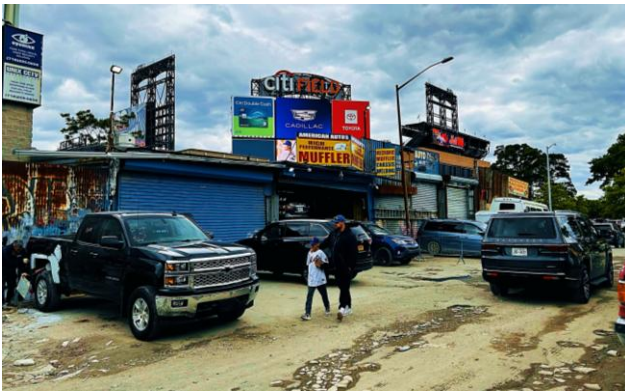


# ON THE WONDERS OF WAREHOUSES

CRITICAL URBAN STUDIES ZINE

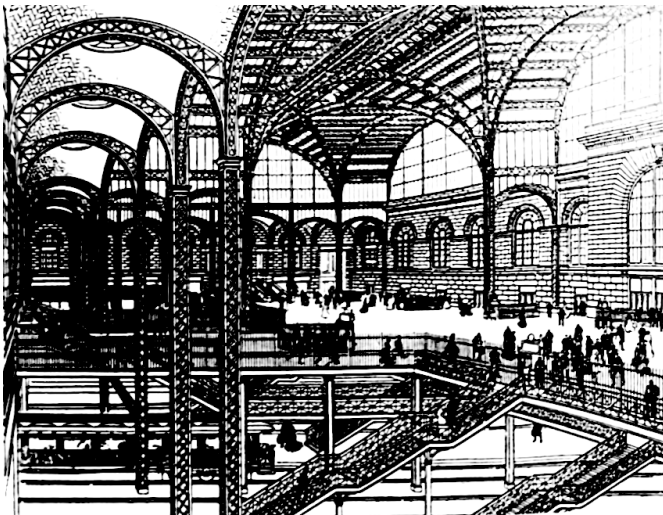


WILLETS POINT EDITION

VOLUME 2  
FEBRUARY 2026

*On the Wonders of Warehouses* is a critical urban studies zine exploring the role of deindustrialization in developing artistic and counter-cultural movements. Based out of Queens, New York, it highlights the post-industrial landscape of America's most diverse county as it grapples with a regional housing crisis.

This project draws significant inspiration from the Situationist International, a movement of avant-garde artists and intellectuals established in 1957, whose works were foundational in establishing the field of critical urban studies. In addition to original writings, *On the Wonders of Warehouses* is supplemented by relevant works from the Situationists.

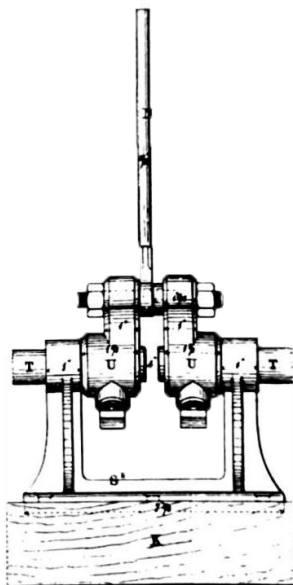


THE DEINDUSTRIAL DEATH OF NEW YORK'S  
IRON TRIANGLE..... 1

WATERFRONT TORONTO: FROM GOOGLE'S  
FAILED TAKEOVER TO TODAY ..... 7

BEFORE “ABUNDANCE,” THERE WAS  
SCARCITY: HOW THE THIRTY-YEAR  
MORTGAGE KILLED CLASS SOLIDARITY ..... 15

*TECHNOLOGY AND ITS MEDIATED USE: PART  
ONE (1967), BY RAOUL VANEIGEM*.....26



## THE DEINDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE



Willets Point, a small industrial neighborhood in Queens situated between Corona and Flushing, is set to become the most rapidly gentrifying area in all of New York. Also known as The Iron Triangle, the neighborhood is notorious for its concentration of automobile chop shops, junkyards, and piles of garbage that litter flood-prone dirt roads. Located across the street from Citi Field (home of the New York Mets) and a short walk away from the grounds of the US Open, Willets Point sits in the dreary shadows of two of New York's most iconic sporting venues.

The history of modern Willets Point dates back to the early 20<sup>th</sup> century, when the area was part of a great swamp that served as a dumping ground for the Brooklyn Ash Removal Company (depicted as “the Valley of Ashes” in *The Great Gatsby*). Initially planned as a residential community, the neighborhood remained vacant long after the swampland had

## THE INDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE

been removed and filled in. As the surrounding area underwent great transformation in preparation for the 1939 World's Fair, later becoming Flushing Meadows-Corona Park, mechanic shops gradually began moving into the uninhabited Willets Point. This growth continued throughout the rest of the 20<sup>th</sup> century, with Willets Point eventually housing around 200 auto shops and 1,200 workers at its peak, despite only 10 residents calling the neighborhood home.



