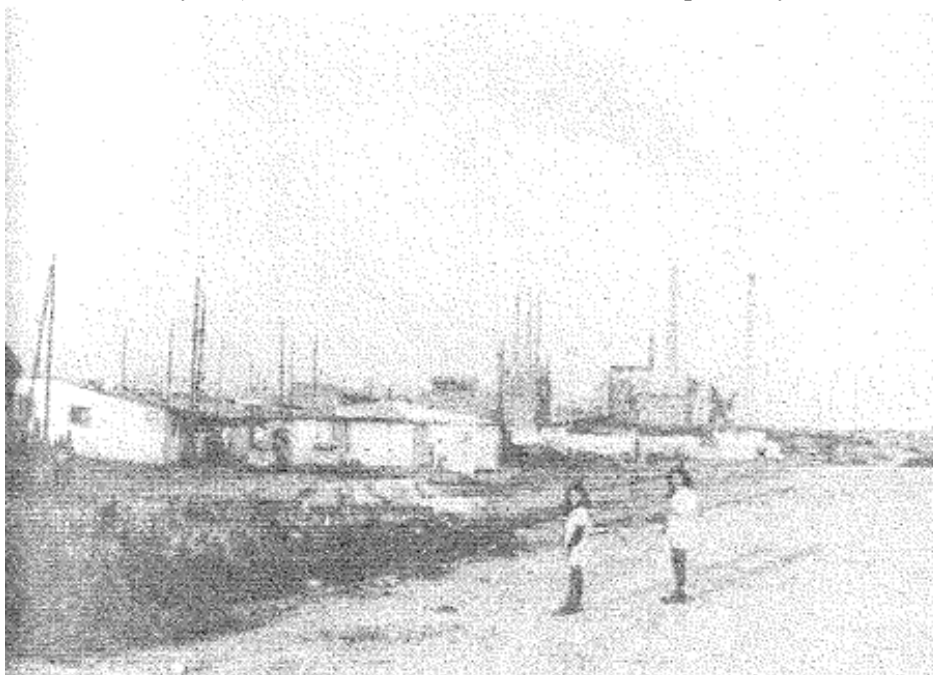


Figure 5.3 Descendants of the Somorrostro shanty dwellers at Camp de la Bota in the 1970s. In 1958, Barcelona Council cleared the Somorrostro shanty town and rehoused inhabitants a kilometre away in Council built prefabs. Over 600 people remained living there in the late 1970s. Photo M.G. Wynn.

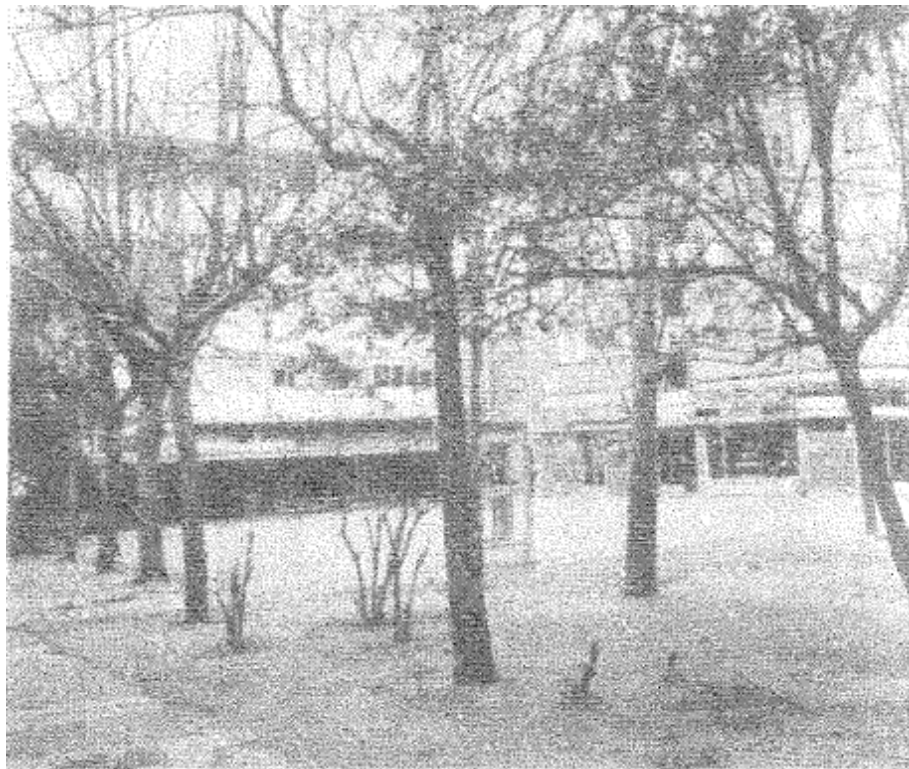


Figure 5.4 San Blas, Madrid. San Blas, 7 kms to the east of Madrid, was one of the earlier public housing estates built in the periphery of the capital. Most of the estate and its 1960s addition, Gran San Blas, were built and administered by the OSH. Photo: M.G. Wynn.

became technically possible, and was made easier still after the Act was amended in 1948. Incentives offered thus became more attractive to both public and private agencies, and state-aided house construction figures rose dramatically from 3484 in 1946 to over 30,000 in 1951 (Table 5.2).

In the decade 1941-50, however, overall state-aided house construction figures remained low, there being only 44,000 such dwellings completed, out of a total house construction total of 509,000. The nature of house supply was often inappropriate to the solvency of demand, and certain areas of the country (notable the Catalan and Basque regions) were largely overlooked by State housing authorities. A generally anti-urban ideology⁴ was pursued in the forties, in which concentration was focused on the 'devastated regions' of the south and west, where whole villages had been



Figure 5.5 Verdun, an OSH estate built in the north-eastern limits of the Barcelona municipality in 1954. Verdun (1,460 houses) was one of the first OSH estates of such size built in the Barcelona Sub-Region. Photo: M.G. Wynn

destroyed by war. In Barcelona, for example, only 15,000 houses were built in the 1940s, of which 13,000 were financed by the private sector.

Yet it was in the country's major cities that the housing deficit was most acute. In Barcelona, 100,000 migrants arrived there in the first post-war decade, swelling a housing deficit of 20,000 in 1940 to 80,000⁵ by 1950 in the Barcelona municipality alone. Many of these migrants were forced into taking overcrowded sub-let accommodation, or building their own dwellings in the rapidly expanding shanty towns, which had sprung up in the green zones and hitherto empty tracts of land in the city periphery and in the adjoining municipalities. By the end of the 1940s an estimated 26,000 people were living in the Barcelona shanty towns alone and by 1954 the figure had doubled.⁶ (Figure 5.2 & 5.3). And in Madrid, a 1950⁷ report found that 6071 families were living in 'shanties, caves or ruined houses' in the city outskirts. The population of the city was growing annually by 30,000, and the housing deficit was put at 20,000. By 1955 the national housing deficit was estimated at 1.5 million.⁸

It is against this background that the increase in house production figures in the early fifties must be seen. Far from declining, the housing deficit was reaching unprecedented levels, and the masses encamped in the shanty towns represented an ever present threat to law and order. The General Strike of 1951 in Barcelona was repeated in other major cities in the early 50s; the Resistencia de la población demanded more effective intervention by the Government in the housing field. In Madrid, the Sub-Regional Planning Authority embarked upon the planning of 8 'overspill estates' (including San Blas – Figure 5.4) comprising 27,000 dwellings in the city periphery,⁹ specifically to rehouse shanty dwellers; and in Barcelona, the early public housing estates of the OSH (e.g. at Verdun – Figure 5.5) and the Municipal Housing Foundation¹⁰ epitomized the modest internal dimensions, rationality of street layout, and general low rise developments (3 – 4 storeys) that typified these early public estates, and set the planning and design standards for state subsidised housing, in both public and private sectors, for the next decade.

