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# Housing policy in the political agenda: the trajectory of Portugal

## Summary

*Housing policy, a field located at the junction between welfare and spatial planning, is a key component of urban agendas. This chapter refers to the trajectory of housing policy in Portugal exploring how, and to what extent, housing has constituted a growing matter of political attention, in a country that – formally - has no urban agenda, but where significant interventions in the housing sector occurred in recent times. We explore how housing policy has changed over the last four decades, by adopting a multi-scalar perspective on the governance of the housing sector to show how many different actors (central and local governments, policy experts, activists, etc.) and contingent events (such as the post-2008 economic crisis or the Covid19 pandemic, whose full impact on housing policy is already evident but still difficult to grasp) have influenced these dynamics. The chapter proposes a genealogy of the emergence of the idea of “housing policy” as a matter of political attention in its own right, and its status as a component in the country’s urban agenda. A key focus of the analysis will be the relationship that has developed between Portugal and the EU – from the country’s adhesion to the European Economic Community (1986), to the Urban Agenda for the EU (2016), to the program Next Generation EU (2020).*

## Introduction

An “urban agenda” is a policy document, or a series of consistent policy measures, which recognizes the role of cities as crucial sites to address a variety of policy issues (from poverty and social exclusion, to energy efficiency and climate changes) through interinstitutional dialogue and multi-actor cooperation. Housing policy, a field located at the junction between welfare and spatial planning, has always been playing a central role in the emergence of such an agenda, both in relation to the quality of life of city dwellers, and because of its interdependence with several other areas of urban governance. In Portugal, where a national urban agenda has never been formally defined, observing the progressive consolidation of housing policy offers an interesting vantage point over the dynamics of urban policy as a whole.

Based on this understanding, this chapter focuses on the trajectory of housing policy in Portugal, trying to explore how, and to what extent, housing policy has been a factor in the emergence of the country’s urban agenda over four decades. During this span of time, housing has not only gradually emerged as a matter of political attention in its own right; but its place in the context of public policy has also shifted, as housing came to be conceptualized as key area of urban policy – while it was historically considered as a matter of public works (i.e. building public housing) at the national level, and of welfare (i.e. attributing and managing public housing) at the municipal level (Tulumello et al., 2018). By adopting a multi-scalar perspective on the governance of the housing sector, and focusing our attention on key moments in the country’s recent history, we will show how many different actors (central and local governments, policy experts, activists, etc.) and contingent events (such as the post-2008 economic crisis and the Covid19 pandemic outbreak) have influenced these dynamics.

## 1. Housing policies in the EU

Housing is a traditional object for urban policymaking, and a long-standing area of intervention for local or regional government. For the best part of the last decades, however, housing has been by and large marginalized in the policy agenda of EU member states. After significant investments in the post-WWII decades, most EU countries did not look at housing as a field of direct intervention (and especially in the form of direct provision): the focus moved instead toward regulation and stimulus of urban regeneration, while social housing stock began to be dismissed (Lundqvist, 1992; Whitehead & Scanlon, 2007; Whitehead, 2017). Since the 1980s, there have been few exceptions to this trend, which include housing programs like the Programa Especial de Realojamento (PER, Special Rehousing Program, see below) in Portugal, and the successful pressures by Eastern European countries to be allowed to use EU Structural Funds for refurbishing their housing stock (Tosics, 2008).

All in all, at the continental level, decades of public disinvestment and the increasing role of housing as financial asset, has contributed in creating a structural lack of housing opportunities, although the scale of the problem differs among states and regions. Several studies, in different moments in time, have pointed to the social and economic consequences of this trend (DG/RES 1996, Stephens et al. 2015, Farha 2017). In 2018, the European Commission has measured the gap between actual and desirable housing investments in the EU at €57bn per year (EC 2018: 40-41). Moreover, the economic crisis

of 2008 exacerbated housing issues in several member states and in a certain number of urban areas. Indeed, some have described the spread of housing crises in Europe as the result of an increasing tension between the idea of housing as a commodity and the idea of housing as fundamental right (Rolnik 2013; Tosics & Tulumello 2021). At the same time, the economic crisis has called into question the long-term, downward trajectory of housing policies across the continent.

While Member States have never delegated to the EU any *de jure* competence over housing, the latter has historically exerted a visible *de facto* influence – both in technical and political terms – over its development, (Chapman & Murie 1996; Kleinman, 2002; Barlow, 2005[1998]; Doling, 2006; Allegra et al 2020). Allegra et al (2020: 15) mention four channels through which the EU has impacted national policymaking: the implicit and symbolic conditionality inherent to Portugal’s adherence to the EU; the effects that the EU-induced financial stability and the availability of European funds have had on the local housing policies; the harsh impact of austerity measures on government spending and on the progressive financialisation of the housing sector; the travels of ideas, paradigms and debates between EU and national arenas.