However, the future of Willets Point became precarious by the start of the 21<sup>st</sup> century. The neighborhood's proximity to the subway, the Long Island Railroad, green spaces and the commercial hub of downtown Flushing made it a prime candidate for redevelopment, drawing the attention of city politicians and real estate moguls searching for their next "underutilized space" to pour investment into.

## THE INDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE



In 2007, then-Mayor Michael Bloomberg floated a plan that would replace the 62 acres of small businesses with a mixed-use development that featured a 1 million-square-foot mall, a hotel, office spaces, and apartments. Although Bloomberg's proposal stalled by the end of his third term, the project would later be revived in 2018 by Mayor Bill de Blasio with the addition of 1,100 units of affordable housing. These visions would be further iterated upon in 2022 with Mayor Eric Adams' announcement of an even more ambitious \$6.1-billion plan that included a 25,000-seat stadium to house the NYCFC soccer team, a 250-room hotel, and 2,500 units of affordable housing—the city's largest 100% affordable housing project since the 1970s.

## THE INDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE



Fast forward three years, and Eric Adams' plan for the future of Willets Point is now in full force. Breaking ground in 2024, the first two residential buildings are already complete, and the new soccer stadium is on track to open by the start of the 2027 MLS season. Across the street from Willets Point, billionaire hedge fund founder and Mets owner Steve Cohen won a political battle in late 2025 to redevelop part of Citi Field's parking lot into an \$8-billion casino and entertainment complex—intended to attract an entirely new class of clientele to Willets Point.



Some even speculate that the construction of a casino was the original motive behind Cohen's \$2.4-billion purchase of the Mets in 2020, which put only a small dent into his net worth of over \$20 billion. In 2024, the Mets signed a \$765-million deal



## THE INDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE

to acquire star outfielder Juan Soto, the most expensive contract in professional sports history. As for how Cohen accumulated such wealth in the first place, in 2013 Cohen's hedge fund S.A.C. Capital Advisors plead guilty to insider trading charges and was ordered to pay \$1.8 billion in fines—the largest such fine in U.S. history—for which Cohen was never criminally indicted for.



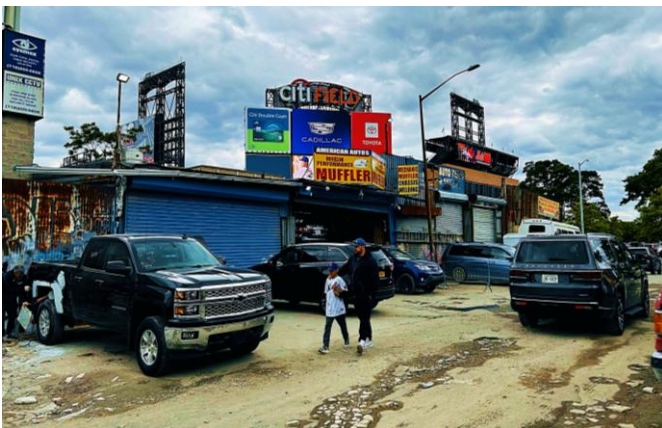
Walking through Willets Point amidst its transformation is a tense experience. As plans for redevelopment advance, the unfortunate fate of the industrial hub becomes ever more apparent. On the other hand, the neighborhood is by no means empty, as hundreds of workers continue to fill the auto repair shops where business seems to be doing just fine. The smell of chemicals and sound of tools permeate the air, naturally repelling attendees of Mets games from making a wrong turn. Totaled vehicles and bottles of urine continue to line the muddy roads, and outside of the two main construction sites, nothing seems so out of the ordinary in present Willets Point.



## THE INDUSTRIAL DEATH OF NEW YORK'S IRON TRIANGLE



In fact, although the area appears to be quite inhospitable to visitors, that doesn't deter a flurry of SUV-packing families in search of free parking from flooding into the neighborhood for every weekend Mets game. On those days, the suburbanites of Long Island and the workers of Willets Point get to share an intimate space for a rare moment, even if it is brief and entirely devoid of eye contact.



## WATERFRONT TORONTO: FROM GOOGLE’S FAILED TAKEOVER TO TODAY



On July 18<sup>th</sup>, 2025, Toronto celebrated the opening of Biidaasige Park—pronounced “bee-daw-si-geh,” meaning “sunlight shining towards us” in Anishinaabemowin/Ojibwemowin)—a 50-acre verdant oasis along Toronto’s deeply industrial eastern waterfront. The park is located on Ookwemin Minising (“the place of the black cherry trees”), an island in the Port Lands district on the south bank of the Don River.

Biidaasige Park serves as the landmark milestone for a C\$1.4-billion investment by the federal, provincial, and municipal governments to protect over 1,060 acres of land from flooding and enable the redevelopment of Toronto’s neglected eastern waterfront. Leading the project is Waterfront Toronto, an organization that has iterated upon numerous proposals for the future of the post-industrial land, including a failed plot by Google in 2017 to take ownership of the area and implement their own vision for a futuristic city.

## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY



The historical events leading up to the creation of Biiidaasige Park began in the 1890s, when the Don Improvement Project dredged and straightened the southern part of the Don River through the Ashbridges Bay Marsh, flushing industrial pollutants into Toronto Harbour and making space for railway construction. In 1912, a channel was built to connect Ashbridges Bay to Toronto Harbour, which entailed filling in the natural mouth of the Don River and forcing it into a 90-degree turn westward towards the Inner Harbour. The government then began filling in the heavily polluted Ashbridges Bay Marsh to create the “Port Lands,” a large industrial district whose tenants included refineries, coal facilities, factories, and shipping infrastructure; lake filling continued over the following decades to enable further industrial development.

These incremental changes to the waterfront landscape led to periodic flooding that wreaked havoc on nearby communities throughout the 20<sup>th</sup> century. In 1954, Hurricane Hazel stopped over Toronto, causing flooding across the city that led to 35 deaths. This drove the Province of Ontario to pass the Conservation Authorities Act, establish the Toronto and Region Conservation Authority, and restrict residential development within flood-prone areas. In 1969, activists held

## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY

a “Funeral for the Don” to highlight the ongoing decay of the river and valley due to excessive industrial development.

By the early 1990s, civic leaders began advocating for restoration of the Don River through the formation of a new river mouth in the Port Lands that emulated the Don’s original route into the harbour. In 2008, the federal, provincial, and municipal governments joined forces to establish the Toronto Waterfront Revitalization Corporation (Waterfront Toronto), a new entity tasked with the development and rehabilitation of the city’s waterfront. This program included the re-naturalization of the Don River by creating a new river course and parklands through the Port Lands, purposefully designed to flood to mitigate the impact on land beyond the island; construction began in 2017.



Eight years later, and the first phase of Biidaasige Park has finally made its grand opening to the public. The park was instantly hailed as a roaring success by environmental advocates and urban planners alike, providing Toronto’s eastern waterfront with the luscious green spaces and immaculate skyline views that it long deserved. The second phase, which will add 10 additional acres, is set to open in 2026. Although the park is clearly still a work-in-progress, as

## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY

evident by the extensive fencing and active construction sites surrounding the grounds, the project has already demonstrated its success in packaging environmental rehabilitation and climate resilience with public infrastructure that all Torontonians can utilize and appreciate.



Simultaneously, remnants of the Port Lands' industrial past still linger around the island, reminding Torontonians of the environmental devastation that has taken place along the city's eastern waterfront and the extensive investment that was necessary to bring climate resilience to the region. As for the future of Ookaewin Minising, Toronto plans to develop the rest of the island into a mixed-use community that will house 16,000 people and 3,000 jobs.





## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY

Adjacent to Biidaasige Park and the Port Lands is Quayside, another post-industrial neighborhood owned by Waterfront Toronto that is undergoing a similar transformation. In 2022, Waterfront Toronto released ambitious plans in collaboration with local developers Dream Unlimited and Great Gulf Group to transform the desolate Quayside into Canada's largest all-electric, zero-carbon master-planned community. Once completed, the 12-acre mixed-use, mixed-income development will house 7,500 people and 1,600 jobs, including more than 800 units of affordable housing, a 2-acre green space called the "Community Forest," and a rooftop urban farm. The current plan for Quayside is just one of many iterations that Waterfront Toronto has put forward since its founding in 2001, but what makes the 2022 proposal notable are the lessons learned from its past mistakes.



Artist Rendering of Quayside's Rooftop Urban Farm.  
Source: Waterfront Toronto

In 2017, Waterfront Toronto issued a Request for Proposals (RFP) to solicit bids for an "Innovation and Funding Partner" that would assist in the planning of a mixed-use development in Quayside. The RFP served as a pilot project for Toronto's ambitious future urban planning, with objectives such as meeting C40 Climate Positive sustainability, developing

## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY

information infrastructure to aid decision-making, testing cleantech building materials, and providing up to 800 units of affordable rental housing.

Later that year, it was announced that Sidewalk Labs, an urban planning and infrastructure subsidiary of Google, was selected to design their future for Quayside, titled "Sidewalk Toronto." Their proposal promised to relocate Google's Canadian headquarters to the neighborhood and described futuristic infrastructure such as autonomous transit, high-rise laminated timber buildings, and underground utility channels. Sidewalk Labs committed C\$50 million to develop their Master Innovation and Development Plan that would "create people-centred neighbourhoods that achieve precedent-setting levels of sustainability, affordability, mobility, and economic opportunity." The scope of Sidewalk Labs project was later expanded to potentially encompass the greater 880-acre eastern waterfront, including the Port Lands.



Artist Rendering of Sidewalk Toronto.

