

The Rental Market In Spain During The 20th Century: *The Special System Of Protection Of Tenants. Successes And Weaknesses In A Parallelism With The Rental Market In Recent Years*

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Abstract

In February 1923, Francisco Franco (Generalissimo and head of state in 1936-1975) rented a house in Madrid. In doing so, he submitted to very specific lease clauses, like all Spaniards. The rent was the same for all people, regardless of the importance or the position that person held at the time. Lease clauses have been common in rentals at any and all times. And so it is today. For most of the 20th century, urban leasing legislation was based on measures that tended to protect tenants and merchants over landlords. The main characteristics of this regime, which modified the system of the previous century, were the forced extension and limits to lease price increase. The succession of different governments was not a factor that influenced the durability of these measures. Factors such as the First World War, generated inflation with the consequent increase in rents and the lack of a solution to the housing problem, and this, added to the new vision of property from its social function, led to the changes. After the Civil War and once the Franco dictatorship was established, the rules that had been regulating the urban rental market since 1920 were consolidated. Thereafter the system was maintained, in substance, with some partial reforms. The analysis that is attempted in this work covers those years from the 1920s, through the 1946 codification that ended up modeling the legal rental regime until up to 1985 when the forced extensions were suspended and then ceased to be contemplated in the 1994 Law, adding some reflections on the current context following the 2013 and 2019 reforms.

Keywords: Urban leases, housing, real estate market, Dictatorship of Franco, compulsory contracts extension, exercise of free will in contracts. (no entiendo esto).

Introduction

On February 23, 1923, Francisco Franco rented a house in Madrid from Don Roberto de Carlos Abella, at the annual price of three thousand seven hundred and twenty pesetas. That rental contract included a series of clauses that allow us to understand what house rental was like at that time, in view of which the question of the changes that have taken place arises, since the issue of rentals continues to generate strong controversy today. .



Rental contract of Francisco Franco. Family file.

This paper will analyze the changes that have occurred within the urban rental legislation in Spain since the 1920s, with the establishment of a special regime for the protection of tenants, up to the present.

It was a regime that modified the contractual mechanics of the previous century in that matter and that was maintained up to the last years of the 20th century. In spite of the different governments that followed one another, the norms that regulated this market, in substance, did not change. An institutional arrangement between political opinion laid the foundations for this system that, structurally, was characterized by measures that tended to solve the housing deficit and protect urban tenants, such as forced extension of leases, with a few exceptions, limits to the increase in rent, differentiation between protected properties and new free rent properties, and the intervention of public authorities.

The years of Franco's government did not modify these rules in favor of the landlords; Quite the contrary: it was the way to support and promote their housing policy and, according to some opinions, to legitimize themselves socially (Fernández, 2020).

Hand in hand with the freezing of rents, this option cannot be separated from Franco's social policy, especially from the fact that the authorities welcomed the creation of a mass of owners as a bastion of stability against the traditional model of liberal society, which was characterized by generating a huge mass of the dispossessed. (Artola, 2012; Aboy, 2003).

With the Decree of 1985 and the Law of 1994, the forced extension ceased to apply.

The reforms of 2013 and 2019 followed. Even today the conflicts persist despite the fact that the regulations modify the main clauses of the contracts trying to provide solutions. That is why, at some point, a parallelism could be drawn between the situation of city tenants at the beginning of the 20th century and the first two decades of the current century. At the end of this study, some reflections will be addressed in this regard.

Objectives

General

Analyze the evolution of the main aspects of the urban location between 1920 and the present, from the perspective of protection of tenants.

Specific

Compare the situation of tenants and owners before and after the special system of forced extension and rental limits was established.

Inquire about the housing policy of the Franco regime.

Compare the decrees and laws issued between 1920 and 1985, in terms of their content and reasons for their durability over time.

Problem/Research Questions:

How have the main clauses of urban rental contracts changed historically since the 1920s?