At General Government level, with economic recovery well under way and trade relations with other countries returning to normality after the 'autarchic period' of the forties, a new housing policy was being formulated to boost housing production and give private sector agencies the dominant role in implementing this policy. It is to this that we now turn.

State Aid to the Private Sector and the Construction Boom of the Sixties (1954-71)

The Content and Functioning of the 1954 and 1957 Acts.

The 1954 'Limited Rent' Housing Act followed the pattern of the 1939 and 1944 Acts in offering financial benefits and incentives to house constructors (see Table 5.1), but the 1954 Act put emphasis, for the first time, on the leading role that the private sector should play in state-aided house construction. The ensuing period up to 1971 may be characterised as a boom period for the construction industry, and can be divided into two phases. In the first of these (from 1955 to

Table 5.3 House Construction in Spain, 1961-1976

Year	Programmed Total		STATE AIDED HOUSING					TOTAL	Non-aided private sector dwellings
	House Construction in the 1961 Housing Plan	House Construction Con-	'Protected Houses' (39 Act)	'Subsidised Houses' (44 Act)	'Group I Houses' (54 Act)	'Group II Houses' (54 Act)	'Fixed Subsidy Houses' (57 Act)		
1961	125,085	148,000	13,194	3,167	28,109	37,235	52,771	134,476	13,544
1962	139,603	162,445	2,096	2,685	24,453	36,042	82,558	147,833	14,612
1963	150,518	206,703	2,250	1,024	33,870	32,772	117,968	187,885	18,818
1964	162,144	256,894	3,461	775	57,668	26,319	142,928	231,205	25,689
1965	175,051	283,285	1,086	428	79,334	19,229	140,716	240,793	42,492
1966	188,392	268,366	902	78	88,429	17,189	104,768	211,366	57,000
1967	210,577	204,471	38	179	51,553	12,233	68,093	132,093	72,375
1968	216,623	248,089	344	41	43,724	26,831	62,430	133,398	114,719
1969	232,627	270,254	-	171	42,465	17,960	97,373	157,969	112,285
1970	249,258	308,049	-	346	54,826	17,043	113,079	185,294	122,755
1971	265,920	318,941	-	-	54,033	34,935	101,726	190,694	128,257
1972	285,018	336,309	-	-	51,075	35,450	103,889	190,404	145,610
1973	303,719	348,548	-	-	49,932	28,266	99,125	177,323	171,225
1974	323,900	358,460	-	-	51,373	24,039	100,371	175,783	182,677
1975	340,955	374,391	-	-	66,384	26,370	103,712	196,466	177,925
1976	353,510	*319,825	-	-	*58,408	*15,733	* 88,153	*162,294	*157,531
TOTAL	3,713,900	4,197,415	23,371	8,894	835,636	407,913	1,579,714	2,855,528	1,341,887

Sources: Instituto Nacional de la Vivienda, *Memoria de Actividades*, INV, Madrid, 1975; and

* J. Rafols Esteve, 'La Crisis de la Política de Vivienda en España' *Arquitectura* No.213 (1978), p.64.

1962), the private sector thrived on the incentives offered by the state and were responsible for 80-90% of state-aided house construction, which increased threefold in this period (Tables 5.2 and 5.3). Then, in a second phase from 1962-1971, the non-aided private sector boomed after having declined throughout the fifties. Construction figures as a whole doubled in the period 1961-1969, and construction of non-aided private sector dwellings increased tenfold between 1959 and 1968, coinciding with the rapid demographic growth in the country's major urban and industrial centres, where in some years house construction outstripped new housing demand (e.g. in Barcelona – Figure 5.6).

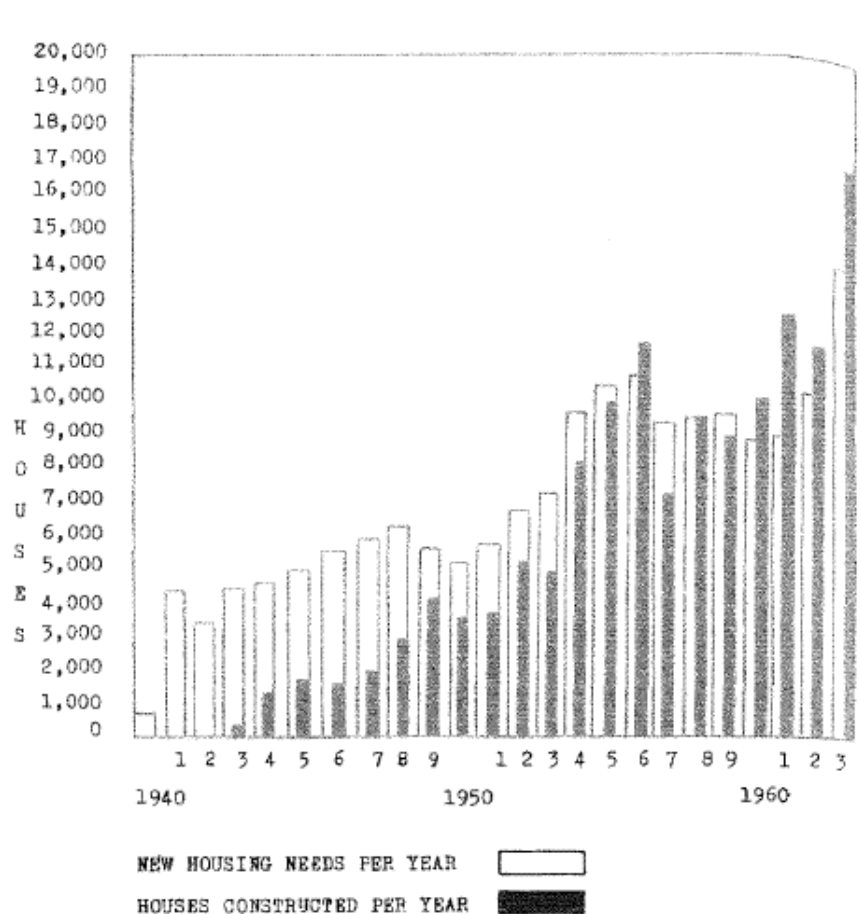


Figure 5.6 Housing Needs and House Construction in the Municipality of Barcelona 1940-63.
Source: M. Sala Schnorkowski 'El Sector Inmobiliario en Cataluña', Ciudad y Territorio, No.3 (1977) p.61.