Source: Picture Plane for Heatherwick Studio c/o Sidewalk Labs

Not long after the announcement of Sidewalk Toronto, the project was mired in controversy. Members of the public and government officials expressed concerns about data, secrecy,



## **WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY**

scope, the corporate role in planning, and the absence of public accountability concerning the project. There was little clarity regarding Sidewalk's business case for the project, how it would generate revenue to pay for the ambitious innovations it proposed, or even its ownership role in the project.

Most importantly, Google's ownership of Sidewalk Labs naturally brought data governance issues to the forefront of the discussion. Sidewalk planned to outfit the entire neighborhood with sensors and devices, which raised major concerns around how exactly they planned to use the data collected, and what rights—if any—residents would have to protect their privacy. Despite the significant investment Sidewalk Labs made in managing their public relations, the project remained eerily scarce on details, inviting further scrutiny.

By the summer of 2018, the future of Sidewalk Toronto was thrown into jeopardy by the resignation of Waterfront Toronto's CEO. Another board member would step down just weeks later, citing that contractual provisions with Sidewalk prevented her from exercising her fiduciary duties over a project that had disappointed her from its commencement. She also claimed that Sidewalk was being permitted to operate outside of Waterfront Toronto's procurement protocols, and that numerous questions about data governance and privacy remained unanswered.

Things would take a turn for the worse in February 2019, when investigative news reports broke that Sidewalk had been meeting regularly with government officials to preview its real estate play in the Port Lands, and that they had proposed to finance rail infrastructure on the waterfront in return for a cut of the property taxes. A never-previously discussed plan to build a 35- to 45-acre Google development on Villiers Island

## WATERFRONT TORONTO: FROM GOOGLE'S FAILED TAKEOVER TO TODAY

also surfaced. These leaked add-ons to Sidewalk Toronto were all completely outside of the original 12-acre scope for Quayside, indicating Google's true plans entailed seizing significant control of Toronto's eastern waterfront.

Fortunately, none of these ideas ever came to fruition. On May 7<sup>th</sup>, 2020, Sidewalk Labs announced the full cancellation of the Sidewalk Toronto project, citing "unprecedented economic uncertainty" due to the COVID-19 pandemic; *CBC* also reported that the project still did not have all the government approvals necessary to move forward. While then-Mayor John Tory—who resigned three years later after admitting to an affair with his staffer—expressed disappointment with Sidewalk pulling out, many advocacy groups and members of the public celebrated the end of the highly controversial project.

Years later, the story of Sidewalk Toronto has been told countless times as a case study for urban planners around the world. It provides a definitive example of the perils that city planners and governments embarking on their own redevelopment projects must navigate, and how corporate involvement is a slippery slope that can easily end in the seizure of entire neighborhoods. As the future of Toronto's eastern waterfront continues to advance, one can only hope that Waterfront Toronto has learned from these past mistakes and that their vision for a truly mixed-income, mixed-use green urban paradise will finally come to fruition.

## **BEFORE “ABUNDANCE,” THERE WAS SCARCITY: HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

Early last year, journalists Ezra Klein and David Thompson set the policy world ablaze with the release of their book *Abundance*, in which they argue that overregulation is the primary force stifling development and innovation in present-day America. Identifying environmental regulations, zoning laws, and other seemingly benign policies as bureaucratic forces hindering the construction of necessary infrastructure (i.e., affordable housing, transit, clean energy), they argue that the overprotectiveness of contemporary leftism has come at the expense of America’s future. To overcome these obstacles, Klein and Thompson advocate for an agenda that promotes an “abundance” of opportunities and innovation to replace the current culture of limitations.

The immediate success of *Abundance* has been undeniable; just months after the book’s release, Governor Gavin Newsom officially adopted an “Abundance Agenda” for the State of California, signing two bills to reform the California Environmental Quality Act (CEQA) by exempting certain types of development (e.g., infill housing, high-speed rail, wildfire mitigation) from the review process.

However, while *Abundance* left a glowing impression on many centrist lawmakers, reactions amongst more leftist circles were mixed. In his review for *Jacobin*, Matt Bruenig wrote:

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

*“Klein and Thompson are not content with simply assembling a list of policy suggestions. In the conclusion of the book, they make it very clear that they want Abundance to be part of a vanguardist movement that remakes the Democratic Party and then the political order. To achieve something as grandiose as that, the authors are forced to pair the policy ideas with a specific declinist historical narrative, contestable ideological commitments, and a utopian vision of the future. Not surprisingly, it is these aspects of the book that have drawn the most attention from critics.”*

Specifically, where *Abundance* falls short is in its failure to identify the underlying power dynamics that allow regulations, like California’s CEQA, to be abused in the first place. While Klein and Thompson present a cursory explanation of how regulations can stall progress, they provide little context as to why these regulations exist, why they continue to be enforced, or who exactly is fighting for their enforcement. Where exactly does the current “scarcity mindset” come from, and what must change to enable the transition towards an abundance agenda?

