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Plato's Housing Policy: Then and Now

Plato put housing second only to a secure food supply in the order of business of an emerging *polis*;¹ we argue, without quibbling over rank, that adequate housing ought to have fundamental priority, with health and education, in civil societies' planning, budgets, and legislative agendas. Something made explicit in the Platonic *Laws*,² and often reiterated by today's poor—but as often forgotten by bureaucrats—is that human wellbeing, *eudaimonia*, is impossible for the homeless. That is, adequate housing is valuable to human societies independently of its instrumental role in supporting the safety, health, and education of the populace. Currently, governments all too frequently end up undermining their own health and education programs as a direct result of neglecting the housing needs of the poor. Finally, we argue that governments ought now to be using the low-cost ways that already exist to provide, or to promote the provision of, better housing for their increasingly urbanized populations; further, even in those circumstances where it is necessary to subsidize housing, governments' most important role is to develop just regulatory and enforcement systems within which public- and private-sector investment can operate.

Conditions in Athens in the late fifth and early fourth centuries B.C.E. are repeated in many developing countries now. For example, as the predominantly agricultural subsistence economy became a market economy in which manufacture and trade were dominant, urbanization increased; and war exacerbated the trend because outlying areas were more apt to be raided. As rural-urban migration increased, homesteads that had once been large enough to support the extended families that together formed the household were broken up into units that were let to tenants working elsewhere. But the number of homesteads was also increased, and their size was reduced, by Athens' requirement that all sons inherit equally (and daughters not at all). Eventual overcrowding led to disease and famine in the time of Plato's youth,³ again made worse by war. Lending arose out of reciprocal gift-giving, but by Plato's time had long been a legally regulated arrangement among groups of family or neighbors who provided for one another in time of need and who originally expected nothing but the repayment of their own contributions in return, much like *stokvels* in South Africa, early building societies in the U.K., and early credit unions in the U.S.—associations *not* run for profit. Athenian social upheaval brought the advent of banks that offered to lend at interest and to protect cash deposits from burglars. The banks—initially invisible to the regulated economy—enabled the wealthy to avoid paying taxes, which led to greater extremes of wealth and poverty, extremes that worsened class conflict.⁴ Then as now, the

¹ *Republic* 2.369d; clothing is third.

² One of us is on record doubting that Plato authored a significant portion of the dialogue; it is Platonic by virtue of its having been authored in Plato's Academy during and soon after Plato taught there. See Debra Nails and Holger Thesleff, "Early Academic Editing: Plato's *Laws*," in *The Laws: Selected Papers from the VI Symposium Platonicum*, eds. Samuel Scolnicov and Luc Brisson, pp. 14–29. International Plato Series (Academia Verlag, 2003).

³ Thucydides 2.47–70.

⁴ In our discussion of ancient fiscal matters, we have relied more on Edward E. Cohen, *Athenian Economy and Society: A Banking Perspective* (Princeton: Princeton University Press, 1992) than on Paul Millett, *Lending and Bor-*

two abiding economic problems were acknowledged to be redistribution of land and cancellation of debt.⁵

Against that backdrop, Platonic policy recommendations are not particularly surprising,⁶ yet the theoretical urban plan of the *Laws* is offered subject to revision in light of practical circumstances. Its elements can be stated briefly. The land, sufficient to support the population in a moderate way of life,⁷ was divided equally, one homestead per family—not by size of lot or number of family members, but by the homestead’s potential for production. Each homestead included two properties, one urban, one rural, a division that served some important purposes: it enabled the urban members of the household to participate actively in government; it protected the rural agricultural base; it allowed siblings or generations of a family, a single economic unit called a ‘household’, to live separately from one another. Each homestead, however, was required to remain in the family to which it was originally assigned and, because ultimate ownership was communal across the *polis*, neither parts nor the whole could be bought or sold except to the *polis*.⁸ Thus the number of homesteads could never change. The equality of the sexes familiar from the *Republic* is retained in the *Laws*, so females could inherit, and dowries were abolished; inheritance of the homestead itself, however, was limited to one child chosen by the parents; other children might of course continue to live, work, and rear families there, but they were also free to marry or adopt into different families, or to take their share of the wealth elsewhere to build anew. The state’s fixed size implied a relatively fixed population as well, so a variety of methods of keeping the population constant, all well established in Athenian law, were incorporated: marriage, adoption, inhibition and stimulation of both birth and birthrate, and colonization.⁹ It is worth noting the Platonic nod to cultural differences: indigenous traditions were to remain unmolested in the state and used as occasions for public fraternizing.¹⁰ As in Athens, laws were to be provided in written form.¹¹ While there was to be currency for daily requirements such as business deals and the paying of wages,¹² the citizens of the *polis* were not to be permitted to keep gold or silver coins.¹³ Lending at interest was forbidden.¹⁴ Class conflict was to be avoided by a prohibition on the extremes of wealth and poverty.¹⁵ In fact, poverty was supposed to be eliminated because no one could own less than the value of the homestead itself, including all the furnishings and implements required to use it; in other words, everyone’s basic needs were met. The limit on wealth was four times the value of the homestead, with all surplus reverting to the *polis*.¹⁶ Cuba chose the same one-to-four ratio after its revolution but later found it necessary to widen the ratio to discourage urban influx.

What the author of the *Laws* adds is that human beings in some sense *require* a homestead; that is, they cannot achieve fulfillment, a satisfying life, without a home, an *oikos*. It is

rowing in Ancient Athens (Cambridge: Cambridge University Press, 1991).

⁵ *Laws* 5.736c–737b; cf. 3.683a–693d.

⁶ Most appear 5.737c–747e. All Stephanus page references below refer to *Laws*, unless otherwise identified.

⁷ 5.737c–e.

⁸ Cf. 5.741b–c.