Can it be affirmed that the system of the 1946 Law attempted against the autonomy of the contractual will of the owners?

Urban rental legislation, did it serve as a political tool for the social legitimation of the Franco regime?

Are the problems faced by tenants today similar to those of the early 20th century?

Hypothesis

The housing problem and the conflicts between owners and tenants, typical of the urban rental market at the beginning of the 20th century, did not cease to exist with the enactment of the special legislation of 1920 nor with the following one, although the situation of the tenants was significantly improved. Nor did they cease

to exist with the regulations currently in force - which follows the system of the 1994 Law. It would seem, then, that without some type of mechanism that limits the increase in income, it is very difficult to overcome this conflict of years, especially if wages do not increase at the same rate as rents and the financing to acquire a home is not of easy access.

Background - Theoretical framework

The present work is framed within the broad field of the housing market that affects both the economy sector as well as the juridical-legal regime and the social policies of a State. The possibility of access to housing is one of the fundamental issues that can affect families within a community.

The legislation of 1920 arose from an institutional agreement or political pact that tried to solve the housing problem of that time (Artola Blanco, 2012). According to the same author, it was not due purely to economic factors, but was strongly influenced by the new vision of property from its social function that prevailed in public opinion at the time.

Tenants' associations played a decisive role in the dictation of the new legislation (Gonzalez Guzmán and Sabaté, 2017).

Tenant protection measures continued to be applied, decree after decree, until 1985, when the forced extension of leases was suspended. Once the special leasing regime began to be applied with all its protective measures for tenants and merchants, the political-economic and social situation made it very difficult to return to the previous system due to the subsequent political cost. Once the Franco regime was established, housing and housing policy gained great relevance and, according to some opinions, it was, together with the lease legislation, the social legitimization tool of the Franco regime (Fernández and Hellín, 2018). Hand in hand with the rental freeze, the promotion of the housing market was an essential part of Franco's social policy. It is also worth mentioning that the authorities welcomed the creation of a mass of owners as a bastion of stability against the traditional model of liberal society, which was known for generating an enormous mass of dispossessed. (Aboy, 2003). However, some authors note that Franco's protected housing regime was never successful (Lopez Díaz, 2003). This policy, in short, was not aimed at helping the plaintiff but rather the builder (Fernández et al., 2020).

With the 1985 Decree, the forced extensions were suspended and the 1994 Law no longer contemplated this possibility, pursuing the objective of encouraging the construction of houses and premises. The main reform that this regulation received was in 2013 to further encourage rentals and make them more flexible. Later, in March 2019, Royal Decree Law 7/2019 returned, in many aspects, to the 1994 system.

In the opinion of some authors, it is possible to draw a parallelism between the problems that tenants had to access housing at the beginning of the 20th century and in the current era (Gonzalez Guzmán and Sabaté, 2017), although the situation of the pandemic of the coronavirus has precipitated certain conflicts and makes comparative analysis more complex, without the need to reach the extreme case of tourist rentals (Sánchez Pérez et al, 2021).

Method and material to use

This work follows a type of qualitative analysis, with an explanatory type design that includes contrasting techniques (analysis and comparison of the sources involved).

The main sources are documentaries, primary and secondary: Legislative texts -mainly the Royal Decrees and Laws of the period studied in addition to the Civil Code, articles of national doctrine, journalistic comments with opinions and material extracted from the legal reality addressed as examples. or models.

The main method used is that of analysis and synthesis, since the object of study requires a legal technical analysis of the different sources, separately but also as a whole. At the same time using the historical-logical method for collecting information on the phenomena involved according to their chronological order to then assess them and draw conclusions.

The urban rental market between 1920 and 1960.

The urban lease system had legislation protecting tenants' rights for most of the 20th century. The rules that regulated the rental market were substantially modified, especially in the period between World War I and the end of the Civil War, compared to the regime of the previous century.