To start, it is necessary to acknowledge that environmental regulations and zoning laws do not appear out of thin air, nor are they enforced by some hidden, omnipotent entity. For ideas to become law, someone must stand to gain something from its implementation. Likewise, for laws to be meaningfully impactful, there must be motivating forces that drive its continued enforcement.

Environmental regulations like CEQA only have teeth because certain interest groups know about its existence and the potential for its provisions to stall development. In 2015, Caltrain planners finalized the environmental impact report,

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

as required by CEQA, for a proposal to modernize signalling and electrify 51 miles of commuter rail between San Francisco and San Jose. The project would’ve allowed the vital transit corridor to accommodate higher levels of service demand, shorten trip times, and reduce carbon emissions by replacing inefficient diesel engines with modern electric trains.

Of the seventeen cities situated along the impacted corridor, just two objected to the findings of Caltrain’s final environmental impact report, and only one went through the full effort of filing a CEQA challenge: the Town of Atherton—coincidentally the wealthiest ZIP code in the entire country, where 75% of residents are white—whose lawsuit ultimately delayed completion of the project by three years. (Atherton, arguably the most NIMBY community in America, has an equally awful track record when it comes to housing, as their zoning code permits only one single-family home per acre; a 2022 proposal to build 131 multifamily housing units was met with deep opposition from residents, including Golden State Warriors superstar Stephen Curry.)

Stories like Atherton’s lawsuit against Caltrain electrification serve as classic case studies of NIMBYism—rich, white people blocking infrastructure projects that disproportionately benefit people of color—but the harsh reality that many progressives must now grapple with is the fact that today’s NIMBYs increasingly reside in middle-class, majority-non-white communities.

In August 2025, a group of small business owners in Astoria, Queens, filed a lawsuit against the New York City Department of Transportation to block the installation of a protected bike lane on 31st Street. The 31st Street corridor—which runs directly under an elevated train line—is one of the most

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

dangerous roads in the borough, with 14 severe injuries or deaths and 139 total traffic injuries between 2019 and 2024.

Home to Mayor Zohran Mamdani’s former State Assembly district, Astoria is a predominantly middle-class neighborhood whose racial composition (48% white) contrasts greatly with the stereotypes painted by famous NIMBY communities like Atherton. The 31st Street Business Association, the group behind the lawsuit, represents 54 small businesses owners and other individuals in the neighborhood, many of whom are first-generation immigrants.

Although the project has since been revived by Mamdani, cases like the 31st Street bike lane present new challenges for the left. The NIMBYs reinforcing our current scarcity mindset—out of fear that electric trains, multifamily housing, or safe streets will have adverse effects on their property values—no longer resemble the wealthy elites of Atherton, but increasingly the image of the everyday working American.

When Toronto, one of the most diverse cities in the world, proposed zoning reform to allow for multiplexes citywide in 2023, it was majority-non-white, middle-class neighborhoods like Scarborough and North York that put up the strongest opposition. Although racism continues to play an indisputable role in driving NIMBYism, the fact that the scarcity mindset is beginning to cross racial lines demonstrates how deeply entrenched it has become in the middle-class psyche.

For an abundance agenda to succeed, fundamental changes must be made to the current economic model that encourages the middle-class to exploit the housing shortage for their personal gain, a process that will surely lead to their self-cannibalization if left unrestrained. The principles of microeconomics dictate that for home values to consistently grow at a rate above inflation—the rate necessary for

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

homeownership to truly build wealth—there must exist a persistent shortage of housing. Therefore, the Platonic ideal of the American Dream, where homeownership serves as the primary means of building multi-generational wealth for the middle class, is fundamentally incompatible with an abundance agenda.

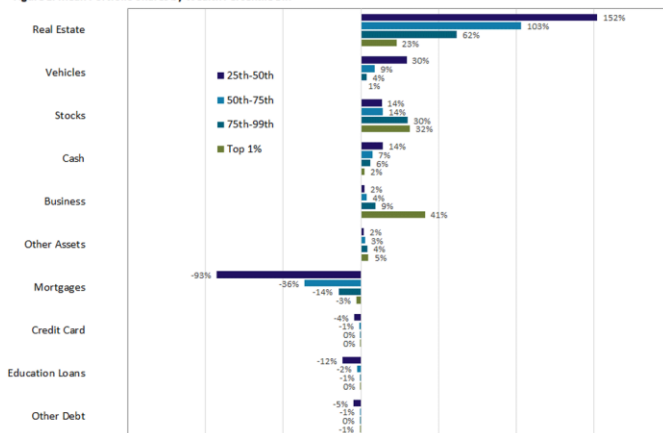
Less than two decades ago, America witnessed firsthand the risks associated with this current economic model. In 2007, real estate’s average share of household net wealth reached its highest level in modern American history, before it all went kaput just months later. In the years since, housing affordability crises have erupted in most major cities, bringing immense wealth for homeowners who got in early but at the expense of everyone else.

