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# Divided City I - London Social Forum â housing and land rights conference

ByKeith Parkins

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At the request of the European Social Forum and to coincide with World Habitat Day, a meeting to discuss housing and land rights issues entitled the Divided City was held by London Social Forum at Limehouse Town Hall in East London on Sunday 1 October 2006. Speakers and delegates came from across Europe and from further afield.

## London Social Forum housing conference

Getting to the conference was a nightmare. Long journey into London due to rail engineering works, then problems because Docklands Light Railway was closed due to engineering works.

For future reference I have decided the best way from Waterloo, is to take the Jubilee Line to Canary Wharf, then cut back to Limehouse on the Docklands Light Railway.

Limehouse Town Hall is an interesting venue. A semi-derelict town hall in need of renovation. Where the Labour leader Clem Atlee made a speech or two, sandwiched between the City and Canary Wharf, the bastions of global capital and finance in London, located in Tower Hamlets, one of the poorest and most deprived areas in London.

The idea for the London Social Forum to hold a conference on housing and land rights arose from the European Social Forum, which in turn has its roots in the World Social Forum. The timing of the conference was to coincide with World Habitat Day.

Housing and land rights is not just a UK issue, speakers and delegates came from across Europe and beyond.

It has come as a shock in Germany, used as they are to quality public housing, to find that their public housing stock is being sold off. Worse still, that it is international finance and capital flowing from London, and ownership is now based in London. Housing is becoming an international commodities market, with future options to be traded. This is having a destabilising effect on house prices, forcing rents to rise to pay for profits, green space destroyed, and tenancies becoming less secure. Municipal authorities are happy to sell their housing, as it helps clear municipal debt. Whilst public debt is unacceptable, private debt is ok as it provides the opportunity for profit.

In the UK, social housing, former council housing, is being forced into housing associations, the new Rachman landlords. Under the guiding hand of the industry regulator the Housing Corporation, through mergers and acquisitions, housing associations, or Registered Social Landlords, are becoming mega-property developers. They are in all but name, private corporations, but have all the advantages of public bodies, but lacking any accountable, especially to their tenants.

If the GATS round of WTO were to ever succeed, the housing market in the UK would be liberalised and capital would be able to acquire the mega-corporate housing associates and RSLs. This will be aided and abetted by radical reforms to housing law being promoted by the Law Commission which will further deregulate the housing rental sector, making tenancy agreements more 'flexible' and

turning social housing into a commodity.

As we have seen in Germany equity capital is willing if not keen to invest as it sees the opportunity for fast buck quick returns on investment.

Just say no to the privatisation of council housing. Once privatised you have no say on the future of your home.

Public housing belongs to the public. If it is to be given away, then it should be given to the tenants to run through their own appointed tenant-controlled directors.

Small-scale, community-controlled property ownership should also be considered. Model contracts for limited liability partnerships have been drawn up.

One way to cool the property market would be to introduce an effective property or land tax, similar to that in Denmark, but at a higher level.

In Denmark, citizen groups, under expert guidance, value property for the tax base. Unlike income, it cannot be hidden in offshore tax havens.

In Curitiba in Brazil, infrastructure improvements benefits everyone due to foresight and vision in planning. The City council buys up land in advance of infrastructure improvements, the value accrued then goes to the public purse. The people participate in the decision making and planning process.

The London Olympics will drive people out of their homes and businesses. Those who will benefit will be the landowners, those that will suffer will be tenants who will see higher rents and be forced to pay increased taxes to pay for infrastructure that only benefits a few. One of the beneficiaries will be landowners. If the landowners are to benefit, should part of their capital gain not be paid back to the community in land tax?

One of the areas proposed for regeneration in East London is Queen's Market at Upton Park. The local mayor in collusion with property speculator St Modwen is wishing to destroy the popular street market for a superstore. It was claimed by St Modwen to be Asda. To the delight of the local community, Asda has pulled out. Opponents to the redevelopment are hoping to kick St Modwen out of town too.

