AFFORDABLE HOUSING IN A JUST URBAN SOCIETY

A new model for housing development in Rotterdam

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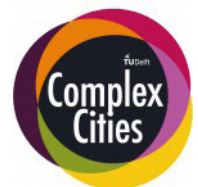A new model for housing development in Rotterdam

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1.

INTRODUCTION

MOTIVATION

When I started studying for my bachelor's degree in Eindhoven, I did so because I used to be good at mathematical courses in high school. Attending a technical university seemed like the most logical path, but hard mathematical studies didn't interest me as much: 'bouwkunde', however, was a broad course that wouldn't confine me to crunching numbers only. Over time, I realized that it were the historic, political and philosophic themes that really interested me. Moving to Delft to study urbanism was a way to advance on these topics, since urbanism is, to me, almost the physical side of politics: it deals with how we live together, how we shape society and how we balance public and private life.

During my bachelor studies I also joined a political youth party, of which I am still a member. This allowed me to engage more actively with political and economic issues, but it also made me realize that I am more comfortable in policy than in design. One of the aims of my thesis is to take a critical look at housing policy in the Netherlands, so I can generate insight that could benefit me professionally. Through my experience in politics, I realized that if we want to solve the social and ecological issues of our time, increasing inequalities and climate change, we need to start thinking differently about the economy. Progressive ambitions for sustainability and equality will need to overcome a neoliberal paradigm in which perpetual economic growth and capital accumulation are unquestionable, yet will eventually exhaust both planet and people. The global hegemony of this ideology makes it increasingly difficult to imagine solutions outside of it, in fact, it makes the ideology's influence invisible and masquerades its dogmas as common sense.

My thesis, then, is not only an opportunity to generate insight into policy, but also an attempt to confront my own ideological dogmas and biases in constructing an alternative political paradigm that allows for a more sustainable and equal view of society.

RELEVANCE

Social relevance

I believe the defining issues of this time are of an ecological and of a social nature. On the one hand there is climate change, which pushes us to re-examine how we use resources and what we consume. On the other hand there are growing inequalities all throughout the world, which requires us to evaluate how we distribute those resources. Both these problems call for a move away from unlimited economic growth. The social relevance of my thesis is found in the desire to design a model for housing development which takes the right the city as a starting point, limiting the use of housing as an asset in an increasingly destructive global system of capital accumulation.

Scientific relevance

The scientific relevance of this thesis is found in the analysis of neoliberal ideology versus the right to the city in the specific context of the Netherlands, which has not yet been explored very thoroughly. Another unexplored perspective is how Lefebvre's right to the city can be related to Raworth's concept of the doughnut economy, which similarly puts the needs of individuals and community before economic growth and capital accumulation.

Professional relevance

Although reforms of Dutch housing law have offered more space for the operations of housing cooperations since 2015, they are a tool that is not known very widely or used often. Studying these this practice and applying them to the local situation in Rotterdam can offer valuable professional insights in the way such methods of development can be worked intpo traditional planning systems. Moereover, processes of participation in the Netherlands appear increasingly unable to fulfill neighbourhood needs, focussing mosty on involvement after a program has been set and design proposals have been worked out. Neighbourhood planning, as employed in London, transfers the moment of participation to an earlier stage before private initiatives are set, and thus transfers more power on neighbourhood development to neighbourhood residents. The professional relevance of this thesis can be found in exploring how such a process would be applied in a Dutch context.

PROBLEM FIELDS

Housing in the Netherlands

The Netherlands have a long history of social housing provision, beginning in the late 19th century when the first housing corporations were established in order to provide homes to the poor. Large scale housing construction for lower and middle income families only really took off after the passing of the Housing Act of 1901, which regulated housing and institutionalized housing corporations by granting them financial support. Around a million dwellings were constructed by these corporations between 1900 and 1940. Housing provision thus came to depend on two core pillars: a public sector for low to middle income families, and a private sector for middle to upper income households. During the postwar period the Netherlands struggled with an enormous housing shortage, and housing corporations were the vehicles used by the Dutch government to provide new, modern homes for the growing population. From the 1970s on, regulations for housing corporations were increasingly levelled to equal treatment with private investors, which resulted in their privatisation in the 1990s. The purpose of housing corporations was reinterpreted as not only supplying housing, but also in retaining and increasing liveability in neighbourhoods. This new definition opened the gates for a series of affairs concerning fraud and risky investments by housing corporations, which led to a new set of regulations of the social housing sector (Beekers, 2012). Since 2013, housing corporations are required to pay a landlord tax, which has been facilitated by rising rents and a decline in investment. A new set of services of general economic interest was defined in 2015 in a revision of the Housing Act, which set out the core purpose of housing corporations as the provision of dwellings for the poor. The decreaase in investment and recalibration on the poor as the primary target group of housing corporations has left them unable to deal with the growing housing shortage in the Netherlands, however, the enormous demand for housing and the rising costs of housing production have made the development of affordable middle-income housing unattractive for private investors, increasingly segregating access to housing in the Netherlands (Conijn, 2019).