While the current environment is certainly different to 2007, as homeowner leverage is significantly lower today, recent data is still concerning. A 2023 report from the Richmond Federal Reserve shows that real estate holdings (minus mortgages) represent 59% of household wealth for those between the 25<sup>th</sup>-50<sup>th</sup> percentiles, and 67% of wealth for those between the 50<sup>th</sup>-75<sup>th</sup> percentiles. In other words, real estate makes up somewhere between 59% and 67% of household wealth for the middle 50% of Americans.



## BEFORE “ABUNDANCE,” THERE WAS SCARCITY: HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY

Figure 1: Mean Portfolio Shares by Wealth Percentile Bin



Source: Survey of Consumer Finances.

Things become even more complicated once you add mortgages into the mix, as they represent 93% of net wealth for households between the 25<sup>th</sup>-50<sup>th</sup> percentiles, meaning a hypothetical portfolio of \$100 would, on average, have a home worth \$152 and a mortgage of \$93, for a net home value of \$59. This is compared to a mortgage share of just 36% for households between the 50<sup>th</sup>-75<sup>th</sup> percentiles.

What these numbers illustrate is that housing makes up the majority of net wealth for America’s middle class, and mortgages make up the majority of household debts. This has plunged homeowners into a difficult position where their main source of wealth building is contingent on the persistence of a housing shortage to drive prices up, especially for households who belong to the lower half of the middle class; for them, a decrease in home value could result in negative home equity, leading to the same financial devastation that we witnessed in the 2008 crash.

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

This raises an important question: how did homeownership become such an integral part of the American middle-class, and why does our financial system allow for such massive mortgages to be doled out when their associated risks are enormous? As it turns out, homeownership as a foundational ideal for American society is a concept that traces back to the Founding Fathers—in 1785, Thomas Jefferson wrote:

*“Whenever there are in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right. The earth is given as a common stock for man to labor and live on. The small landowners are the most precious part of a state.”*

While Jefferson’s ideologies were a tad more agrarian than that of his peers, many of them—including John Adams and Alexander Hamilton—shared his belief that homeownership was necessary to prevent the emergence of feudalism. By the late 19th century, with the image of the American economy fully transitioning away from Jeffersonian agrarianism to urban industrial settings, the detached single-family home emerged as the ideal dwelling place for the American middle class. Furthermore, public perception of apartment living waned at the turn of the century, as tenement reformers like Jacob Riis captured the abhorrent living conditions present in the densest parts of Lower Manhattan.

However, it was only in the wake of the Bolshevik Revolution that homeownership officially became a policy priority for the federal government. To curtail the spread of communism on American soil, the Department of Labor launched the first ever federal program to be explicitly aimed at encouraging homeownership in 1917. As one group of realtors wrote at the time, “socialism and communism do not take root in the ranks

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

of those who have their feet firmly embedded in the soil of America through homeownership.”

The federal government began experimenting with numerous other housing policies over the following decades, with the creation of the Federal Housing Administration in 1934 revolutionizing how Americans financed homeownership. Prior to the FHA, most homes were purchased with mortgage terms ranging from five to ten years and down payments of 50%. To lessen the huge upfront investment needed to purchase a home, the FHA began offering insurance to lenders, lowering the risks of lending and enabling banks to offer mortgages with drastically better terms.

The FHA brought radical changes to the structure of mortgages, introducing a new standard: fully amortized, 20- to 30-year loans with low interest rates that only required a 20% down payment. These terms were unanimously adopted by lenders, even those making loans without FHA backing, and have remained mostly unchanged over 90 years later. For first-time homebuyers, the deal offered by FHA-backed mortgages was simply too good to pass up—massive lines of credit that they otherwise had no right applying for, coupled with relatively low upfront costs and interest rates—making homeownership the ideal route for middle-class wealth building.

Congress reinforced their pro-homeownership platform with the creation of the Federal National Mortgage Association (Fannie Mae) in 1938, which established a secondary mortgage market by purchasing long-term mortgages from lenders using taxpayer dollars, providing lenders with additional liquidity to enable the creation of even more mortgages. This new federal lending infrastructure for homebuyers was put to the test in the years following World

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

War II, when veterans returned to rampant housing shortages across the country. Through Fannie Mae and the FHA, coupled with VA-insured mortgages created by the G.I. Bill, the national homeownership rate skyrocketed from 43.6% in 1940 to 61.9% by 1960.

For the time being, the gargantuan lending apparatus that the FHA had assembled was paying great dividends to American society. The intense financialization of the housing system enabled most working Americans to easily afford a single-family home for them and their families, while also allowing them to build wealth by granting them a financial asset that was all but guaranteed to appreciate in value.