This special regime, whose definitive codification was established in 1946, was strongly influenced by a new vision of urban property that was generalized among public opinion, which emphasized its social function and, therefore, put the rights of tenants and merchants over those of owners. These changes were also propitiated by other factors, such as the high inflation of the time or the reduction in residential investment, which aggravated the housing problem.

Royal Decree of 1920. First forced extension of urban leases.

During the period from 1920 to 1960, the main characteristics of the rental market of this special regime were: a) the forced extension of lease contracts, except for exceptions; b) the regulation of the rental price by the public authorities; c) the differentiation between old protected income and the new free income properties and d) the permanence of these norms over time despite the different political signs that followed one another.

The new legislation passed in 1920 (Royal Decree of June 21 known as the Bugallal Decree) was not the product of purely economic factors. As indicated before, the new vision of the social function that property should have had a key influence. According to Artola Blanco (2012), the reform was due to an institutional arrangement that favored its perpetuation. Conflicts between landlords and tenants were not new, they had been latent for a long time, but the extension of contracts and the supervision of rents by the authorities created a favorable scenario for the aggravation of these differences, a factor that made it progressively more difficult to return to the legislative situation that existed before the war.

The regime of the mid-nineteenth century was characterized by confiscation and contractual freedom. Urban property was concentrated in a small number of notables and bourgeois who acquired properties to ensure an income. This class of financiers carried out, at the same time, the work of real estate development and leasing. As private investment was not able to provide housing at affordable prices, the housing problem worsened. Industrial development in cities increased the need for labor and housing; but the supply was stagnant, causing problems of overcrowding and substandard housing.

Added to this were the consequences of World War I, which, despite Spain's neutrality, affected, and very much so, the Spanish economy. In the housing sector, this condition translated into a rise in construction costs, in difficulties to import materials and population growth. In return, commercial exports increased exponentially thanks to Spain's neutrality. This contributed notably to domestic inflation, which was not accompanied by a corresponding increase in wages and which exacerbated the housing crisis, fueling a bubble in rental prices (González Guzmán and Sabaté, 2020).

As a result of rising rents, tenants and merchants mobilized and questioned the existing *status quo*. One of the clearest expressions of this new movement was the creation in 1919 of the Madrid Residents' Association - with antecedents in the League for the Defense and Provision of Tenants established in Madrid in 1911. They set out to end the injustices and to do so, in the short term, they proposed adopting drastic measures such as restoring rents to the level they had had in 1914 as well as suspending all evictions. In the long term, its objectives went beyond solving a specific problem. They argued that the rental market should be assessed by public authorities and that they should commit to promoting access to housing through the construction of accessible houses.

For González Guzmán and Sabaté (2020), it was a movement that has gone mysteriously unnoticed in the history books and that explains, to a large extent, the dictation of the 1920 Decree. The social unrest of the time was promoted for the most part by the labor movement, however, and although there are not so many studies on the subject, tenants' unions emerged strongly to confront urban rent-seeking and poor housing conditions.

During 1919 and 1920 parliamentary groups presented various bills to regulate the urban property rental market and try to resolve conflicts. The important thing to note is that the regulation of the rental market had

a diversity of political support that included parties of the left, but also some conservative deputies. All agreed that the solution to be adopted, whatever it was, should consider the nature of the property.

The new legislation approved in 1920 derived, among other causes, from the criticism that the political class made of urban rentals. The project that finally came to light included the fundamental proposals: The mandatory extension, for the first time, of urban lease contracts and the limitation of rent increases above the levels existing in 1914.

The scope of application of this measure was limited to provincial capitals and towns with more than 20,000 inhabitants (art. 1).

If the rent had not been updated since December 31, 1914, between 5 and 10 percent was allowed in relation to the values of that moment. According to art. 2, the owner could only request the eviction in the event of non-payment of rent.