Gentrification in Rotterdam

For a long time, Rotterdam was known as the ugly duckling of Dutch cities, both because of the modernist post-war reconstruction of its bombed city centre and because of the many social problems that afflicted the city, particularly the boroughs south of the river Maas. The city has attempted to polish this negative image in a number of ways, and they have largely been effective: Rotterdam is now known as a 'raw' hotspot for young urban professionals. One of

Figure 1: Housing projects in Rotterdam as part of the post-war reconstruction effort.

the strategies employed by the municipality to improve living conditions in Rotterdam is state-led gentrification (Uitermarkt, 2007). This form of gentrification differs from the form of gentrification often described in US literature through the involvement of housing associations and the national government. In contrast to US cases, where gentrification is often described as a class war, both governments, housing associations and residents in the Netherlands perceived gentrification as the only way to improve living conditions in neighbourhoods. Although the influx of middle-class residents has led to displacement of original residents, significant effects on social cohesion have not been measured. Another tool that is used by the municipality is the *Rotterdamwet* (Rotterdam Law), which obligates potential residents to apply for a housing permit if they want to move to regulated housing in certain neighbourhoods (Hochstenbach, 2015). In order to be granted such a permit, applicants are required to either have lived in Rotterdam for over six years, or to receive income from work. Essentially, it allows the municipality to deny housing to unemployed newcomers, further restricting access to housing in an already overcooked market.

Affordable housing
The current housing crisis in the Netherlands fits into a global trend of rising housing prices and growing economic inequality. Since the 1980s,

in response to a series of economic crises, welfare state systems were dismantled and privatised on a worldwide scale in order to create more space for markets to stimulate economic growth. Housing provision was no exception to the influence of this new neoliberal hegemony, and over the decades that followed financial markets were deregulated ever further while funding for social or public housing provision was restricted (World Bank, 1993). The rising prices in both homeownership and rental housing markets are therefore no side-effect: they supply the growth of capital that is deemed necessary to sustain this economic system. Thus, housing has been turned into an investment first and a dwelling only second, a development that is eagerly facilitated by financial institutions. This trend culminated into a housing bubble that led to the financial crisis and recession of 2008. Although measures were since taken on a global scale to contain the perceived causes of this crisis, many of these measures still focus on increasing finance for housing, as is evidenced by rising housing prices in the last decade (Rolniq, 2017).

The right to the city
The right to the city is a concept proposed by French Marxist philosopher and sociologist Henri Lefebvre. More than a right to housing alone, it is a right to partake in the urban (Lefebvre, 1996). Central to this concept is the idea that the city is a form of self-expres-

Figure 2: Protests against the demolition of social housing units in Tweebosbuurt.

sion of its inhabitants, but that it also shapes them in return. In order to fully inhabit urban space, two conditions should be met: the right to appropriate space, by putting use value over financial value, and the right to participate in the production of urban space (Butler, 2012). These ideas are related to Fainstein's concept of the just city. Justice as a philosophical concept can be defined in two ways: as a process of deliberation under ideal conditions that leads to a general consensus, or as a predefined equitable distribution of goods. These definitions do not necessarily exclude one another in a practical sense, in fact, they often go hand in hand (Fainstein, 2010). Justice as a process of deliberation cannot exist without equity of all participants in such a conversation, however, this state of equity cannot be defined without having such a conversation, even if minimal, to begin with. After all, justice does not exist in a vacuum, but always in relation to others. When applied to a spatial context, these definitions take on a new meaning. In this view, justice has a geography wherein location is not neutral, but always has some relative advantage or disadvantage in relation to other locations. Spatial justice is not disconnected from social, economic or environmental justice, but both comprises and is comprised of these concepts: they all have a spatial dimension (Soja, 2010). In the urban, this spatial dimension presents itself on one hand in the processes of spatial and urban development, and on the other hand in the measure of an equitable distribution of urban goods.