However, not all Americans were allowed to reap the rewards of this system. As the main provider of mortgage insurance, the FHA established underwriting standards for loans that included a geography-based rating system for evaluating the credit worthiness of prospective homebuyers, known today as “redlining.” The maps drawn under this system were deeply discriminatory from the start, as neighborhoods populated by white Protestants most often received the highest grades while neighborhoods populated by ethnic or religious minorities received the lowest. Redlining played a substantial role in the black homeownership rate lagging far behind those of whites, growing from 22.8% in 1940 to 38.4% by 1960 (less than two-thirds the national rate at the time).

Over the next few decades, the homeownership rate grew only slightly, reaching 66.2% by the end of the 1990s; at the turn of the millennium, the newly inaugurated President George W. Bush adopted the expansion of homeownership as a key priority, setting the goal of creating 5.5 million more minority homeowners by 2010. Reducing the barrier to entry for homeownership was a huge part of this new housing agenda,

**BEFORE “ABUNDANCE,” THERE WAS SCARCITY:  
HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY**

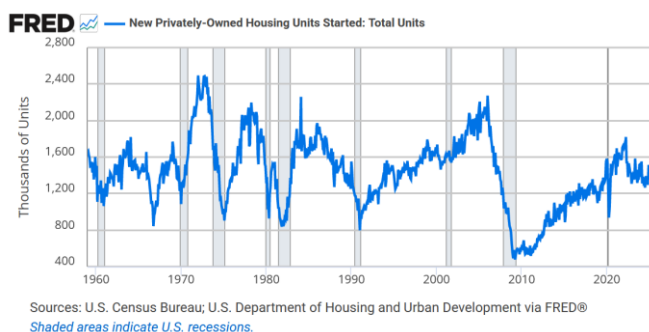
and lenders played their part by offering mortgages to riskier (“subprime”) borrowers that would otherwise be unable to afford a home.

Creative measures were employed to attract high-risk homebuyers, including mortgages with little to no down payment requirements, adjustable-rates, interest-only payments, and introductory teaser interest rates. By selling their subprime mortgages to the secondary market established by Fannie Mae (and Freddie Mac, created in 1970), lenders were able to derisk themselves from these questionable investments. These subprime mortgages were then packaged together and sold as “mortgage-backed securities,” financial instruments from which even more complex derivative products were created.

A dangerous byproduct of these subprime mortgages was that homeowners were increasingly being saddled with debt for homes they owned little to no equity in. The entire system was being kept afloat by the booming housing market, driven by interest rates being kept artificially low by the Federal Reserve to stimulate the post-dotcom economy. However, as the inevitable cooling-off of the housing market began in 2007, many homeowners were met with no choice but to foreclose on their properties, resulting in the collapse of mortgage-backed securities and launching the Great Recession.

In the wake of the 2008 housing crisis, the construction of new housing units plummeted to the lowest levels seen since tracking first began in 1959, taking over a decade to catch up to the rates preceding the bubble in 2001. This sharp decline in construction was a key contributor to the housing affordability crisis and scarcity mindset that Americans find themselves trapped in today.

## BEFORE “ABUNDANCE,” THERE WAS SCARCITY: HOW THE THIRTY-YEAR MORTGAGE KILLED CLASS SOLIDARITY



With affordable housing becoming a scarcity in most major cities, and having experienced firsthand the risks associated with a highly financialized housing market, many homeowners have become fully conscientious of the precarious state they find themselves in. NIMBYism has opened a channel for homeowners to channel their fears and defend their financial interests at a time when they feel that nobody else will; just last week, President Donald Trump announced “I don’t want to drive housing prices down. I want to drive housing prices up for people that own their homes, and they can be assured that’s what’s going to happen.”

French economist Thomas Piketty observes that when the rate of return on capital exceeds the rate of economic growth, the result is wealth inequality that generates social unrest and economic instability. This unrest and instability is the situation we find ourselves in today, where the battle of the “haves” versus the “have-nots” has become an internal conflict for the middle class.

For an abundance agenda to succeed, the scarcity mindset must first be abolished. The self-cannibalization of the middle class must be put to an end, their divided efforts unified and redirected towards defending society from the elites pillaging our governments, communities, and resources.

***TECHNOLOGY AND ITS MEDIATED  
USE: PART ONE (1967)***

***(FROM THE REVOLUTION OF EVERYDAY LIFE)***

**BY RAOUL VANEIGEM**

*Contrary to the interests of those who control its use, technology tends to disenchant the world. Mass consumption society strips gadgets of any magical value. Similarly, organisation (a technique for handling new techniques) robs new productive forces of their subversive appeal and their power of disruption. Organisation thus stands revealed as nothing but the pure organisation of authority.*

The same bankruptcy is evident in non-industrial civilisations, where people are still dying of starvation, and automated civilisations, where people are already dying of boredom. Every paradise is artificial. The life of a Trobriand islander, rich in spite of ritual and taboo, is at the mercy of a smallpox epidemic; the life of an ordinary Swede, poor in spite of his comforts, is at the mercy of suicide and survival sickness.