In recent years, however, housing issues have been at the centre of growing attention. The EU has identified housing as a key component of its Urban Agenda (Pact of Amsterdam, 2016), and the Action Plan of the Partnerships on Housing (2018) was one of the Agenda’s first documents to be published (Purkarthofer, 2019). The European Pillar of Social Rights (2017) declared that “access to social housing or housing assistance of good quality shall be provided for those in need”. This renewed interest resonates with international documents such as the UN’s Sustainable Development Goals (UN 2015), and Habitat’s New Urban Agenda (UN 2017), which in turn place considerable emphasis on housing. It is too early to say whether the contents and approach of these documents have already trickled down into government priorities – e.g. 2019 Eurostat data on public spending in housing do not signal any recent growth.<sup>1</sup> And yet, some Member States (such as Spain and Portugal) have launched new rounds of policies, while several cities (e.g. Vienna, Berlin, Barcelona) have tried to introduce local regulations on housing prices and on economic activities (like short-term rentals) considered to be responsible for the growth of real estate prices (Gennburg & Coulomb, 2020; Tosics & Tulumello, 2021).

Portugal represents an interesting example of such a trajectory. The structural problems of the housing sector (in a country where the proportion of social housing in the total housing stock is among the lowest in the EU – around 2% of the total) were magnified by the harshness of the economic crisis (2010-2014) and of the austerity measures dictated by the Economic Adjustment Programme (2011); and, paradoxically, by the swift recovery after 2014, which (especially in Lisbon and Oporto, and in the seaside destinations of Algarve) was largely based on a real estate investments and tourism boom. The combined effect of persistent economic inequalities, low salaries, and skyrocketing real estate prices brought about a severe housing crisis, which in turn contributed in bringing the issue of housing rights to the limelight again, pushing the government and parliament to act, producing, respectively, a number of programs and a framework law for housing (see Section 5); although it is early to assess the impact of the Covid19 pandemic on housing

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<sup>1</sup> Eurostat data measure the overall spending for housing and linked services, public spaces, basic infrastructures and housing regeneration (but do not include contributions/tax deduction on mortgages). See [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government\\_expenditure\\_on\\_housing\\_and\\_community\\_amenities](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Government_expenditure_on_housing_and_community_amenities).

policy, it seems the key originating factors of the housing crisis (including unsustainable growth of real estate prices) have not been substantially altered.

The events of the last few years represent only the last step of the trajectory of housing policy in Portugal. This chapter therefore provides a genealogical reconstruction of the trajectory of Portuguese housing policy in the last four decades.

## 2. After the Carnation Revolution

In the second half of XX century, Portuguese society experienced a number of rapid and far-reaching changes: a violent process of decolonization, between 1961 and 1974; an armed but bloodless revolution in 1974 that brought about regime change by ending the dictatorship of the Estado Novo (1933-1974); two years of political turbulence (the so-called “On-going Revolutionary Process” or PREC, 1974-1976); a transformation of the demographic structure of the country and a reversal of the immigration net balance; a situation of profound political and financial instability, which resulted into two rounds of IMF-imposed austerity policies (1977-1978, 1983-1985); and the country’s adhesion to a fast-changing EU as well as a process of economic, social and political modernization.

Among the challenges that stood before the young Portuguese democracy was a mounting housing crisis that would reach its peak in the late 1980s. A peculiar element in the Portuguese situation between 1970s and the 1980s was the proliferation of informal settlements (the *barracas*) throughout the metropolitan areas of Oporto and Lisbon. In the 1960s, growing immigration waves from rural areas resulted in significant pressure on the main urban centres of the country; in the 1970s, this pressure intensified as a result of the process of de-colonization of the Portuguese empire: half million of *retornados* (i.e. Portuguese nationals which had left the former colonies) arrived to Portugal immediately after the revolution, followed by significant immigration waves from the lusophone black communities of Cape Verde, Angola, and other former colonies.

Against mounting demographic pressure, the housing shortage was aggravated by the absence of a comprehensive national housing policy, and by other structural problems in the housing system – such as a construction industry based on small firms, an urban development model based on big developments, and the general weaknesses of the financing system (see Ferreira 1988: 55-60). For a long time, social housing provision was considered in Portugal in terms of “social services through public works” and on a single-program basis rather than as a proper object of urban policy and in more strategic terms (Tulumello et al 2018). The difficulty in firmly placing housing within a national urban policy agenda was deepened by the weak status of spatial planning in the Portuguese system (Campos & Ferrão 2015).

Absent a universalist housing system, in the two decades preceding Portugal’s adhesion to the EU (1986), thousands of families resorted to clandestine construction in order to fulfil their housing needs, under the combined pressure of the lack of social housing provision, and the growth of interest rates accompanying the financial crises between the late 1970s and the early 1980s – which made private market inaccessible for most households. Before the early 1990s, the country largely failed in providing an adequate policy response to this burgeoning problem, although some innovative measures were undertaken. One of them was the Serviço de Apoio Ambulatório Local (SAAL Local Support Ambulatory Service;

1974–1976), which embodied a pioneering approach to the regeneration of informal settlements, and was founded on the cooperation between “technical brigades” formed by architects and residents’ associations, the latter being an active part in the design (and, partially, also in the implementation and management) of housing interventions (Bandeirinha, 2002; Portas, 1986).<sup>2</sup>

Indeed, the demise of the SAAL and the austerity policies adopted after IMF’s first intervention in 1977 relegated housing policy to the condition of “weak pillar” of Portuguese welfare state; and inaugurated a first “housing drought” that would last until the late 1980s, when several rehousing programmes were launched (see section 3).