The art. 3 of the Royal Decree detailed the assumptions to deny the forced extension, which from the Urban Leasing Law of 1946 and subsequent ones was developed as exceptions to the forced extension (Argelich Comelles, 2017): i) the requirement of the home or premises by the owner for himself or his direct relatives, or to establish his own industry there; ii) provide the tenant of the property a destination other than the agreed one or the performance of works that would alter the building; iii) the request for denial of the forced extension by the majority of those who lived on the property with reference to a specific tenant; iv) the subletting of the dwelling or business premises by the lessee without the lessor's permission.

As a counteraction to these measures, the owners began to transfer to the tenants some expenses directly related to the property, such as the cost of improvement works, the rise in tax pressure or the increase in supply costs.

By extending contracts and freezing rents, this system was difficult to change. Reversing these measures could hardly be achieved due to the political cost involved in trying to return to the previous framework. In principle, the legislation was to apply for approximately a year and a half, until the end of 1922, and while the exceptional circumstances lasted. However, the practice of extending the legislation for one or two years with some modifications became general. These measures ultimately caused a decrease in rental housing. As the housing problem continued, successive governments and political regimes simply limited themselves to encouraging residential investment as a way of establishing a provisional settlement. (Argelich Comelles, 2017; Artola Blanco, 2012).

Royal Decree of 1923 and successive ones up to the Law of 1946. Contingency measures of 1956 and 1964.

From 1923 the dictatorship introduced a series of changes that tried to normalize and improve the situation for the owners. It authorized a ten percent increase in the rent for leases that had been in force for five years. In practice, the measure could be applied on two occasions (1925 and 1930). In theory, rents for old rentals rose by 21 percent with respect to the level of 1920. Progress was made with the possibility that properties with higher rents would be left out of the lease legislation, declaring free the new rents that were not extensions and whose rent exceeded 500 pesetas per month (Gonzalez Calleja, 2005).

The Royal Decree of December 1923 extended the scope of application of the forced extensions by determining that it was applied to populations of more than 6,000 inhabitants with the aim of reducing social conflict. It also provided that the extension did not apply to buildings that had not been occupied before 1924, thus dividing the system between old rental properties with forced extension and new free rental properties (Argelich Comelles , 2017).

The Republic's urban lease policy was aimed at increasing the protection of tenants. The indefinite extension continued until a law was approved that would serve as a definitive framework. However, beyond this purpose, a bill was never presented. The Royal Decree of 1920 was extended by means of successive provisions until December 1931. The action of the Republic was limited to the introduction of a series of minor changes, among which the prohibition of new increases in the rentals of buildings with old rent stands out. (Decree of December 29, 1931). In general, it can be said that there was a relaxation in the solution of access to housing, since the Decree of December 29, 1931 excluded certain dwellings from the forced extension, also expanding the causes of inadmissibility of the extension, reasons why which its application

was attenuated. According to art. 1, a lease could be extended at the will of the tenants. The art. 2 specified the properties that were not subject to the extension, for reasons related to the object and time of granting of the lease, in particular newly built homes, an exclusion that could only be justified by promoting the construction of new homes. The art. 5 contained the inadmissibility of the extension of the lease in cases of need by the landlord, non-compliance with the destination of the dwelling agreed by the tenant, and due to disagreements with the other neighbors.

The consolidation of the Franco regime came with the commitment to access to home ownership by individuals. The framework that was imposed sanctioned the pre-existing principles – extension of contracts and freezing of rents.

It is well known that the outbreak of the Civil War caused a convulsion in the Spanish economy. In addition to the destruction and seizure of real estate by the forces of both sides, the rental market had the peculiarity that it was regulated by a series of extraordinary measures. In the main, these measures were aimed at reducing the price of rents.

Through art. 1 of the Decree of November 1, 1936, the provisions subsequent to July 18, 1936 that had not been issued by the Francoist Military Authorities were abolished.

Therefore, until the approval of the Urban Leasing Law of December 31, 1946, the 1931 Decree continued to apply.