Rousseauism and pastoral idylls accompany the first throbbings of the industrial machine. The ideology of progress, as one finds it in Condorcet or Adam Smith, emerged from the old myth of the Four Ages. With the age of iron leading into the golden age, it seemed 'natural' that progress should fulfil itself as a return: a return to the state of innocence before the Fall.

The belief in the magical power of technology goes hand in hand with its opposite, the movement of disenchantment. The machine is the model of the intelligible. There is no mystery, nothing obscure in its drive-belts, cogs and gears; it can all be explained perfectly. But the machine is also the miracle that is



to transport man into the realms of happiness and freedom. Besides, this ambiguity is useful to its masters: the old con about happy tomorrows and the green grass over the hill operates at various levels to justify the rational exploitation of men today. Thus it is not the logic of disenchantment that shakes people's faith in progress so much as the inhuman use of technical potential, the way that its mystical justification begins to grate. While the labouring classes and the underdeveloped peoples still offered the spectacle of their slowly decreasing material poverty, the enthusiasm for progress still drew ample nourishment from the troughs of liberal ideology and its extension, socialism. But, a century after the spontaneous demystification of the Lyons workers, when they smashed the looms, a general crisis broke out, springing this time from the crisis of big industry: Fascist regression, sickly dreams of a return to artisanry and corporatism, the Ubuesque master-race of blond beasts.

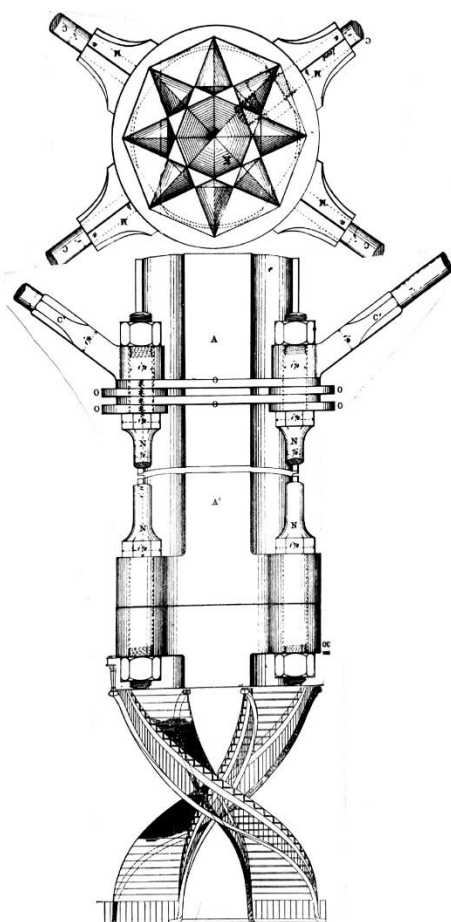
Today, the promises of the old society of production are raining down on our heads in an avalanche of consumer goods that nobody would venture to call mana from heaven. You can hardly believe in the magical power of gadgets in the same way as people used to believe in productive forces. There is a certain hagiographical literature on the steam hammer. One cannot imagine much on the electric toothbrush. The mass production of instruments of comfort — all equally revolutionary according to the publicity handouts — has given the most unsophisticated of men the right to express an opinion on the marvels of technological innovation in a tone as familiar as the hand he sticks up the barmaid's skirt. The first landing on Mars will pass unnoticed on Blackpool beach.

Admittedly, the yoke and harness, the steam engine, electricity and the rise of nuclear energy all disturbed and altered the infrastructure of society (though this was almost

accidental). But today it would be foolish to expect new productive forces to upset modes of production. The blossoming of technology has seen the birth of a super-technology of synthesis which could prove as important as the social community, that first of all technical syntheses, founded at the dawn of time. Perhaps more important still; for if cybernetics was taken from its masters, it might be able to free human groups from labour and from social alienation. This was precisely the project of Charles Fourier in an age when utopia was still possible. But between Fourier and the cyberneticians who control the operational organisation of technology lies the distance between freedom and slavery. Of course, the cybernetic project claims that it is already sufficiently developed to be able to solve all the problems raised by the appearance of a new technique.

The permanent development of productive forces, the exploding mass production of consumer goods, promise nothing. Musical air-conditioners and solar-ovens stand unheralded and unsung. We see a weariness coming, and one that is already so obviously present that sooner or later it's bound to develop into a critique of organisation itself.

For all its flexibility, the cybernetic synthesis will never be able to conceal the fact that it is only the superseding synthesis of the different forms of government that have ruled over men, and their final stage. How could it hope to disguise the inherent alienation that no power has ever managed to shield from the weapons of criticism and the criticism of weapons? By laying down the basis for a perfect power structure, the cyberneticians will only stimulate the perfection of refusal. Their programming of new techniques will be shattered by the same techniques turned to its own use by another kind of organisation. A revolutionary organisation.



IG: @WONDERSOFWAREHOUSES  
WWW.WONDERSOFWAREHOUSES.COM