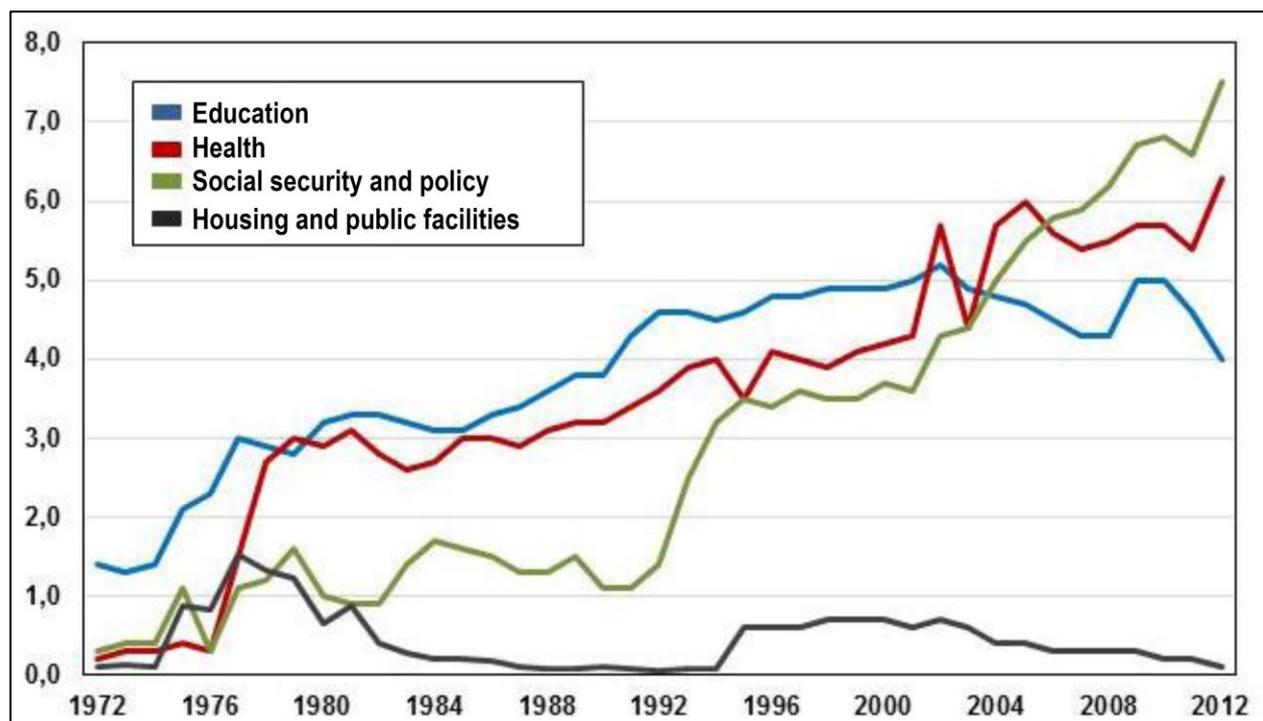


Figure 1: Evolution of main components of welfare public expenditure as a percentage of GDP (197-2012). Source: adapted from Santos et al 2014 (based on data DGO/MF and INE/BP).

As a result, by the mid-1980s, the *barracas* had grown into an important part of the urban reality of Lisbon and Oporto (Ferreira 1988). In 1993, a survey counted some 42,000 shacks in the metropolitan areas of Oporto and Lisbon alone, with more than 150,000 residents in almost 50,000 households (Guerra et al., 1999, pp. 40–41). For João Cabral, the situation of Lisbon in the early 1990s “[had] no parallel in any European city, let alone capital city” (Cabral et al 2010: 5).

### 3. Portugal’s adherence to EU

<sup>2</sup> The SAAL - a housing construction program that emerged after the Carnation Revolution to try to meet the housing needs of disadvantaged populations in Portugal - was founded on the cooperation between “technical brigades” formed by architects and residents’ associations, the latter being an active part in the design (and, partially, also in the implementation and management) of housing interventions.

Portugal's housing system has traditionally shared a number of structural traits with other southern European countries (Spain, Italy and Greece), such as high levels of private ownership (Castela, 2019); low levels of social rented housing; high proportion of secondary homes; strong role of family networks in supporting the access to home; and significant role of self-promotion in the production of housing (Allen et al 2004, Arbaci, 2019). This explains why the housing (and welfare) systems of these countries are pitted as a "Mediterranean" or "familist" model, in contrast with the "corporatist" and "social-democratic" models of central and northern Europe, characterized by a stronger direct intervention of the state (see Tulumello et al. 2018 for a critique of this taxonomic approach).

Since the late 1980s, the renewed attention of Portuguese governments for housing resulted into two key initiatives: the promotion of homeownership through a regime of tax deductions for mortgage interests to encourage homeownership (the *juros bonificados*, 1986–2002); and the launch, in 1993, of a vast rehousing program for the *barracas*, the Programa Especial de Realojamento (PER, Special Rehousing Program).