The 1954 'Limited Rent' Housing Act specifically mentioned the 'construction firm' and 'development company' as major implementation agencies, reflecting a change in government thinking as regards the nature of State intervention in housing. Housing policy also became an end in itself (rather than satisfying other political-economic objectives as it had in the 1940s), and corresponding political administrative change culminated in the creation of the Ministry of Housing in 1957. Before considering the functioning of the 1954 Act, let us first consider its main provisions and those of the 1957 Amendment Act.

The 1954 Act divided state-aided houses into two groups. Group I houses could have a usable floorspace of between 50 and 200 m², and could be sold off by developers without price restrictions. For this type of dwelling, no grant was offered, but rather the established 90% rate exemption, loans of up to 60% of construction budget, and supply of certain materials. Rents were controlled in Group II houses, but these could not exceed a 5% capitalisation of gross annual rent (i.e. gross annual rent x 20); and construction costs (per square metre) could not exceed 'model levels' set by the INV for different house categories, based on floorspace (again 50-200m²) and design. In addition to 90% rate exemptions, Group II houses could receive interest free loans to cover up to 75% of construction costs, repayable over 50 years, and complementary loans for a further 15% could also be negotiated. Grants to cover 20% of the construction budget were also available to Local Authorities, State or Syndical organisations (Table 5.1).

In 1957, a further Act introduced a new incentive for house constructors. A 'fixed subsidy' of 30,000 pesetas per unit was made available for dwellings of 50-150 m² floorspace, plus loans of 900 and 600 pesetas per m² of floorspace, depending on whether floorspace was more or less than 75 m². Rent levels were fixed as a function of floorspace and amended annually to accord with cost of living fluctuations. By the late 1950s, then, five separate state-aid systems were in operation for public and private house constructors (Tables 5.1, 5.2, 5.3). (Certain incongruences in the desperate pieces of legislation were ironed out in the 1963 Housing Act¹¹ and the accompanying 1968 Regulations.)

From the late fifties onwards, the 'fixed subsidy' system tended to be favoured by private sector developers, whilst the restrictions on rent levels and sale price for Group II houses discouraged the private sector from participating in this system (see Tables 5.2 and 5.3). Indeed, the INV itself, along with the OSH and other public bodies, built a large number of the Group II dwellings. It was the profit expectations of the private sector, then, and their response to different financial incentives offered by the State, which in many ways controlled the rhythm of the house construction through the forties and fifties. In the immediate post-war, the low level economic activity, the rent freeze and scarcity of materials had discouraged private sector investment in housing; but in the fifties, the normalisation of economic relations with other countries, the general economic recovery and the new incentives offered by the 1954 and 1957 Acts saw the housing sector emerge as a major growth area within the economy, fuelled by the ever present flow of migrants¹² into the country's major cities. Then, in the mid sixties, with the construction industry well established, private sector developers began to increasingly forego the incentives offered by the State, in exchange for the higher profit margins which non-aided construction offered. By 1968 non-aided construction figures (114,719 dwellings) were on a par with those of the private state-aided sector, for the first time since the mid-fifties.

Related Political-Administrative Change (1955-71)

The approval of the 1954 and 1957 Housing Acts was complemented by a series of governmental initiatives and administrative measures in the housing field. In July, 1955, the first National Housing Plan was put into effect, with the objective of building 550,000 state-aided houses in the period 1956-1960. (80% of these – 493,000 – were in fact built, see Table 5.2). Then in 1956, a Decree was issued setting out the guidelines for collaboration between the INV and the General Directorate of Architecture and Urban Planning (GDAUP) on the acquisition and preparation of urban land to be used for the construction of State housing estates. This function was reinforced by the creation of the Ministry of Housing in 1957 and the removal of the GDAUP from the Home Office to function within the new Ministry as two separate Directorates – the General Directorate of Architecture and the General Directorate of Urban Planning. The INV was taken from the Ministry of Work to become part of a General Directorate of Housing, and in 1959 the National Institute of Urban Development (INUR) was created as a fourth division within the Ministry, specifically to undertake land acquisition and preparation tasks for State housing and industry programmes.¹³

It is worth noting here that the removal of the General Directorate of Architecture and Urban Planning from the Home Office, and the land acquisition and planning responsibilities for housing estates with which it was charged in its new guise after 1957, undoubtedly contributed to the failure of the national planning machinery created in the 1956 Land and Urban Planning Act. It was the General Directorate of Urban Planning (GDUP), which (along with other central planning authorities which were never created) was charged in the Act with the overall management and regulation of a planning system consisting of a tiered hierarchy of urban plans and planning authorities. But whilst the GDUP was increasingly concerned with State housing programmes in the Ministry of Housing, the Local Councils (the lowest-tier planning authorities) remained answerable to the Home Office and failed to receive (or, indeed, ask for) the necessary guidance on the technical and procedural provisions of the new Act. Upper tier plans and planning authorities either did not exist or failed to function as envisaged in the Act, and the resultant chaos and general bastardisation of the planning machinery at municipal and local levels is well documented.¹⁴

The lack of credibility afforded the planning system was made worse by the fact that central and local housing authorities (such as the OSH and Municipal Housing Foundations) frequently by-passed statutory planning procedure, and resultant housing developments often contravened approval urban plans.¹⁵ We will return below to discuss in more detail the part housing estates had in shaping the form of urban growth in these years.

The programming of house construction by the Ministry of Housing was extended to individual metropolises with the approval of the Planes de Urgencia Social for Madrid (1957), Barcelona (1958) and Asturias and Bilbao (1959). These 'plans' contained housing construction targets, and also (unsuccessfully) attempted to halt migration into these areas and consequent urban sprawl. Arrese, the Minister of Housing, asserted that these plans should encompass "restrictive measures, which by closing the door on new in-migration, will limit the problem to its present bounds...if we do not introduce measures to prevent the abnormal growth of cities, we shall achieve very little, and in the end find that although we might have built the programmed number of houses, new housing needs will have arisen in the meantime".¹⁶

These measures, as applied in Madrid, included the delimitation of a green belt and designation of new satellite settlements beyond¹⁷ (features of previous plans for Madrid since the 1920s,¹⁸ and incorporated into the 1964 Madrid Metropolitan Area Plan). Shanty settlements were also periodically located public estates.¹⁹ Indeed this policy had been developed in the 1957 Cabinet Decree on clandestine settlements which introduced measures "to regulate the uncontrolled migration to the capital, prevent abnormal land development and impede land speculation in areas of the Madrid periphery which should be classified as agricultural".²⁰ anybody wishing to move to Madrid had to inform the authorities of their place of residence in Madrid, and Madrid companies were instructed not to employ anybody not

officially residing in the capital. The immediate destruction of all shanties and other buildings without a building permit was authorised and inhabitants were to be returned to their town of origin.²¹

In 1961, the National Housing Plan was launched by the Ministry of Housing with the objective of constructing 3.7 million new dwellings over a 16 year period. The existing housing deficit was estimated at 1 million dwellings, with the remaining 2.7 million dwellings being assigned to meet new needs created by population increases, migratory movements and renewal of existing stock. The annual construction targets (see Table 5.3) were also linked with future estimates of gross national product and investment in housing, as expressed in the 4 yearly National Development Plans²² of the periods 1964-7, 1968-71 and 1972-75, which were based very much on the French ‘growth poles’ model. As Table 5.3 shows, in quantitative terms alone, the construction targets were, in fact, exceeded, although there were important discrepancies between the nature of the supply and the purchasing power of the demand. We shall return to discuss this later.