St Modwen has an abysmal track record of destroying town centres and social housing, either directly or through one of their front companies such as KPI. Farnborough town centre has been destroyed by KPI, a Kuwaiti-financed, St Modwen front-company.

Supporters of Queen's Market are planning a demonstration.

There is still the opportunity to challenge the London Olympics via a Public Inquiry yet to be held. Those who file an objection before the submission deadline, will not only be able to speak against the London Olympics at the Public Inquiry, but also cross-examine the proponents.

Pathfinder is a neo-Labour/John Prescott flagship project that is destroying tens of thousands of homes in the north of the country. Public housing and land is being handed to developers, private homes are being purchased at knock down prices, all in the name of 'regeneration', in reality, providing a development opportunity for developers and the opportunity for social cleansing.

The Regeneration Game, a documentary produced by Mike Lane that looks at Pathfinder in Liverpool and its huge social costs, was distributed on DVD to those who attended the housing workshop. It covers many of the issues that were being raised and discussed. Those who were lucky enough to receive a copy (demand far outstripped supply), were asked to arrange public showings, run off copies and distribute (and hopefully promote discussion).

An update on the documentary: In the week leading up to the conference, home owner Elizabeth Pascoe challenged in the High Court in London on the grounds of abuse of her Human Rights the Compulsory Purchase Order served on her home and won her case. As a consequence, Pathfinder has ground to a halt in Liverpool.

The alternative workshop discussed the London Olympics.

Land and property ownership is not a problem restricted to the city, we must not forget, we also have a divided countryside, with many farmers being driven out of business, food is a commodity too. EU agricultural subsidies distort the rural economy and go to line the pockets of the wealthy.

The voiceless, the powerless, the dispossessed, are fighting back, through the courts, direct occupation, community ownership.

Council tenants are saying no to privatisation, housing association tenants are resisting mergers, home owners are successfully challenging CPOs, communities are challenging developers, offices are being occupied, empty properties squatted, community common ownership partnerships agreed.

If we are to address social injustice, we need participatory democracy, not the current false choice offered between self-serving political elites, each in the pocket of Big Business, the proletariat reduced to election fodder.

Fairtrade coffee, courtesy of the Zapatistas in Mexico, and some very strange but nevertheless tasty vegetarian pasties kept everyone going.

On the long journey home, the opportunity was taken to read Boom Bust by Fred Harrison, one of the speakers. From my cursory read on the train it looks well worth reading and I am looking forward to finding the time to read it cover to cover.

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further comments added


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housing and land rights

Some gripes on the Crossrail development. I cannot remember whether or not it was mentioned, and I wasn't at the workshop on the London Olympics. If there was such great concern on this development, why did those who wished to raise it not turn up? It is no good carping from the sidelines.

The same could be said of the moan from Tower Hamlets. Why should anyone liaise with Tower Hamlets just because the meeting was held in Limehouse? On the same rationale, if held in Euston, is it necessary to liaise with people in Camden?

If the meeting had insufficient publicity, that is grounds for gripe. It was mentioned on Indymedia UK.

 <http://www.indymedia.org.uk/en/2006/09/351393.html>

The meeting struck the right balance between academic input and grass roots activism.

Legitimate criticism of the meeting would be its location and that it was held on a Sunday, public transport on a Sunday is seriously dysfunctional. And that the two workshops were held in the same room causing a problem of crosstalk between the two meetings.

People came from far afield, not just London. Germany, Greece, Turkey, Egypt.

There was also people from Tower Hamlets. A campaigner from Tower Hamlets told the meeting what was happening on the estates to stop stock transfer in Tower Hamlets, I personally was informed at the meeting of what was happening in Tower Hamlets, there was also literature available showing what was happening.

Problems that are being experienced in Tower Hamlets:

- play areas destroyed
- development going ahead without full planning consent
- open land being taken
- demolition of council housing and community centres for luxury flats
- public land and buildings given away to developers

This is a tale that is being repeated in other parts of London, in Liverpool, in Farnborough, in Germany.