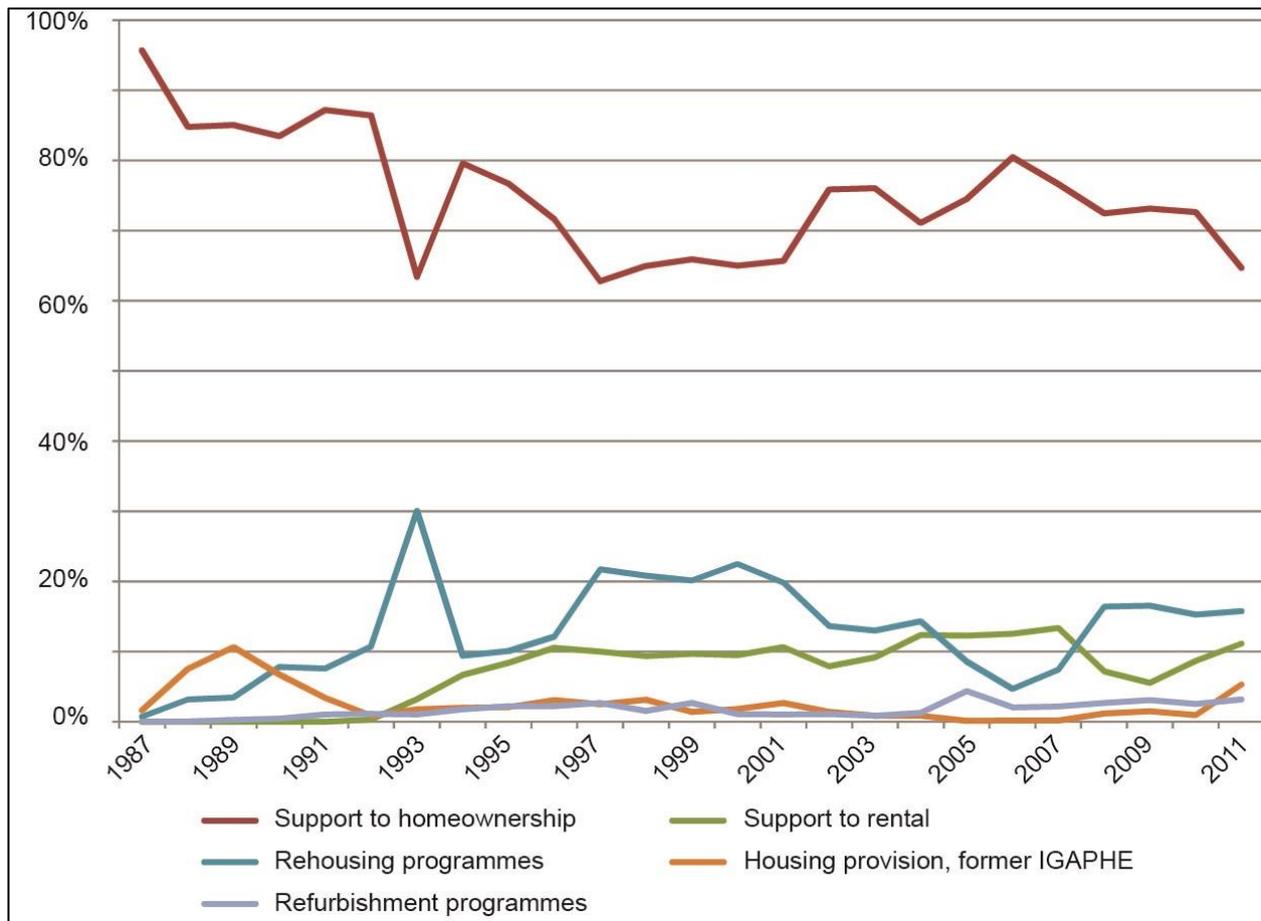
Portugal's adhesion to the European Economic Community (EEC) in 1986 represented a key factor in these developments (Allegra et al 2020, Mateus 2013), as Portuguese leaders considered it as part and parcel of a broader process of modernization of the country. This implied a program of economic and administrative reforms, and infrastructural investments, as well as, in the longer run, a progressive of "Europeanization" of policymaking. Parallel to that, Portugal's adhesion to the Maastricht Treaties (1992), and to the single European currency (1999), also implied a commitment to EU criteria of fiscal and budgetary responsibility, which would have significant consequences later on.

Right from the start, however, joining the European Community provided Portugal with a long-desired financial stability, and with fresh funds to invest (e.g. through the significant resources of the EU's Cohesion Policy, see Mata & Valério, 1993, Bouayad-Agha et al., 2013; Leonardi, 2006). While EU funds could not be used directly for housing policy they had a significant, indirect impact on the housing sector, as large EU-financed infrastructural investments (Cohesion Policy) and social programs (European Social Fund) targeted the same areas that were at the centre of the main housing crisis, including many informal settlements. Furthermore, low interest rates greatly enhanced the impact of the policy of *juros bonificados*. As a result, in the 1990s (when average interest rates fell by two thirds) government subsidized approximately half of all mortgage contracts signed in that period, which also contributed to a rapid growth of private and family debt (CRISALT, 2013; Carmo et al, 2014; Santos, Teles, & Serra, 2014; Santos, 2019). Indeed, support to homeownership (through subsidised mortgages) has been for long the only Portuguese housing policy implemented in a coherent fashion and on a large scale. Between 1987 and 2011 subsidies to mortgages absorbed 73,3% of the national budget allocated to housing policy, while only 17.9% was spent on direct housing provision (and mostly on rehousing operations), and just 8.7% on subsidies to rent (IHRU, 2015, p. 4; see also Castela, 2019; Santos, 2019). For these developments, the (implicit and indirect) role of the EU has been twofold: in general, the shift toward the support to homeownership was the counterpart of the retrenchment of welfare policies (including direct provision of social housing) that marked EU policies at the time (cf. Kleinmann et al., 1998); in particular, promotion of homeownership (together with an increase in labour mobility) was considered one of the benefits deriving from the

reduction of the cost of borrowing allowed by the integration of financial markets (see e.g. Doling 2006, on the 2004 Kok Report).