*Figure 3: Right To The City
Alliance march in Pittsburgh.*

PROBLEM STATEMENT

The ongoing financialisation of the housing sector since the 1980s has created a system built on capital accumulation through rent extraction: public housing has been rolled back, while housing prices and rents have skyrocketed and the model of homeownership financed through mortgage debt has become hegemonic. This is a global trend with local variations. In the Netherlands, which has always had an extensive welfare state, municipalities struggle with providing affordable housing, or even actively pursue state-led gentrification, as is the case in Rotterdam. In order to diversify low-income neighbourhoods, social housing units in Rotterdam are sold or demolished to make way for middle-income residents. Financial deregulation has opened the way for investors to capitalise on this process of gentrification, pushing up housing prices in adjacent areas. A segregation is now forming between those who can afford to live in the city and those who are forced into the peripheries. At the root of this affordability crisis are two different but related issues: one is that of the increasing transformation of dwellings into financial assets that require ever greater returns, the other is a narrow focus of municipalities on tackling urban problems through investing in bricks rather than communities. Both these issues can be linked to the constraints of neoliberal thought. Solving such issues of affordable housing would then require an ideological paradigm shift, a need which is further pressed in the face of current social and ecological issues. Such a new paradigm can be found in the concept of the right to the city, which presents two issues: institutionalising the right to the appropriation of urban space and institutionalising the right to participation in the production of urban space, shifting the perspective from housing alone to urban communities.

2.

TWEEBOS

ROTTERDAM

Rotterdam is booming. Over the last decade, the city has managed to shed its reputation as a concrete jungle full of social problems and taken on the identity of a vibrant and developing metropolis. However, this rapid urban transformation brings along a new set of social issues.

Located along the river Nieuwe Maas, Rotterdam has historically always been an important port city on the trade routes towards Germany (Spork, 2011). This position grew in the latter half of the 19th century, when the Nieuwe Waterweg ("New Waterway") allowed for larger ships and the construction of a new set of harbours, which attracted workers to the docks and shipyards from all over the country. In the early 20th century, Rotterdam is transforming into an internationally-oriented city with prestigious modern architecture. However, during the first days of the Second World War, German forces bomb Rotterdam's city center in order to pressure not just the city but the entire country to surrender. The entire historic city centre is destroyed in the attack and the resulting fires.

After the war, reconstruction of the city starts along the modernist principles of the Witteveen Plan. Innovative contemporary architecture arises and the city becomes a paragon of modernity. The rapid expansion of the city's harbours transform Rotterdam into the world's largest port in the 1960s. Modernist suburbs are constructed outside the city limits in order to quickly meet the post-war housing shortage, and the Netherlands' first metro line is opened to connect the southern districts to the city centre north of the river.

However, the 1973 oil crisis ends the economic prosperity of the post-war period. The modernist city centre is starting to show defects and gains a reputation as a bare concrete jungle. Housing in the historic expansion districts around the city centre has aged and no longer meets modern demands, and those wealthy enough to do so move away to the suburbs. *Gastarbeiders* (guest workers), mostly from Morocco, Turkey and Suriname, move into the city neighbourhoods to meet the growing need for workers and Rotterdam, especially the districts south of the river, gains a reputation as a multicultural city. Due to the lack of social and economic opportunities for the new migrant working class, these neighbourhoods start to develop a reputation for integration problems.

From the 1990s onwards Rotterdam starts development of highrise buildings as a 'Manhattan at the Maas'. New cultural initiatives are explored and architectural icons by Superdutch starchitects such as Rem Koolhaas, Ben van Berkel and MVRDV give the city a new fresh and innovative image. Urban redevelopments around the city once again transform Rotterdam into the most modern city in the Netherlands.

Figure 1: The development of Rotterdam in four pictures: the old city (1939), after the bomdardment (1940), the modern Coolsingel (1976) and the redeveloped riverfront (2018).

Three relevant dynamics emerge from this history of Rotterdam: a) the city has an urgent need for urban renewal on a purely spatial level, as spatial quality is often low and many areas have low population densities; b) the city has a large working class population, often from immigrant descent, especially in the district south of the river; and c) the city is quickly gaining in popularity among middle-class families and young urban professionals, who are more wealthy than the currently existing population, and have different housing needs.