🔗 <http://www.indymedia.org.uk/en/2005/11/327884.html>

On the Pepys Estate in Lewisham, council tenants are being kicked out of their homes, flats demolished, to make way for luxury riverside apartments with stunning views of the Thames. Squatters on the Pepys Estate successfully held up the development for a couple of years.

🔗 <http://www.indymedia.org.uk/en/2005/02/305021.html>

Queen's Market in Upton Park is wanted by property speculator St Modwen for a superstore and luxury apartments.

🔗 <http://www.indymedia.org.uk/en/2005/04/308927.html>

🔗 <http://www.indymedia.org.uk/en/2005/04/309075.html>

In Liverpool, public land is being handed over to developers. If social housing happens to occupy the land, the tenants are kicked out of their home and their homes demolished. Home owners are being served CPOs to force them out.

🔗 <http://www.indymedia.org.uk/en/2006/09/351960.html>

In Farnborough, Pavilion Housing Association (now part of First Wessex) is kicking their tenants out of their homes to enable St Modwen through their Kuwaiti-funded front-company KPI to trash Farnborough town centre for an unwanted superstore.

🔗 <http://www.indymedia.org.uk/en/2002/11/46186.html>

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In Germany, gardens and public open spaces are being lost to developers within what was once former public housing.

Good news is that more estates in Tower Hamlets have rejected stock transfer.

🔗 <http://www.indymedia.org.uk/en/2006/10/352415.html>

In the original report, I neglected to mention The Land which is an excellent publication by This Land Is Ours on land rights, housing issues and planning.

✎ <http://www.tlio.org.uk/>

The web address for London Leaseholders should be

✎ <http://www.londonleaseholders.org.uk/>

Across Europe, as in the UK, we are seeing a trend of privatisation of social and public housing.

✎ <http://www.indymedia.org.uk/en/2004/02/285607.html>

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Since the meeting, I have learnt that similar to what we learnt is happening in Germany appears to be happening in the Czech Republic. Longterm tenants are being evicted from public housing, being forced to take out mortgages in the private sector which they can ill-afford, as the only way to secure a home.

Another problem in the Czech Republic, and repeated across Eastern Europe, is people from UK buying up property as an investment, forcing up the price and placing it beyond the reach of local people.

What we are seeing in Eastern Europe is what we have seen in the UK since 2002, low income house buyers priced out of the market to be replaced by middle income speculators buying homes to rent in the hope of profiteering from the property boom. These in turn have been priced out of the market to be replaced by wealthy speculators. Even Tony Blair and his wife Cherie have jumped on the property speculation bandwagon, investing at an estimated six times joint income!

Shared ownership is the latest scam to draw ever more punters with money to burn into a speculative housing market.

If we look at the housing market, it is one of boom bust, with the cost of housing far outstripping inflation. Homes are no longer seen as somewhere to live, but for the lucky few as an investment. More and more money is poured into the housing market, the equivalent of pouring gasoline onto a raging fire. A situation worsened by the crass decision of Gordon Brown to include property investment with tax advantages within a pension portfolio.

Another area of speculation, and estate agents see a steady stream every day, is people looking for a run-down property, which they hope to pick up on the cheap, a few cosmetic improvements and then make a quick buck when they put it back on the market in a few months time. Again it is first time buyers and those with little money who are losing out. In the past they could hope to buy a run-down property and slowly slowly as time and money permitted, turn it into a decent home, but not anymore, property speculators have beaten them to it.

Interest rate change is a crude instrument to dampen down the property market, as the level of rate rise needed to impact on an out-of-control property market imposes huge burdens on productive sectors of the economy. Housing debt as a percentage of GDP had dramatically escalated from 23% in 1980 to 65% in 2002, a situation that is clearly unsustainable. If interest rates cannot control rising property prices, then all that is left is a land tax.

The housing market is great for those who can realise their equity, a burden for life for everyone else. And for those who cannot make it onto the speculative housing market to chance their throw of the dice, inferior rented accommodation from Rachman landlords or a life on the streets as part of the growing army of homelessness.

**Keith**