At the same time, Portugal's adhesion to the EU added to the local political momentum toward a more energetic approach to the situation of the *barracas*. Since the late 1980s, a more exact conscience of the problem had formed in the policy community (Ferreira, 1993, Cachado 2015), and the reality of the metropolitan peripheries had emerged as a pressing social issue. Political campaigns by grassroots networks and by the socialist party put increasing pressure on the centre-right governments led by Anibal Cavaco Silva (1985-1995). In 1987, a general framework for rehousing in other locations the residents of the *barracas* was introduced (Decree-Law 226/87), which provided the administrative and financial basis for the so-called Planos de Intervenção a Médio Prazo (PIMP, Medium-Term Intervention Plans) implemented by some Portuguese municipalities in the following years. In 1993, the government launched a more comprehensive "housing package" whose key element was the above-mentioned Programa Espacial de Realojamento (PER, Special Rehousing Program). This was followed, in 1995, by legislation on the so-called Áreas Urbanas de Génesse Ilegal (AUGIs, Urban Areas of Illegal Origin, Law 91/95), which only included certain categories of unlicensed constructions – and mainly detached houses built mainly in the 1960s, where no significant conflict existed with current land-use schemes, and where owners had the financial and organizational resources to invest in the process of requalification and regularization, see Raposo and Valente (2010), Cachado (2013).

The PER, in contrast, had the declared purpose of solving once and for all the issue of the *barracas* in the metropolitan areas of Lisbon and Oporto. In quantitative terms, the PER proved to a large extent its effectiveness in reducing the problem of *barracas* – although it did not solve it completely: a recent national survey found that, of the 18,000 households needing rehousing in the metropolitan areas of Lisbon and Oporto, at least 12,000 are still living in self-built housing (IHRU 2018, 31). In its basic traits (i.e. its nature as an *ad hoc* program; the emphasis on new construction and resettlement rather than regeneration; the extensive reliance on large residential projects of social housing, etc.), the PER was hardly an innovative program: indeed, it was more reminiscent of large housing program carried out in other European countries in the 1950s and the 1960s. Moreover, the PER remained a single-issue program targeting a specific sector of the population, i.e. the impoverished and marginalized residents of the *barracas*. All in all, between the late 1980s and the early 2010s, the lion's share of public investments in housing policy continued to be directed at supporting homeownership (Fig. 2).



**Figure 2: Distribution of national public spending for housing (1987-2011).**  
Source: adapted from IHRU, 2015

Despite its shortcomings, the PER represented undoubtedly a turning point in the field of housing policy. For example, it gave municipalities a relatively large room of manoeuvre in the local implementation, due to the somewhat vague policy guidelines provided by the government, and the lack of a proactive governance of the process on the part of the IHRU (the Institute for Housing and Urban Refurbishment). In turn, the municipalities differed greatly from one another in terms of the scale and nature of local housing issues; of the resources available to them (from land to administrative competence); of their past experience with the management of housing programs; and in their conception as to the relation between housing and urban policies.

The early 1990s and the PER also constituted a key junction of the debate among scholars, practitioners and policymakers about what housing policy could and should be. The influential *Livro Branco sobre a Política da Habitação em Portugal* (White Paper on Housing policy in Portugal), published on the eve of the launch of the PER by an experts committee directed by António Ferreira, had called for a 500,000 houses program (a much vaster housing program than the PER), as well as for a number of reforms in housing policy (e.g. the creation of regional housing companies through partnerships between the state and the local authorities; reforms of the rental market; the diversification of housing policy's funding sources; the mobilization of publicly-owned land to support construction plans), and a closer integration of housing policies in regional and urban planning.

The distance between the scope of the PER and more ambitious quantitative and qualitative goals prompted a wave of early criticism on the program, and especially about the lack of consideration for the resident population in the process of rehousing – famously articulated by Isabel Guerra in the slogan *as pessoas não são coisas que se ponham em gavetas* (“people are not things you can put into drawers”, Guerra 1994; Chachado 2013). The implementation of the PER during the years stimulated a comprehensive reflection on housing policy (see in particular Guerra et al 1999) that would lay the ground for important debates in the subsequent decade and beyond.

## 4. The post-2000 housing drought

The years between the early 2000s and the economic crisis of 2010-2014 present a paradox. On the one side, the planning system underwent a process of consolidation, and policy paradigms shifted toward the integration of housing policy with urban policy (Tulumello et al 2018). On the other side, the two key components of housing policy in the previous decade (i.e. support to homeownership and rehousing operations) were rapidly dismissed – thus inaugurating a second “housing drought”.

In the early 1990s, after a very slow start, local master plans began to be systematically adopted by Portuguese municipalities; Law 43/91 had created the tools for local and regional strategic action (municipal masterplans and regional spatial planning programmes), and in 1998 a comprehensive reform (Spatial and Urban Planning Policy Act, Law 48/1998) was introduced to establish spatial planning as an autonomous policy area (as opposed to a matter of public works, see Campos, Ferrão 2015, 22). At the same time, the idea of “urban policy” emerged as a key concept for policymaking: in 2002, for example, the centre-right government created a “ministry of cities”, while its centre-left successor launched its own *Política de Cidades* (Urban Policy), implemented under the National Strategic Reference Framework (QREN; 2007-2013) and its Regional Operational Programme.