Given the prohibition of eviction for non-payment and the flight of the owners and administrators due to fear of violence, it is very possible that the payment of rents was not effective during those years (Artola Blanco, 2012).

The rebel side established, among other exceptional measures, total or partial exemptions from the payment of rent for various groups (Decree-Law of May 28, 1937). Beyond these exceptional regulations, the Franco regime consolidated the legislative framework prior to the war with some significant innovations (Law of May 7, 1942). A new delimitation was established between protected dwellings and those declared free. The new regime established that, henceforth, properties inhabited for the first time since 1942 would be considered exempt from the special system. The immediate consequence was that many of the owners of free-rent buildings found themselves subject to this special tenancy legislation. The third change operated by the Franco regime, which affected the owners even more, was the imposition of a devaluation of the real value of the rental of the old rental buildings. The Franco dictatorship did not authorize any rent increase during the war or in subsequent years. The inflation of the period markedly reduced the effective value of rents that had not risen since 1930.

The spirit of this policy was definitively established in 1946 with the law that included the regulations on urban leases issued up to that time (Law of December 31, 1946) and which was the first attempt at permanent and special regulations on the matter, according to the needs of the time.

This common body of regulations tried to solve multiple aspects, such as limits on subletting, rights of family members to extend the contract, right of first refusal of tenants in purchase and sale operations, eviction for the construction of new homes, etc. . The basic principles of the previous tenancy laws remained in force, such as the division between new buildings, those declared free, and old buildings, subject to the extension of contracts and rent supervision by the public power. One aspect of the forced extension is that the law extended it through *surrogacy mortis causa* to relatives up to the third degree by consanguinity or affinity who lived in the home one year before death (art. 71). Two exceptions to the forced extension were established, which were already contained in the Decree of December 1931. On the one hand, the need for the lessor or his relatives up to the third degree of consanguinity and, on the other, the demolition of the property to its subsequent rebuilding with the requirement to build a third more houses than there previously existed. (arts. 77-101 and 102-117).

The 1946 Law definitively strengthened the protection system for tenants, considering that the benefit of the forced extension was inalienable for the tenant, while the rights for the landlord were waivable.

Maintaining a housing rental market intervened by the public powers was the cornerstone of the Franco regime. From then on, the authorities limited themselves to establishing new boundaries between old-rent dwellings and free dwellings, which determined limits on rent updating. At the same time, mechanisms were introduced for the review of rents every five years (Law on urban leases of December 22, 1955). The only

rents that could be agreed upon freely were those that corresponded to dwellings built or occupied for the first time as of January 1, 1942. The forced lease of unoccupied or uninhabited dwellings that the owner did not want to occupy or lease was also established, to the extent that this would be useful given the existence of potential tenants and the housing shortage (Argelich Comelles, 2017). Subsequent laws sanctioned this protection policy for tenants of old rental buildings, perpetuating the model until 1985.

It has been claimed that this transformation shaped a substantially different real estate market from the one that existed in the rest of the European countries (Artola Blanco, 2012), where the rental market continued to operate dynamically.

The 1946 Law, according to some authors, involved an open questioning of the autonomy of the right of the owner who wanted to terminate the lease, and its replacement by imperative precepts, as well as the denial of profit expectations of the owner (Pacual Nieto, 1949; Carnicero et al, 1947; García Royo, 1947; Reyes, 1949). The freezing regime, for Cotorruelo (1960), far from providing an answer, meant penalizing new private investments in rental housing and marked the future of what the real estate market would become.

The 1946 Law was not enough to improve access to housing in a context of scarcity, nor was it able to rebalance the position of the parties in the lease. As contingency measures, the amending regulations of 1956 established, on the one hand, the forced leasing of unoccupied dwellings and on the other hand, the social eviction of uninhabited dwellings.

The 1964 Decree was intended to achieve a real balance between the parties to the lease and decouple the lease legislation from the economic situation. The contingency measures mentioned above were adopted for the last time. The forced extension of lease contracts was maintained with maximum retroactive effect. Nor could this regulation completely unblock the existing income limitation together with the forced extension. Only leases after 1964 could be agreed with free rent and without transfer of housing.