Housing and the Urban Growth Process

The land and Urban Planning Act of 1956, as well as the Sub-Regional Plans for Madrid (1946) and Barcelona (1953), placed considerable emphasis on the estate (poligono) as the major morphological unit of urban growth, for which Local Plans (planes parciales) and corresponding Roads and Services Projects (proyectos de urbanización) were to be drawn up, and approved by the public authorities. Throughout the fifties and sixties, then, the housing estate (of both public and private promotion) was one of the dominant physical forms of urban growth in Spain’s major cities.

Table 5.4 Public Housing Estates built in the Municipality of Barcelona 1950-69.

Year	Dwellings built by public promotion	Floor Space Built (m ²)	Average Floor Space per Dwelling (m ²)	Size of Promotion
1950-54	3,667	207,634	56.2	All less than 1,000 dwellings
1955-59	7,078	513,895	72.60	Between 1,000 and 1,500
1960-64	8,398	587,510	69.96	All above 1,500
1965-69	8,055	578,779	71.85	All above 1,500
TOTAL	27,198	1,887,818	69.4	

Source: J. Borja, E. Llexia, M. Sola-Morales and J. Verrie, ‘El Habitat en Barcelona’, Construcción, Arquitectura & Urbanismo, No.10



Figure 5.7 The ‘La Paz’ Housing Estate (2,499 houses) in the Municipality of Barcelona. This estate was built between 1963 and 1966 by the Syndical Housing Authority (OSH) at an average density of 591 inhabitants per hectare. Photo: M.G. Wynn.

Over the period as a whole, these estates tended to become larger, in terms of dwellings constructed, and higher, as regards the number of floors per block. A survey²³ of public housing estates in Barcelona, for example, has shown that all those built in the early fifties (e.g. Verdun, Figure 5.5) comprised less than 1,000 dwellings, whilst those dating from the sixties (e.g. La Paz²⁴ – Figure 5.7) were of 1,000 units or more (Table 5.4), reflecting in part the introduction of industrialised building techniques²⁵ and the economies of scale they offered. This increase in estate size culminated in the construction of the 5,3000 dwelling OSH estate Can Badia, 30 kms outside Barcelona in 1971, and the designation in 1970 of eight new towns (only one of which – Tres Cantos outside Madrid – was ever built).²⁶

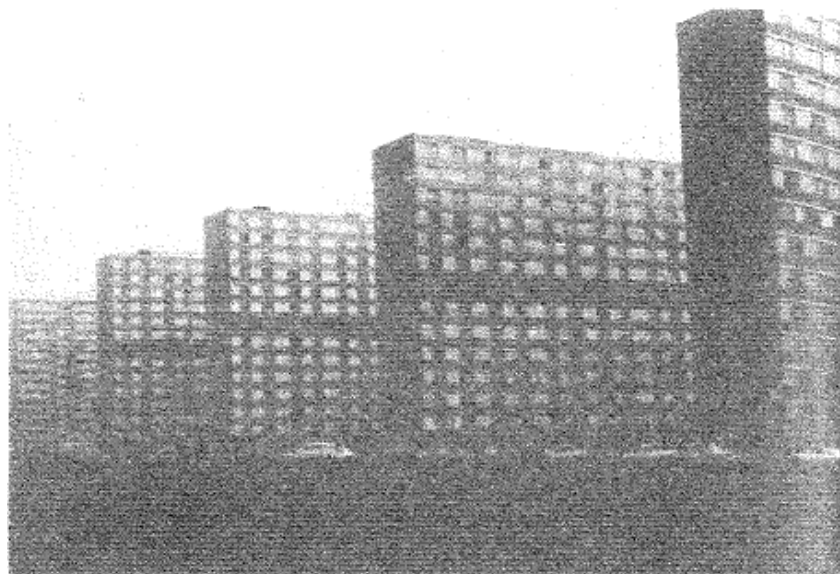


Figure 5.8 The Bellvitge ('Beautiful View') Housing Estate outside Barcelona. This estate of 3000 housing units was built by private developers in the mid-sixties. Note the contrast in the scale of construction when compared with an early fifties estate such as Verdun (Figure 5.5). Photo: M.G. Wynn.

Another significant factor in determining estate dimensions was the set of norms introduced in the National Housing Plan of 1961 to act as guidelines for estate construction; 500 inhabitants per hectare was seen as the 'optimum average density for Spain' and the value of land required for estate construction was fixed at 15% of total estate valuation (including the land), once completed. To comply with these requirements meant not only that estates had to be compact but also that it was unrealistic to attempt to reserve large areas within housing estates for collective service infrastructure (green zones, medical facilities, schools etc.) as the same norms had suggested. The need, also, to provide more space for parking and traffic circulation, led the Ministry of Housing to subsequently abandon these guidelines and plan estates at lower residential densities.



Figure 5.9 Part of Hospitalet, to the south-west of Barcelona. The population of Hospitalet increased from 51,000 in 1940 to 284,000 in 1975. The photograph reveals the typically haphazard nature of peripheral growth in the 1960s. The major priority for many local authorities was to get as many dwellings built as quickly as possible, often at the expense of adequate services and infrastructure. Photo: M.G. Wynn.

Parallel changes occurred in private sector estates (both aided and non-aided), and the general inadequacy or absence of service infrastructure and chaotic nature of accompanying smaller scale developments (often illegally constructed) gave the city periphery a grotesque overall appearance (Figures 5.8 and 5.9). The local plan mechanism was regularly misused (often with the blessing of the town hall) to change land use classifications from agricultural, service or recreational functions to residential uses.²⁷ Spain's major cities grew radiocentrically and anarchically, with housing development of one sort or another²⁸ featuring centrally in the urban growth process. The Land and Urban Planning Act of 1956 had failed to effectively control the urban growth process – and State housing policies, directly and indirectly, had been a major reason for this breakdown.

The Decline in Production in the 1970s and Failure of Social Housing Policy

The Emergent Problem, 1972-76.

The advent of the 1970s marked a deceleration in growth in total housing construction in Spain and a decline, in numerical terms, in state-aided construction (Table 5.3). The number of projects licenced by the College of Architects²⁹ – the best indicator of developers' expectations – dropped from 1973 onwards, above all in Madrid (Table 5.5). Many of these licenced projects were never built, in part because of the ensuing recession and in part, because some were secured for speculative purposes only (i.e. a plot with licenced plans for construction is worth more than without).