During the 2000s, the role of EU in regulation and debates related to these developments remained significant. First, much of the national urban policies and strategies – e.g. the *Política de Cidades* and its follow-ups, like the program POLIS (Baptista 2013), and the *Planos Estratégicos de Desenvolvimento Urbano* (PEDU, Strategic Urban Development Plans) – were financed by EU Cohesion Policy. Second, planning reforms intended to harmonize the Portuguese system with key principles underlying strategic EU documents such as the European Spatial Development Perspective (ESDP, 1999; Medeiros 2014; see Pires 2005 for a more sceptical perspective). Various policy instruments were designed and implemented, which echoed European debates on area-based policies (EC 1997; 1998; Parkinson, 2005; Atkinson, 2007; Barca, 2009) and a decade of experience of EU programs based on formal “partnerships” between different levels of the State and diverse stakeholders (e.g. the URBAN Community Initiative and, later on, the URBACT framework) which had introduced and consolidated, in local authorities, key operative principles of EU policies designed to change the relationship between the central state and the local levels. This was, for example, the case of the pilot programme *Iniciativa Bairros Críticos* in 2005 (IBC, Critical Neighbourhoods Initiative ; see Sousa, 2008; Allegra et al., 2020).

How did all these transformations reflect on housing policies? The most ambitious (although never implemented) attempt at making housing a pillar of urban policy has been the preliminary study for a National Housing Strategy (Plano Estratégico de Habitação, PEH; 2008-2013) – which was commissioned by the government to a high-profile panel of experts (Guerra et al. 2008). Concrete steps, however, were few. The main consequences of the contemporary demise of the PER and the end of the regime of *juros bonificados* (2002) were a drastic reduction of public funds for housing (see Fig. 3), and the increasing of dependency of investments on private capital (Alves & Branco, 2018), and on the availability of EU funds for urban regeneration (Allegra et al 2020). In broader terms, it is important to locate the housing drought within the wider European climate of fiscal austerity, which pre-dates the financial crisis (cf. Lapavitsas et al. 2010). Indeed, the reforms of the housing sector passed during this period were pointing toward a diminishing role of the state as regulator of the housing market. The reform of the rental market (*Novo Regime de Arrendamento Urbano*, NRAU, New Urban Lease Regime, 2004) aimed at revitalising the market through simplification and liberalisation; and fiscal benefits were given to real estate investment funds (Law 64-A/2008, art. 71) as incentives for “urban refurbishment”.

The situation only worsened during the years of economic crisis and of austerity politics. While public expenditure in housing was reaching a historical low point (Fig. 3), a number of reforms (most of which were explicitly requested in the context of the external bailout, Tulumello et al. 2020) further reduced the role of the state as regulator: the rental market was further liberalised (which allowed the conversion of thousands of units into short-term rental; see Law 30/2012; Law 31/2012; Decree-Law 128/2014), while a new reform of the spatial planning system made supra-municipal coordination fundamentally impossible (Law 31/2014; Decree-Law 80/2015). Together with the concession of additional fiscal benefits for real estate investors, this paved the way for a cycle of economic recovery that was based on real estate and tourism (Allegra e Tulumello 2019; Allegretti et al. 2019).