The economic policy measures of Royal Decree-Law 2/1985 and the 1994 Law. Suspension of the forced extension.

The Royal Decree-Law of April 30, 1985, on economic policy measures (popularly known as the "Boyer Decree"), provided that, as of May 9, 1985, the forced extension for future leases was henceforth suspended with the main objective of stimulating the construction of housing and premises for rent. Rentals prior to its entry into force continued to be covered by this forced extension, on the other hand, subsequent ones were subject to this tacit renewal of the Civil Code, unless the parties had explicitly or implicitly agreed to submit to the forced extension regime (Fernández, 2011). It became advisable that, in cases where the forced extension was not really wanted, but clauses on rent review were included, it should be clearly stated that the contract was not subject to the extension (Argelich, 2017). According to statistics from the 1991 census, approximately half of the owners who rented homes after 1985 set a completion term, of which 63.5% did so for a period of six months to one year and 35% for more than one year, reducing the terms agreed in housing lease contracts (National Institute, 1991).

Finally, Law 29/1994, of November 24, on Urban Leases did not contemplate the forced and indefinite extension for new contracts ~~or~~ nor other forms of forced leases. The rental market at that time was configured as follows: On one hand, contracts that expired before 1985 enjoyed this forced extension combined with low and anti-economic rents, especially those of contracts prior to the 1964 rule; On the other hand, the contracts signed after the Royal Decree-Law of April 30, 1985 with high rents and a high occupational turnover.

Some conclusions on the regulations of the period considered

As can be seen from the foregoing, during the second half of the 20th century there were not many options: The private rental market was left behind on the margins of the system, and the alternative of social rental was not even contemplated. This, without a doubt, influenced another differentiating element: the importance acquired by the construction sector in the country's economic structure (Mas, 1996).

Legislation that began in 1920 and was extended through governments had long-term consequences that resulted in two long-lasting social processes. On the one hand, the decrease in rental value with the clear weakening of the position of the owners driving them to sell their properties during the following decades and, on the other, the generalization of urban property (Artola, 2012; Argelich, 2017).

The lease legislation imposed a long-term decrease in urban income in real terms, so the relationship between these regulations and the weakening of the position of urban owners is evident. Beginning in 1920, the year the first tenancy decree was enacted up to the Civil War, rents tended to grow at a level higher than inflation. In contrast, during the Civil War and the 1940s, the nominal freezing of rents in an environment of high inflation had a strong impact on the economy of the owners.

For Artola Blanco (2012), the fact that there was no policy in favor of landlords is explained by several reasons. On the one hand, the adoption of these measures meant a certain concession to the social policy defended by the Falange party, which clearly manifested itself against the interests of rentiers (López Díaz, 2003). In addition, the freezing of rents allowed the regime to please merchants, industrialists and tenants, in an attempt to secure a broader social base. The owners could not resist this policy because they were clearly in a weak position. As an example, we can mention the evolution of the Chambers of Urban Property that in the 19th century articulated an effective defense of the interests of the owners but that at the end of the Civil War was debilitated and could not oppose this policy. Rodríguez Chumillas (2002) comments that, when in 1919 the mandatory registration of urban owners in the Property Chambers was decreed, the actions of this movement were already in considerable decline.

During the first third of the 20th century, the essence of the real estate business continued to be obtaining income through leasing. Since 1920, coinciding with the first legislative intervention, it has been the object of attention on the part of the owners who abide by it, not so much because of the limitation that the rates represent on the income obtained, but because of the duration of the rental. The bourgeois associationism of the 19th century remained without substantial alterations in its ideas and action, but it could not develop beyond the first years of the 20th century, revealing more intensely than ever the conservative and uncritical position that these groups of owners maintained. without conceptually evolving at the rate that problems linked to the city and urban property did. (Rodríguez Chumillas , 2002).