Table 5.5 Housing Projects licenced by the Colleges of Architects 1971-76

	Thousands	
	National Total	Madrid
1971	357.7	55.7
1972	598.1	139.8
1973	696.4	222.2
1974	570.1	202.0
1975	388.8	96.9
1976	376.0	44.4

Source: J. Rafols Esteve 'La Crisis de la politica de vivienda en España: elementos para un debate' Arquitectura, No.213 (1978) p.63

There were several reasons for this decline in the construction industry, but essentially it reflected a crisis in demand rather than supply, although the cost of materials and limited credit facilities were hindrances to developers. Rural-urban migration was less marked from the early seventies onwards, as economic growth in the country's main industrial centres slowed and job opportunities increased. There was also a reduction in general purchasing power of the middle and lower classes with house prices rising³⁰ more quickly than salaries. Economic expectations dropped and the scarcity of loan facilities for house buyers further limited demand. The inadequacy of credit arrangements for house buyers is in fact a critical issue, as we shall see later. Suffice it to say here that lending to buyers is generally only available, if at all, for the short term (up to 15 years), for insufficient amounts, and at high interest rates.

These factors contributed, then, to a drying up of demand for housing at the middle to lower end of the market. The housing policy born in the 1950s had become obsolete and inappropriate. It had been framed in an era of massive housing deficit, with the objective of maximising housing production, and thereby stimulating supply. This, however, had been achieved by the mid-seventies: almost 375,000 houses were built in 1975, compared with 87,000 in 1954. The target figures contained in the National Housing Plan had been met and exceeded, and the 1970 census of population and houses showed there to be more houses than families in Spain, although over 1.1 million dwellings (10.6% of total) remained vacant. There remained, in fact, an urgent need for certain categories of dwelling, which the available supply failed to meet.

Table 5.6 Age of Housing Stock, 1975

Date of Construction	% of Total Stock
1960-1975	43%
1943-1959	15%
1942 or Before	42%

Source: J. Rafols 'La Crisis de la politica de vivienda en España: elementos para un debate', Arquitectura, No.213 (1978) p.68

These were by and large low cost dwellings required by those still living in shanty towns,³¹ and in old decaying dwellings with inadequate services. As late as 1975, 48.6% of dwellings in Spain still lacked a bathroom, 17.6% were

without an indoor lavatory and 13.2% did not have running water. Most of these deficiencies were in the 42.3% of stock built prior to 1942 (Table 5.6), and inhabitants could generally only afford to pay for a new dwelling below the base price at which the private sector were prepared to build and sell. A study in Vigo in 1973, for example, revealed that 54% of families could not afford to pay more than 600,000 pesetas for a new house, but that this was below the base price at which housing promoters would operate.³² A similar study in Barcelona showed that 37% of families could only afford a 425,000 peseta home,³³ this again being below the base price for private promoters.

The failure of the housing market to adequately meet the demand for low-cost housing was exacerbated by the lack of appropriate selection and vetting procedures for applicants to both state-aided private construction and direct state construction. It is perhaps first worth stressing that, although in overall quantitative terms construction targets contained in the 1961 Housing Plan were met, the objectives as regards subsidised housing were not, the overall excess being achieved by the massive over construction in the private non-aided sector (Table 5.7). On top of this, however, state-aided houses were by and large going to middle class families. The INV Vigo study concluded that "the socio-economic categories which provided the most inhabitants of state-aided houses were...officials, technicians and employees on the one hand, and teachers, professionals and non-managing lettered people on the other...One may conclude that the middle class have been the major beneficiary of state housing policy in Vigo".³⁴

Table 5.7 Housing Targets and House Construction in the first 3 Development Plans (1964-67, 1968-71, 1972-75).

	A Houses Constructed	B Target	Implementation Rate A/B x 100	
<u>Free Mkt</u>	197,556	72,715	271.7	1st Dev Plan
	477,979	130,000	367.7	2nd Dev Plan
	691,252	353,000	195.8	3rd Dev Plan
Gp. 1 & <u>Fixed Subs</u>	733,543	526,559	139.1	1st Dev Plan
	589,656	806,577	70.6	2nd Dev Plan
	624,265	720,000	86.7	3rd Dev Plan
Gp. 2 & <u>Dir. Const</u>	81,917	127,880	64.1	1st Dev Plan
	97,671	195,923	49.8	2nd Dev Plan
	105,755	270,000	39.2	3rd Dev Plan
<u>Total</u>	815,460	654,449	124.6	1st Dev Plan
<u>state-aided</u>	667,327	1,002,500	66.6	2nd Dev Plan
	730,020	990,000	73.7	3rd Dev Plan

Source: J. Rafols 'La Crisis de la politica de vivienda en España: elementos para un debate', *Arquitectura*, No.213 (1978) p.71.

One reason for this is that state-aided private sector houses have not generally been sold or rented out at prices lower than corresponding dwellings in the private unaided sector, with state subsidies being 'absorbed' by developers as part of an increased profit margin. At the same time, the means test for applications for 'Group I' and 'Fixed Subsidy' dwellings concern only their capacity to pay the rent or sale price. And even in 'Group II' dwellings, which include most of the publicly promoted estates of the INV, the OSH and other public bodies, the vetting of applicants is minimal with no real means test. Further, even the publicly promoted houses can be sold off by the occupant after 5 years of residence, at market prices.

By the mid-seventies, then, it became clear that a revision of housing policy was required that would abandon the indiscriminate incentives to house constructors and provide instead subsidies to house buyers, above all to those on lower incomes. At the same time, direct public promotion of dwellings was still required, but the existing machinery and its functioning needed improving so that public funds could be more fairly and sensibly used.

The 1976 'Social' Housing Act

In July 1976, the 'social' Housing Act was approved,³⁵ whereby the new category of 'social housing' was introduced to replace 'Group II Housing' as defined in the 1954 Housing Act. It was an attempt to radically modify the state subsidy system by making loans directly available for the first time buyer, rather than to the developer. All economic benefits to constructors were abolished, barring the 20 year rate exemption. That the Act failed in its objective of stimulating demand was largely due to the lack of co-operation from existing credit organisations in making money available, as envisaged by the legislators.

The benefits to house buyers introduced in the 1976 Act varied according to family income, house price, and family size. Certain income limits were set, above or below which applicants were ineligible for loans. Above the income maximum of 2.5 times the statutory minimum salary of the day, it was suggested applicants could get a 'Group I' house

or buy in the free market without state aid; and below the minimum income of 11% of the sale price of the house in question, it was thought that applicants would not be able to manage the necessary repayments and should therefore apply for a state house through the INV or other public body. For those between these income brackets, five different loan systems were introduced, providing finance for up to 95% of the house price, to be repaid over a period of up to 25 years, at 4% interest rate. Repayment quotas would always be between 18% and 25% of family income.

These loans were to be provided by private banks and the Savings Banks (Cajas de Ahorro), with the INV subsidising credit arrangements to keep interest rates down to 4% and extend loans up to 25 years, making them cheaper and longer than would otherwise have been the case. At the same time, the state controlled loans³⁶ given by the Savings Banks, which had previously been used to finance all types of housing, including luxury homes and secondary residences, could now only be made to the promoters or buyers of state-aided dwellings. In general terms, then, the Act attempted to introduce mechanisms that would make loans directly available to the purchaser; under the old system, buyers accrued, if they were lucky, some knock-on benefits only, from the subsidies made available to developers.