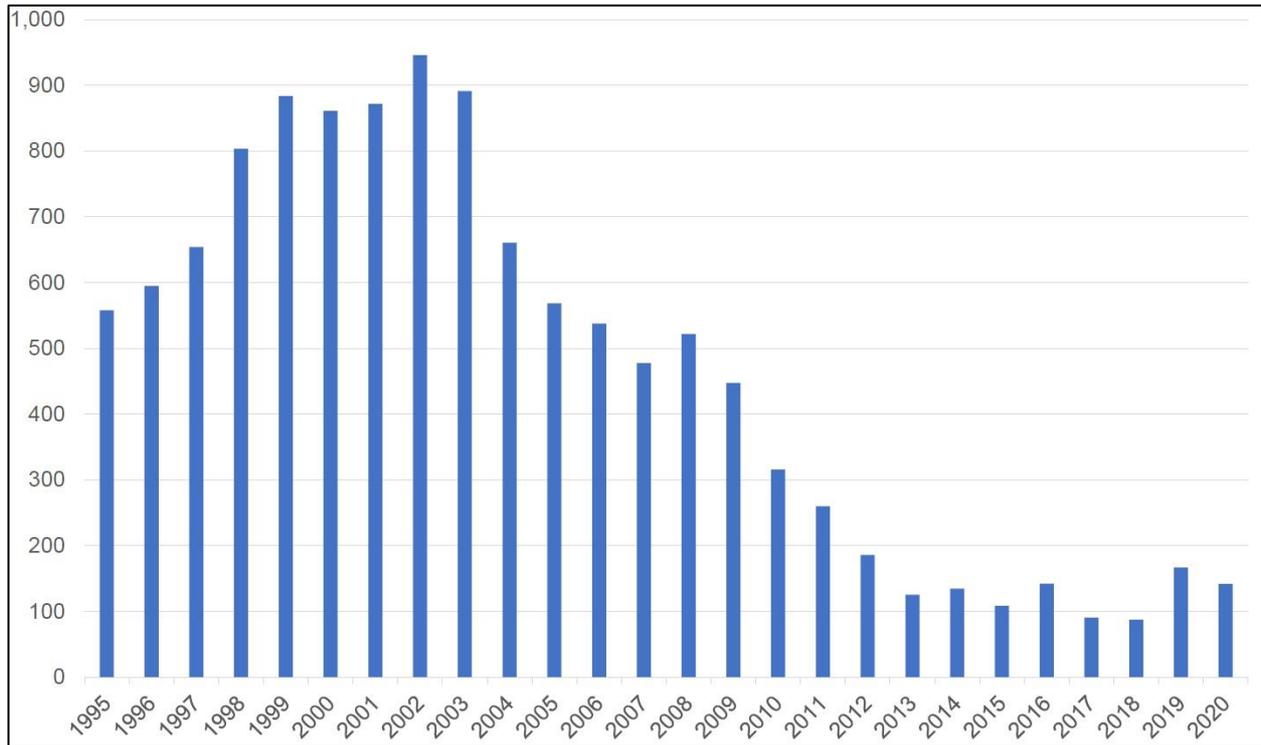


Figure 3: State expenditure in housing and collective services 1995-2020. Source: our elaboration on data Pordata (<https://www.pordata.pt/DB/Portugal/Ambiente+de+Consulta/Gr%C3%A1fico/5826223>).

## 5. Back to housing policy?

In the last five years (2016-2020) housing policy was brought back to the limelight due to several concurring reasons. The post-crisis economic recovery was reflected in the rapid growth of housing prices, especially in Lisbon, Oporto and the Algarve. The existence of a housing crisis of large proportion began to be widely discussed in the public sphere; social movements intensified their campaigns on housing issues, and in 2017 the publication of a very critical report on the country by UN Special Rapporteur on Adequate Housing, Leilani Farha (Farha 2017) was widely discussed on the media. Politics seemed to take note: housing issues became an important topic for electoral campaigning. Thus, in 2017, the socialist government appointed a new Secretary of State for Housing, who proceeded to launch the Nova Geração de Políticas de Habitação (NGPH, New Generation of Housing Policies; see SEH, 2017; 2018). At the same time, the Portuguese parliament began to work on a Lei de Base da Habitação (LBH, Framework Law for Housing), approved in 2019 (Lei N. 83/2019), in parallel to the approval of the first revision of the PNPT (National Program for Spatial Planning Policy - Law No. 99/2019). Finally, housing policy has a rather central role in the Plano de Recuperação e Resiliência (PRR, Recovery and Resiliency Plan, 2021-2026), recently approved in the framework of the Next Generation EU.

The NGPH is a broad (and rather vague) policy document, which brings together under the same conceptual umbrella a variety of policy programs and initiatives, among which one must mention the Primeiro Direito (PD, First Right), a new rehousing scheme aiming to support solutions for people living in poor housing conditions and who do not have the financial capacity to access adequate housing through market mechanisms; and the Programa de Arrendamento Acessível (PAA, Accessible Rental Program), a system of guarantees and tax incentives for landlords offering renting at 20% below the market level.

The declared goals of the NGPH are to guarantee “universal access to adequate housing” (bringing the quota of public-supported housing unit from 2% to 5% of the total national stock in eight years); to shift the emphasis of housing policies, from new construction and homeownership to refurbishment and rent; to slightly reduce the number of families overburdened by housing costs (from 35% to 27%); and to introduce qualitative innovations in the governance of the sector – “from a centralized and sectorial policy, to a model of multilevel, integrated and participatory governance”, and “from a reactive to a proactive policy, based on the sharing of data and knowledge and in the monitoring and evaluation of results” (SEH, 2018). Another notable trait of the NGPH is its market-oriented approach (Mendes, 2020). On the one side, the package includes programs aimed at mobilizing private capital – including through financial instruments – to increase the offer on the housing market; on the other hand, some measures are meant to improve the functioning of housing market by reducing informational asymmetries (e.g. through the creation of a public database of real estate transactions).

The goal of LBH is to provide the policy and legal instruments to ensure the universal right to housing, thereby giving substance to the provision of Portuguese constitution (art 65). Beyond its symbolic importance, the law shows a number of significant features, e.g. placing housing more firmly at the intersection of several areas of intervention by public authorities, and tracing a direct link between housing rights and urban and environmental policies. In this respect, the law points at the elaboration of national and local housing strategies (i.e. the Programa Nacional de Habitação/ National Housing Program and the Carta Municipal de Habitação/ Municipal Housing Charters) as crucial tools for the operationalisation of state action in this field (Tulumello & Silva 2019).