To ensure that there would be no opposition in the future, the Franco regime assumed almost absolute control over the appointment of its governing boards, denying the owners the possibility of organizing themselves independently to defend their interests.

It can be concluded from what has been said that the Francoist policy tried to get rid of a whole class of rentier owners who opted, over the following decades, to progressively sell their properties, as the horizontal property regime developed.

The other long-term consequence was the progressive generalization of home ownership among Spanish families. Governments put their efforts into promoting residential investment in the face of the progressive disappearance of the economic agents that until then had hegemonized the sector.

In the time before the Civil War, the political class did not have a defined project to solve the housing problem, therefore, while seeking means for the subsistence of investment by rentier owners, it promoted construction of cheap houses. It is worth noting that, on the two occasions in which there was a significant change in the legislation on urban leases, laws were soon passed that sought to promote the construction of cheap houses (Law of 1921 and Law of 1924). Although these regulations were quite limited in scope, only the 1924 Law provided the basis for a growth in housing construction (Tatjer Mir, 2005).

The Franco regime opted for a new housing policy: The measures adopted were aimed at promoting, from the public authorities, access to home ownership by individuals instead of encouraging the rental market. On the one hand, the State granted important benefits to private capital. Large construction and real estate companies dedicated exclusively to the sale of homes to individuals emerged (Llordén, 2003). Some believe that this policy was not aimed at helping the plaintiff but rather the builder (Fernández *et al* , 2020).

Hand in hand with the freezing of rents, this option cannot be separated from Franco's social policy, especially from the fact that the authorities welcomed the creation of a mass of owners as a bastion of stability against the traditional model of liberal society, which was characterized by generating a huge mass of dispossessed (Artola, 2012; Aboy, 2003). An exponent of this line of thought was the first head of the Ministry of Housing, created in 1957 (Minister Arrese). The policy that he advocated was oriented towards a broader objective that sought to frame Spaniards within the framework of family, home and country (Maestrojuán, 1997). His opinion was that there should not be a Spain of proletarians, but a Spain of owners (Arrese, 1959).

This policy led to the greatest transformation of the real estate market in Spain since the mid-19th century. In the big cities, families that had their own home began to increase. In 1950, home ownership in large cities was restricted to the more affluent; thirty years later, around 1980, it was a generalized fact among broad layers of Spanish society (Leal, 2008).

On the other hand, the protection of the rights of tenants and the promotion of home ownership were measures that consolidated a duality within the real estate market, differentiating properties based on the year of construction and the type of owner. In buildings prior to the 1950s, it was common for the owner to be one or several natural persons who chose to rent it, while in those of later times, the communities of neighbors, generally owners of their home, had a greater weight.

This duality was typical of the social policy of the Franco regime. On the one hand, a sector of the population, generally older people, was kept in dwellings built in the time before the Civil War with assessed rents. On the other hand, the purchase of housing during the 1960s, which was a boom, represented a good investment for broad layers of society in the face of endemic inflation. It is worth pointing out some problems of new constructions such as the poor conditions of the buildings and the absence of infrastructure in the neighborhoods. However, there is no doubt that the promotion of home ownership, one of the main bets of the Franco regime, continued to be one of the axes that have structured the housing policy of the democratic governments that have since succeeded one another (Artola, 2012).

A possible parallelism with the current context

In March 2019, Royal Decree-Law 7/2019 on urgent measures regarding housing and rentals tried to reverse the effects of the 2013 reform by returning to the 1994 system, especially in terms of the duration of the lease, but trying not to paralyze the market. Together with other additions, it can be said that the law returns, in some way, to the protective system for tenants. This is the current regulation.

According to a recent publication in *El País*, Spain needs more than a million rental homes at an affordable price. The situation was generated, mainly, as a result of the increase in rents above the increase in wages for several years now, in addition to the difficulties in financing the purchase of a home, which means that the number of people who need to rent continues to increase (*El País Economía*, April 28, 2021).