Following the passing of the 1976 Act and the regulations for design and quality standards approved the following year, the rush for 'social housing' applications started. By mid-1978, there had been 350,000 applicants for loans, yet only 53,000 'social' housing qualifications had been issued and only 9,000 new 'social' houses constructed. New construction was limited, partly because of the large number of unsold houses built in the early seventies; but the major reason for the overall failure of the Act was that sufficient finance was not made available by the credit organisations, even given the state subsidy of interest rates. These loans were intended for low-income families, which presented a high risk to lenders, and the 95% cover on sale price was far in excess of normal arrangements. The Savings Banks normally lent up to 30% of sale price, to middle and upper-middle-class borrowers, and rarely more than one million pesetas. The potential increase in the costs of management and administration incurred by the new system also discouraged credit-giving bodies from lending their support.

By 1977, the Ministry of Housing, and then its successor, the Ministry of Public Works & Urban Affairs (MOPU), were beginning to reconsider the new system in light of its evident failings. In March 1977, all financial incentives to house constructors were reintroduced, and then in August, 1977, the five loan categories were abolished in favour of a simplified unified system for the house buyer. The Savings Banks (and other credit entities) were authorised to provide loans of up to 85% of sale price, repayable over 15 years, at an 11% interest rate, with the INV paying on average 26% of the annual repayment and interest charges, and the house buyer the rest. Restrictions on Savings Bank lending were also modified enabling loans to be made for the acquisition of free market housing of up to 120m² floor space.

These measures, in fact, only served to make the situation worse, because many of those for which the system was devised (i.e. with incomes between 11% of sale price of house and 2.5 times the minimum salary) had to use more than 30% of their income to cover mortgage repayment quotas. Yet most of the credit giving bodies used a 30% of income cut-off figure as a major criterion for deciding on whom to give loans to; and despite the subsidies and guarantees provided by the INV, credit bodies were still not inclined to make the necessary finance available to stimulate demand at the lower end of the market. What the failure of the Act has demonstrated is that it is not easy to make such organisations act against their won interests. Either far greater financial incentives for credit bodies are needed, or else state loans should be introduced direct to the house buyer.

Initiatives in Renewal and Rehabilitation

As the INV struggled in the late seventies and early eighties to oil the country's reluctant credit-giving machinery and stimulate new construction, significant initiatives at the local level were being made in the fields of housing improvement and renewal. Spain has one of the most organised and activist Resident Association movements in Europe,³⁷ and their campaigns, above all in the worst state housing areas and in the shanty towns, have produced innovative improvement and renewal solutions. These are characterised by the participation of residents in the design process, the employment of their own architect planner consultant teams, and the ad hoc nature of securing the necessary funding from the INV and other public agencies.

A number of such schemes have now been completed or are underway, above all in Madrid and Barcelona (Figure 5.10), and these act as useful models³⁸ for subsequent initiatives in this field. Similarly, the conservation of historically significant housing (usually in the old city centres) has become a politically delicate issue, and certain areas (e.g. La Corrala in Madrid – Figure 5.11) have been saved from the bulldozer, although the wanton destruction of architecturally valuable buildings was a sad feature of the seventies as a whole.³⁹

Concluding Remarks

Spain entered the post-war era with an acute housing shortage in its major cities and in the rural regions devastated in the civil War. By the mid-fifties this deficit had worsened, reaching an estimated 1.5 million in 1955. In quantitative terms alone, this deficit had been turned into a surplus by the early seventies, and this in itself is a considerable achievement. Nevertheless, certain reservations and qualifications need to be expressed.

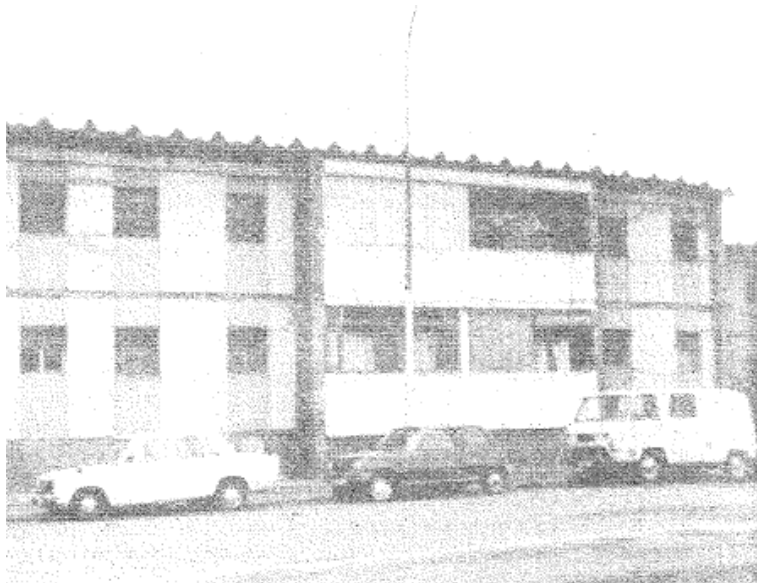


Figure 5.10 San Cosme, near Barcelona, 1976. A block of houses in the OSH ‘overspill estate’ built in the mid-sixties to house the inhabitants of shanty towns cleared from Montjüich, a hill area overlooking the city. By the early seventies cracks had begun to appear in most of the 1500 dwellings. The estate is now being demolished and rebuilt in four phases. Photo: M. Wynn.

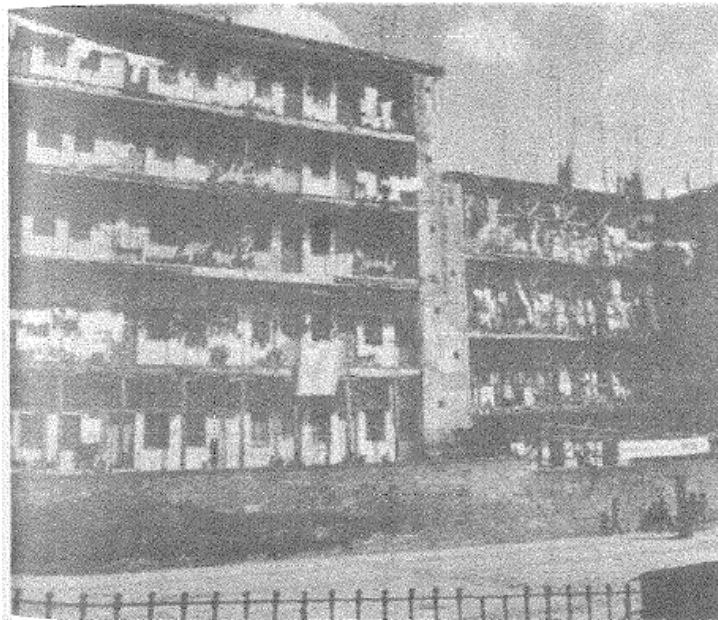


Figure 5.11 La Corrala in the Lavapiés district of Madrid. These two buildings comprise 65 houses in which over 500 people live. They are made of adobe brick and based on a wooden structure, and were declared a ruin (thus facilitating demolition) by their owner in 1975. They were only saved after a long campaign by the residents and the Madrid Architects college. Photo: M.G. Wynn.