It is too early to assess the impact of this “new wave” of housing initiatives, which has started its path under uncertain political and budgetary conditions (cf. Roseta, 2020) – which now include the present and future consequences of the Covid-19 pandemic. Further legislation needs to be passed in order to fully implement the provisions of the LBH (e.g. there is no cogent element in the law that could guarantee the swift adoption of the Municipal Housing Charter by Portuguese local authorities); and some have argued (Rede H 2021b) that the recently published draft of the Programa Nacional de Habitação (PNH, National Housing Programme, 2021-2026) does not amount to the national housing strategy that is called for by article 17 of the LBH, but rather reiterates what previous documents have already said, without presenting any up-to-date diagnosis of housing issues or new regulatory measures – and limiting investments in housing policy to EU funds provided through the PRR; furthermore, the PNH draft has been released on the eve of new national elections (scheduled to take place in late January 2022), and might be amended or replaced altogether in the next future. As to some among the earliest NGPH programs to be operationalised (such as the PD and the PAA), the judgment is mixed. In fact, the PD is already in a relatively advanced stage, but has yet to produce concrete results, and its target population remains limited to those individuals and families living in unbearable housing conditions. Additionally, the state has decided to use the PRR to entirely fund the Primeiro Direito – *de facto* using European funds to substitute national investment in housing policy (see Rede H 2021a). The PAA, on the other side, has been criticized for its inability to provide affordable housing opportunities where they would be most needed, i.e. where prices on the real estate market have skyrocketed in the last few years (Travasso et al 2020). Others have raised doubts over the government’s commitment to ensure adequate financial backing to the NGPH, and on its excessive reliance on private investments in this respect (Allegra & Tulumello 2019).

## 6. Conclusive remarks

How much of what we have described amounts to a process of consolidation of Portuguese housing policy (and indirectly, on that of the country's urban agenda)? This chapter has shown how, historically, this process has been slow and ridden with contradictions, and remains by and large incomplete and, in its more recent development, difficult to assess. However, we can try to take stock of these initiatives by focusing on two key features that should define any strategy toward the emergence of a full-fledged policy agenda: a critical reflection on the past trajectory of policymaking; and the definition of an appropriate governance framework that would support policymaking.

As to the first point, there is little doubt that the NGPH, the LBH represent a further discursive step toward the consolidation of housing policy within a broader urban, inter-sectorial perspective – where housing is placed at a crossroad of different other policies, which include environmental concerns, territorial development strategies, and welfare provision. This step is coherent with the trajectory of national debates (at least from the publication of the 1993 White Book on housing onwards), as well as with continental trends – e.g. in the NGPH's emphasis on rent and refurbishment, environmental and energetic concerns, and on the mobilization of private capital. However, this step forward is largely taken at the conceptual and rhetoric level only. For example, and despite repeated calls for an inter-sectorial approach, there has been a lack of coordination with policies in fields such as tourism and foreign investments – which have had a huge impact on the housing sector, and to which housing policy has been clearly subordinated. The subordination of housing to other policy fields is also evident in a significant contradiction of the PRR: though housing is one of the main fields for investment of the plan, the national agencies with responsibility for housing have not been included in the governing structure of the plan (Rede H 2021a). More broadly, neither the NGPH nor the LBH have produced a comprehensive reflection on the institutional and administrative weaknesses that have crippled policymaking in the housing sector at the national and local level. The same lack of detail and practical innovations has been noted in relation to NGPH's calls for “a proactive policy” (SEH, 2017; see), and for a more participatory approach to housing governance that could promote, at the same time, effectiveness but also transparency and accountability of the different actors involved in housing policies (see, respectively, Allegra & Colombo, 2018, Allegretti & Dias, 2019). Indeed, strategic documents published in the past in Portugal or at European level, have addressed these issues in a much more detailed fashion.<sup>3</sup>

As to the second point, the NGPH, the LBH and the PRR guidelines are by and large silent on the subject of how the future system of integrated and participatory governance should be established (Allegra and Tulumello 2019), especially when it comes to the relation with the private actors. On the other side, neither the NGPH, nor LBH seem to question the traditional division of labour between the three main protagonists of Portuguese housing policy: the government, providing funds to municipalities through a number of programs; the IHRU, exercising a bland control on the administrative and financial aspects of housing operations; the municipalities, being largely left to their own devices as to the development

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<sup>3</sup> See, for example, Guerra et al (2008); the WhiteBook Project of Eurhonet (<https://whitebook.eurhonet.eu>); the NHLP's Green Book (<https://www.nhlp.org/products/green-book>) or the Housing Partnership Action Plan of 2018 ([https://ec.europa.eu/futurium/en/system/files/ged/final\\_action\\_plan\\_euua\\_housing\\_partnership\\_december\\_2018\\_1.pdf](https://ec.europa.eu/futurium/en/system/files/ged/final_action_plan_euua_housing_partnership_december_2018_1.pdf)) or Ipsos Mori et al (2019).

of local strategies and policies. If we look at the way this relation is played out in the program Primeiro Direito, it would be difficult to argue that the NGPH has introduced any structural innovation in this respect (although the social movements pressures have obtained the inclusion of residents' associations among the local actors that can request funding and execute the projects). While the NGPH, the LBH and the PRR put considerable rhetorical emphasis on the role of municipal housing plans as a tool for improving governance, no concrete steps have been taken to increase the capacity of the municipalities in this respect – and therefore local housing policy will remain affected by path-dependency trends related to each municipality's capacities of measuring housing needs and delivering appropriate technical and financial solutions. In fact, municipalities continue to be marked by deep asymmetries (Teles, 2021) in terms of financial and administrative resources; of their ability to define overall strategies; and of their capacity of fostering participation of local stakeholders. Absent any significant innovation in this respect, the risk is that local housing plans will simply constitute the fulfilment of further bureaucratic duties in order to access funds allocated via specific programs. Even worse, municipalities will continue to progress along the trajectory of the last twenty years or so, i.e. being charged with significant (indeed, growing) responsibilities vis-à-vis the shrinking of available resources.

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