100 years after the decree of urban leases of 1920, if we draw analogies with the present context, the situation does not seem to be very different.

Taking into account the conflicts between tenants and owners, some see the current housing crisis as serious, characterized by a price bubble, the proliferation of predatory practices by investment funds and banks - among which are the so-called vulture funds and real estate investment companies -, a precarious legislation that leads to the instability of contracts and an alarming increase in forms of substandard housing such as subletting or the re-emergence of shantytowns (Gonzalez Guzman and Sabate, 2017). A crisis that is undoubtedly aggravated by the pandemic that is affecting the entire world (Sánchez Pérez et al, 2021).

The same authors affirm that the social emergency that the tenant associations want to make visible, and that they have been doing so since 2017 through strikes, cannot be attributed to the epidemiological catastrophe that we are experiencing as an inevitable consequence, but rather responds to the actions and omissions of a political class too identified with one of the parties involved.

As an example, the suspension of rents in April 2020 can be cited, a situation that had not occurred in Spain since the 1930s.

According to some opinions, it is possible to identify similarities between the situation of abuse and denial of housing rights at one time or another. Both at the beginning of the 20th century and during these first two decades of the 21st century, it might seem that the owner was privileged. Consequently, without the action of the collective tenant organization that tries to defend the right to housing and social justice, the laws that regulate the landlord-tenant relationship can fall into the institutionalization of the asymmetry of power between those who need a home to inhabit it and those who only see it as a source of income (Gonzalez and Sabaté, 2020).

In any case, comparing the current situation in a pandemic context with the conflicts of decades ago does not seem appropriate: Indeed, the emergency has precipitated conflicts that we cannot say would exist in a

different context, despite opinions to the contrary. The problems, generated by the health situation, of suspension of rent payments, and suspension of evictions and emergency measures are typical of the situation. We consider it more correct to compare the situation of the urban rental market up to the end of 2019.

Conclusions

In Spain, the real estate sector, and housing as a consumer good within it, is of great importance for the economy. The policies that are dictated for this market have a direct relationship with the future of the country.

We said at the beginning of this work that the regime of the mid-nineteenth century was characterized by confiscation and contractual freedom. Urban property was concentrated in a small number of notables and bourgeois who acquired properties to ensure an income. This rentier class carried out, at the same time, the work of real estate promotion and leasing. Since private investment was not capable of providing affordable housing, the housing problem was aggravated. This situation, together with the other causes and factors explained, led to the issuance of the Royal Decree of 1920.

Towards the end, we express the opinion of some authors, in the sense that it is possible to draw a parallelism with the present if it can be observed that the housing crisis has worsened and that it is characterized by a market dominated by some actors, such as investment funds and banks, in addition by a bubble of rents that increase above wages.

Throughout this work we have analyzed the evolution of the main aspects of urban location, through the regulations issued from 1920 to the present, describing the situation of the parties in conflict. We have also compared the decrees and laws with protective measures issued up to 1985, in terms of their content and why they have endured through the years and governments, responding to the objectives set.

Following the opinion of some authors, we consider that the system of the 1946 Law attempted against the autonomy of the contractual will of the owners.

We made reference to the housing policy of the Franco regime, its criticisms and strengths, especially the rent freeze as a way to legitimize and broaden the social base of his government.

Having gone through the regulations and analyzed the opinion of the different authors, who mostly describe that the regulations did not provide a solution to the housing problem, in addition to observing reality, we conclude that it is possible to affirm that the problems faced by tenants in housing are similar in the current situation to those faced in the situation at the beginning of the 20th century.

We confirm what is stated in the hypothesis proposed in the sense that there exists a need for rules that regulate the rental market respecting the autonomy of the will, but with some type of limitation to increases in rent, in a context in which wages do not increase at the same rate if you really want to reduce the conflict that arises from this type of contract, where the parties respond to very different interests.

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