Although direct public investment in housing in Spain has been relatively low, this has been offset to some extent by the indirect costs, and above all local tax (rates) exemptions. Thus, whilst direct state expenditure on housing equalled only 0.6% of Gross National Product in 1978 (cf. 1.0% in Italy, 3.8% in G.B., 1973), indirect expenditure through fiscal exemptions (totalling 3.5 % of tax income of the state in 1974) exceeded direct expenditure in one of the two studies undertaken in the sixties.⁴⁰ This has had a significant effect on municipal budgets, with lost revenue exceeding 50% of investment in urban development and services, in certain municipalities (in Barcelona, for example – Table 5.8). This has only exacerbated the poor quality environment which was characteristic of many of the housing estates built in the post-war anyway, in that it has removed a source of revenue desperately needed by local authorities to provide the roads, services, schools, green zones and health centres that many estates still lack (Figure 5.12). The resultant mix of low construction standards and service deficits fuelled the residents’ association movements of the seventies, and has resulted in new housing and planning problems costly to resolve.

Further organisational, economic and policy problems have now arisen with the faltering attempts of post-Franco governments to introduce loan facilities for buyers. With the Spanish economy in recession since 1974, the housing industry has suffered more than most, and 200,000 construction workers were laid off in 1978 alone. In 1980, MOPU ushered in a new three yearly housing programme which aimed to create a quarter of a million jobs, through the

Table 5.8 State Subsidised Housing: Impact on the Municipal Budget of Tax Exemptions* in the Barcelona province, 1975.

Municipality	Estimate of Municipal Income Lost in Tax/Rate Exemptions for State Subsidised Housing (A) (Millions of Pesetas)	Municipal Budgets			
		Ordinary Budget (B)	Investment in Urban Dvpmnt. (C)	Percentages	
				$\frac{A}{B}$	$\frac{A}{C}$
Barcelona Municip.	752	11,950	1,110	6.3	67.8
Badalona	25	572	94	4.4	26.8
Corella	47	252	76	18.6	61.9
Hospitalet	79	820	227	9.6	34.7
Santa Colomo de G.	21	260	45	8.1	46.9
Province of Barcelona	1,084	20,215	2,360	5.4	45.9

* Includes only exemptions from 'Urban Land Tax' (Contribución Territorial Urbana).

Source: J. Rafols: 'Evolución economica de los incentivos fiscales a viviendas de protección', Hacienda Publica Español, No.47 (1977).



Figure 5.12 Can Serra, Hospitalet, Barcelona. Lack of local authority finances have often prevented the provision of service infrastructure contained in Local Plans for housing areas. Here, children play in an area in which a sports centre, public gardens, health centre and school should have been built. Photo: M.G. Wynn.

construction of 571,000 new dwellings. Again, however, the plan has been hampered by the lack of support from the credit institutions, in part due to the rapid inflation rate of 15-16% annually, and the consequent problem of keeping interest rates down. The success (or otherwise) of existing policy, then, remains very much linked to the financial markets and the state of the economy as a whole, and would seem inadequate in the long run. New mechanisms and institutions for providing credit are needed, together with a more rational use of public funds, involving a greater involvement of locally based housing authorities. With the first Socialist government since the Civil War recently installed in power, new political initiatives in the housing field should be forthcoming.

Notes and References

1. The OSH ceased to exist as a house construction authority in the mid-1970s, and administration of its housing estates has subsequently passed to INV. Although in absolute terms the total house construction figures (300,000) were low, the activities of the OSH were of significance because of the minimal dimensions and generally low standards of their estates.

For a detailed examination of the origins, evolution and significance of the OSH, see: 'La Obra Sindical del Hogar: El barraquismo vertical legitimado' Cuadernos de Arquitectura y Urbanismo, No.105 (1974), whole edition; and V. Seguí 'OSH, oración, despedida y cierre', Construcción, Arquitectura y Urbanismo No.44 (1977). For a detailed case study the history of an OSH estate, see M. Wynn, 'San Cosme Spain: Planning and Renewal of a State Housing Area', Journal of the American Planning Association, January (1980). See also the detail on the OSH Gran San Blas estate in J. King, 'Housing in Spain', Town Planning Review, Vol.40, 2 (1971) pp.381-403.

2. In the introduction to the Act, for example, it is asserted that 'to provide hygienic and pleasant housing for the working classes is a demand of social justice which the National Syndicalist State cannot deny ...' etc. etc. (Boletín Oficial de Estado, 20-4-39, No.110). For more detail see J. Sole and J. Vilagut, 'De la Vivienda Protegida a la Vivienda Social', Construcción, Arquitectura y Urbanismo No. 52 (1978) pp.16-17.
3. 'Reglamento que desarrolla la Ley de Viviendas Protegidas', Boletín Oficial del Estado (2-10-39, No.275).
4. For a discussion of how this affected Barcelona, see J. Borja 'Planeamiento y Crecimiento Urbanos de Barcelona 1939-58', Construcción, Arquitectura y Urbanismo, No.22 (1973).
5. According to Borja, 'Planeamiento y Crecimiento', p.90.
6. According to a survey carried out by the Colegio Oficial de Arquitectos de Cataluña y Baleares (COACB), quoted in M. Galera, S. Tarrago, F. Roca, Atlas de Barcelona (COACB, Barcelona, 1972).
7. Report of the Comisaria para le Ordenación Urbana de Madrid, cited in F. de Teran Planeamiento Urbano en la España Contemporanea (Gustavo Gili, Barcelona, 1978), p. 288.
8. Idem, p.342. This may seem a rather high estimate compared with the deficits of 80,000 and 20,000 for Barcelona and Madrid in 1950. There are likely several factors here. The housing crisis did worsen considerably in the major cities in the early fifties as country-city migration continued apace. There are also several ways of computing the deficit, and the 1.5 million figure probably takes into account all possible definitions of deficit - sub-letting, house-sharing, old decaying housing, shanty towns etc. etc.
9. The eight estates were built by public housing authorities in the mid-fifties at Penagrande, Mantoeras, Canillas, San Blas, Vicalvaro, Palomeras, Villaverde, and Carabanchel.
10. For a review of the construction activities of the Barcelona Municipal Housing Foundation (and the OSH in Barcelona), see F. Carreras and J. Vilagut 'La Obra Sindical del Hogar y el Patronato Municipal de la Vivienda en Barcelona: 2 ejemplos de ineficacia' Construcción, Arquitectura y Urbanismo No.52 (1978) pp.31-34.
11. Decreto 2131 of 24-7-63, Boletín oficial del Estado (6-9-63, No.124).
12. It has been estimated that between 1955 and 1959, 4 million people left the Spanish countryside, most of which came to live in the country's major cities and towns.
13. By 1976, the National Institute of Urban Development (INUR) had 128 residential and 46 industrial functioning estates throughout Spain, occupying 7,000 hectares, with a further 7,000 hectares under construction. INUR's role has largely been restricted to land acquisition and the provision of basic service infrastructure, and serviced sites have been leased to other state agencies (e.g. OSH) or to the private sector. See INUR - La Creación de suelo urbanizado - informe, (ARCE and Potti S.A. (for INUR), Madrid, 1977).
14. See, for example, M. Wynn (ed) Planning Urban Growth in Southern Europe (Mansells, London, forthcoming) Chapter 5 - Spain; M. Wynn 'The Residential Development Process in Spain - A Case Study' Planning Outlook, Volume 24, No.1 (1981); M. Wynn, P. Portilla and J. Urena, 'The Port Service Area Project, Santander: Central State and Local Authority Intervention in the Planning and Development of a Port-side Industrial Zone' Planning and Administration, No.1 (1980) pp. 6-21.
15. See, for example, M. Wynn 'San Cosme, Spain: Planning and Renewal of a State Housing Area', and M. Wynn 'Peripheral Urban Growth in Barcelona in the Franco era' Iberian Studies Vol.8, No.1 (1979) n pp.13-28.
16. Jose Luis Arrese, speech made at formal creation of Interministerial Commission for the Decongestion of Madrid in March, 1959, cited in Política de Vivienda, Madrid, 1959.
17. For more detail on decongestion policies, see M.G. Wynn and R.J. Smith, 'Spain: Urban Decentralisation', Built Environment March (1978), pp.49-54
18. See M. Wynn (ed) Planning and Urban Growth in Southern Europe, Chapter 5.
19. For an example of the socio-cultural problems associated with rehousing shanty dwellers, see W. Cernlyn-Jones 'Home is where the donkey is' Guardian, 19th August 1978; for a study of shanty development in the post-war in Madrid, see J. Montes Mieza, M. Parades Grosso and A. Villanueva Parades, 'Los Asentamientos Chabolistas en Madrid', Ciudad y Territorio 2/3 (1976) pp.159-172.
20. Decree of 23-8-57 by the Presidencia del Gobierno, Madrid; see Teran, Planeamiento Urbano, pp.352-356.
21. For more information on 'repatriation schemes' for immigrants in Madrid and Barcelona, see Teran, Planeamiento Urbano, pp.356-358.
22. The history of National Development Planning in Spain is dealt with fully in H.W. Richardson, Regional Development Planning and Policy in Spain (Saxon House, 1975).
23. J. Borja, E. Llexia, M. Sola-Morales and J. Verrie, 'El Habitat en Barcelona' Construcción, Arquitectura y Urbanismo, No.10 (1971).
24. For a study of the 'La Paz' estate, see J. Ignacio Llorens, C. Diaz, F. Anguita and F. Lopez 'Tres Realizaciones de la OSH - Trinidad, La Paz and Can Badia', Cuadernos de Arquitectura Urbanismo No.105 (1974) pp.63-68.
25. For a discussion of changes in building technology in house construction in Spain in the sixties, see I. Paricio, 'Las Razones de la forma en la Vivienda Masiva' Cuadernos de Arquitectura y Urbanismo No.96 (1973).