⁹ 5.740d; cf. 5.746a.

¹⁰ 5.738b–e, cf. 3.693b; the traditions were primarily religious ones (sacrifices, temples, oracles, etc.).

¹¹ 5.741c; cf. 7.793b–c.

¹² Cf. *Republic* 2.371b–d.

¹³ 5.741e–742b; but cf. 7.819b–c for gold and silver dishes.

¹⁴ 5.742c.

¹⁵ 5.744d; cf. 3.679b–c.

¹⁶ 5.744e–745a.

human nature to want a home,¹⁷ a potentially permanent abode that is valued not merely as a shelter from the elements or as an investment, but for itself. In Plato's time, having a homestead ensured having an economic life (the means to support oneself and one's loved ones through production and trade), and a political life (social relations and activity in a secure and orderly environment, the *polis*, where other goods such as education and health were also valued and achievable). One thing that remains the same across these thousands of years is that the means then available for providing adequate housing to the populace are the means available: there is no quick technological fix for housing as some expect in health care and education.

Eschewing recourse to "human nature," the United Nations prefers to call decent housing a *basic human need* and "one of the essential components of sustainable development."¹⁸ Surveys in the less developed countries show time and again that housing is the most prevalent unsatisfied basic need,¹⁹ and the situation has become worse over the 1990s. Adequate housing is declared a *right* in The Universal Declaration of Human Rights and various other international covenants and conventions.²⁰ Whether need, nature, or right, philosophers can at least agree on the importance of housing as an *instrumental* good that lifts people out of poverty: properly planned, it protects migrants from settling informally in dangerous areas of mudslides, fires, floods, and hazardous waste, while preventing environmental degradation. When building codes are properly written and enforced, housing provides a reasonable degree of safety from such natural disasters as earthquakes and from the man-made disasters of faulty installation and inferior materials. Initially, housing creates construction-sector jobs preparing the infrastructure (e.g., roads, utilities) as well as erecting buildings. By securing clean water and sanitation, and guarding against overcrowding, a sound housing policy promotes better hygiene and health. The provision of adequate living space in the area where inhabitants can work, attend school, play safely, shop, and find primary health care, affords other benefits: lower absenteeism and crime, higher literacy, social inclusion, family stability, and civic pride—in short, a higher Physical Quality of Life Index for the household, and a higher Human Development Index for the state.²¹ If housing policy is keyed to home ownership, as opposed to tenancy only, the possibility of using the home as collateral for loans is conveyed, and with it the prospect of buying seed for planting, a machine for production, higher education, et al.; this makes financial independence realizable for low-income groups, but it necessitates an even greater governmental role in the regulation and enforcement of liens, titles and registrations, and in facilitating access to credit and accelerating construction—essential for attracting further public- and private-sector investment in housing.

What we have just described is a long continuum, both less and more than Plato envisioned: less, because the majority of government housing projects fail as proper homesteads in

¹⁷ The sense of human nature we have in mind for "to want a home" is comparable to that of "to use language" or "to bond with their caregivers": there are human beings who are exceptions, but these are rare in the species.

¹⁸ See <<http://www.un.org/esa/sustdev/indisd/isd-ms2001.htm>> accessed 10 July 2002, covering the Habitat and Habitat II conferences on human settlements, the Commission on Human Settlements, and the Global Shelter Strategy.

¹⁹ Both "less developed countries" (LDCs) and "unsatisfied basic need" (UBN) are technical terms: the United Nations regularly updates its list of LDCs, determined by indices of life expectancy, literacy rates, and access to health services and safe water.

²⁰ See the International Covenant on Economic, Social and Cultural Rights; the International Convention on the Elimination of All Forms of Racial Discrimination; the Convention on the Elimination of All Forms of Discrimination Against Women; and the Convention on the Rights of the Child.

²¹ The PQLI and the HDI are instruments used by the United Nations, but sometimes criticized for having too few variables and being too strongly tied to health and education; the Human Suffering Index and the Human Poverty Index are often added.

that they are not intended as *permanent* dwellings for their tenants, and are not inheritable; they are *temporary* housing for low-income tenants working their way out of poverty. These projects undermine their own goals: the depth of psychological commitment that leads to family and community stability is incompatible with the inherently temporary arrangement. On the other hand, if governments put their efforts into improving market conditions—lowering interest rates, facilitating access to credit, tightening regulation and enforcement—and depend solely on the private sector to enable the poor to *own* homes by financing mortgages, then we have moved far from Plato’s policy in the opposite direction. And here we reach the philosophical crux of the matter: what level of risk for what level of gain ought to be tolerated in a just society?

In Plato’s view, when farmers need seed, or merchants capital, they can pledge a harvest or anticipated profit, but it is unthinkable that a borrower’s family should lose the *homestead* if draught, locusts, or an economic downturn should strike. Rather, the lender shares the risk. In the West, government also shares the risk through disaster relief for farmers and bankruptcy protection for merchants—it establishes a limit on loss, a safety net. We believe that legislatures should move toward such protections for borrowers and lenders, thereby spreading risk.²² But the reality in most of the world is that governments lack the funds to insure against natural disasters, much less business losses. Thus all risk is shifted to the lender, and the risk is high because foreclosure—which is a real possibility in the U.S.—is rare or nonexistent outside the West: even where permitted under law, enforcement is either lax or effectively prevented by judicial systems, if not by neighbors. If a lender, whether private or not-for-profit, cannot foreclose under any circumstances whatever, s/he cannot lend, or cannot lend at rates the poor can afford to pay, so the cycle of poverty remains unbroken.²³

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²² We say *governments* but acknowledge that in countries where corruption is particularly widespread, government is a negative influence on housing markets.

²³ See Hernando de Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (New York : Basic Books, 2000).