26. For a detailed examination of Can Badia, see 'Ciudad Badia - un modelo con futuro?', *Construcción, Arquitectura y Urbanismo*, No.43 (1977), whole edition. For studies on the Spanish new towns see *Ciudad y Territorio* 4/73 and 1/74 (combined versions 1974) - whole edition. See also M. Wynn 'Gallecs, Spain' *Town and Country Planning* Nov. (1980).
27. On the use and abuse of the local plan mechanism, see A. Ferrer, *Presentacion y Estadistica de los Planes Parciales de la Provincia de Barcelona* (COACB, Barcelona, 1974); and M. Wynn 'Peripheral Urban Growth in Barcelona in the Franco era', *Iberian Studies*, Vol.8 No.1 (1979), pp.13-28.
28. For a classification of the different types of residential peripheral growth see, (for Madrid) R. Lopez de Lucio 'En torno a los procesos reales de desarrollo urbano. Las tipologias de Crecimiento en la formación de la periferia de Madrid', *Ciudad y Territorio* No.2/3 (1976), pp.153-158; (for Barcelona) J. Busquets Grau 'La ciudad y la versión social de su crecimiento', *Construcción Arquitectura y Urbanismo*, No.42 (1977), pp.56-61.
29. All plans and accompanying documentation for house construction had to be officially stamped (visado) by one of the Colleges of Architects, the official bodies of the profession, before planning approval could be given by the local (or upper-tier) authorities.
30. In the municipalities of the Madrid Metropolitan Area, for example, house prices rose at percentages varying from 32% (Getafe) to 48% (Torrejón) in the period 1974-77.
31. In Barcelona there remained 3-5,000 shanty dwellings in the early seventies. For a detailed breakdown of the different estimates for this period see, J. Alibes, M. Campo, S. Tarrago, 'Barraquismo', *Construcción, Arquitectura y Urbanismo* ('La Barcelona de Porcioles'), No.21 (1973), pp.35-36.
32. Instituto Nacional de la Vivienda, *Analisis del Mercado de la Vivienda en el Municipio* (INV, Madrid, 1974).
33. CYNAM *Demanda de Viviendas en el Area Metropolitana de Barcelona* (Barcelona, 1971).
34. Instituto Nacional de la Vivienda, *Analisis del Mercado*, p.73.
35. For the full text of the 1970 Act and subsequent regulations and amendments, see *Anexos Nos. 11 and 12* (1976), and No.22 (1977), COACB, Barcelona, whole editions.
36. The Savings Banks (Cajas de Ahorro) emerged in the sixties and seventies as the major credit giving entities for housing construction. A part of their loan funds were regulated by the INV to be made available at relatively low interest rates (8% up to 1977), and for a relatively long term (up to 15 years). The other major sources of public funds for housing were the INV itself and the two official Credit Banks - the Banco Credito Construcción (BCC) and the Banco Hipotecario de España (BHE). These sources (INV, BCC and BHE) collectively contributed 5-15% of all investment in housing, whilst the Savings Banks contributed 45-55% in the seventies.
37. See J. Borja 'Urban Social Movements Spain' in M. Harloe (ed), *Captive Cities* (Wiley, London, 1977).
38. See M. Wynn, 'San Cosme Spain: Planning and Renewal of a State Housing Area' *Journal of American Planning Association* Jan. (1980); M. Wynn 'The Residential Development Process in Spain: a case study' *Planning Outlook* Vol.24, No.1 (1981); P. Reyes 'Public and Private Co-operation in Low-Income Housing in Madrid' paper presented at OECD Seminar on 'Methods of Improving Public/Private Co-operation in Urban Development and Investment' OECD Paris, (Ref. CT/LGM/548/3D).
39. See M. Wynn 'Conserving Madrid', *Town and Country Planning*, Feb. (1980); P. Sanchez et al 'La Lucha por el centro Urbano - Plan para el Casa Antic de Barcelona' *Construcción, Arquitectura y Urbanismo* No.55, (1979), pp.33-54; and 'Arquitectura en peligro', *Construcción, Arquitectura y Urbanismo*, No.33 (1975) whole edition.
40. These showed a 'direct' total expenditure of 7.7 and 12.1 milliard pesetas in 1967 and 1969 respectively, (by the INV) compared with 'indirect' expenditure of 6.1 and 19.8 milliard pesetas in 1967 and 1969 through tax and other fiscal exemptions. See J. Rafols 'La Crisis de la política de Vivienda' *Arquitectura* No.213 (1978), p.72.