Rotterdam is eager to capitalise on this newfound prestige. Urban development mostly concentrates on restructuring of the city center, to increase population density and spatial quality, and redevelopment of the old harbours at Kop van Zuid ('South's Head') where the southern districts meet the river. These areas have mostly lost their function as harbours to the larger and more modern ports outside the city limits, and will be redeveloped into prestigious urban districts. Through these developments the city aims to transform into a impressive modern metropolis in order to attract wealthy middle class families and young urban professionals that can balance Rotterdam's relatively poor population. The city employs several policy instruments in order to achieve this goal: the *Rotterdamwet* (Rotterdam Bill), which was already briefly touched upon in the introduc-

tion to this thesis, the National Program Rotterdam Zuid and the *Woonvisie Rotterdam* (Rotterdam Housing Vision).

The National Program Rotterdam Zuid was started by the Dutch government in 2012 in response to the low safety and livability scores of the southern districts. The program has three pillars: school, work and housing. The aim is to diversify the relatively poor neighbourhoods according to socio-economic measures by improving livability, attracting middle-class residents and accomodating social mobility for existing residents who would otherwise move out of the distric. Regarding housing, 35.000 dwellings are to be redeveloped: 12.000 by housing associations and 23.000 by private owners (Naafs and Van Eijck, 2019). Some of these will be renovated, but many will be demolished to make way for less yet more expensive family homes. The *Woonvisie* has a similar objective. In addition to making Rotterdam more green and sustainable and densifying the city center, the municipality aims to remove 20.000 affordable dwellings in favour of 36.000 homes for more wealthy households (Baeten, Liukku et al, 2016), many in Rotterdam Zuid. Half of these dwellings will be renovated for higher rents, and 15.000 will be demolished in favour of 26.000 more expensive dwellings and 10.000 new affordable homes. Both programs overlap in their ambitions.

Figure 2: Some of the proposals for Kop van Zuid (left) and Feyenoord City (right) at the edges of the poorer southern part of Rotterdam.

A referendum on the *Woonvisie* was held in 2016 after a petition by city residents. Many Rotterdammers felt that demolishing 10.000 affordable dwellings in times of a local and national housing shortage would not be in the public interest. However, although 71% of voters spoke out against the *Woonvisie*, the referendum turnout was too low to legitimise the vote. Moreover, the municipality argues that the demolition of these dwellings will not pose any issues. The municipality compares the amount of people who are entitled to rental allowance, 125.600 households, to the stock of affordable housing, which they calculate as being 168.000 dwellings, and thus there is a surplus of cheap housing. However, these numbers include 22.000 owner-occupied homes and exclude all those low-income households who are not entitled to rental subsidies, inclusion of which

would bring their total up to 167.000 households. In addition, there are 40.000 households in the low middle-income category, who cannot afford to buy a home, are not eligible for rental allowance yet for whom the market is not interested in providing cheap dwellings. It thus seems questionable that Rotterdam's supply of affordable housing is as abundant as the municipality suggests. In fact, all housing associations in Rotterdam currently have waiting lists.

As rents and housing prices rise, many residents fear that they will not be able to afford to live in Rotterdam anymore. Although prices in the city are below the national average, they have risen rapidly in recent years and are quickly catching up. Moreover, Rotterdam's housing stock has not increased significantly over the last decade.
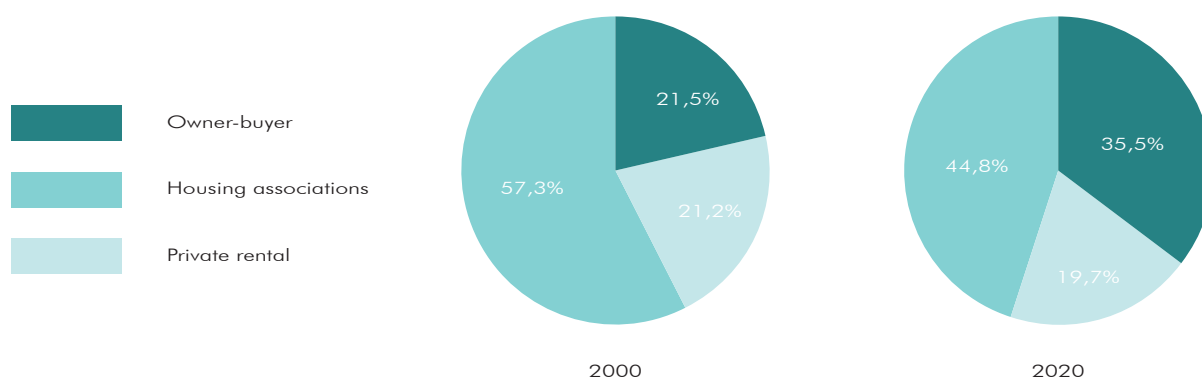

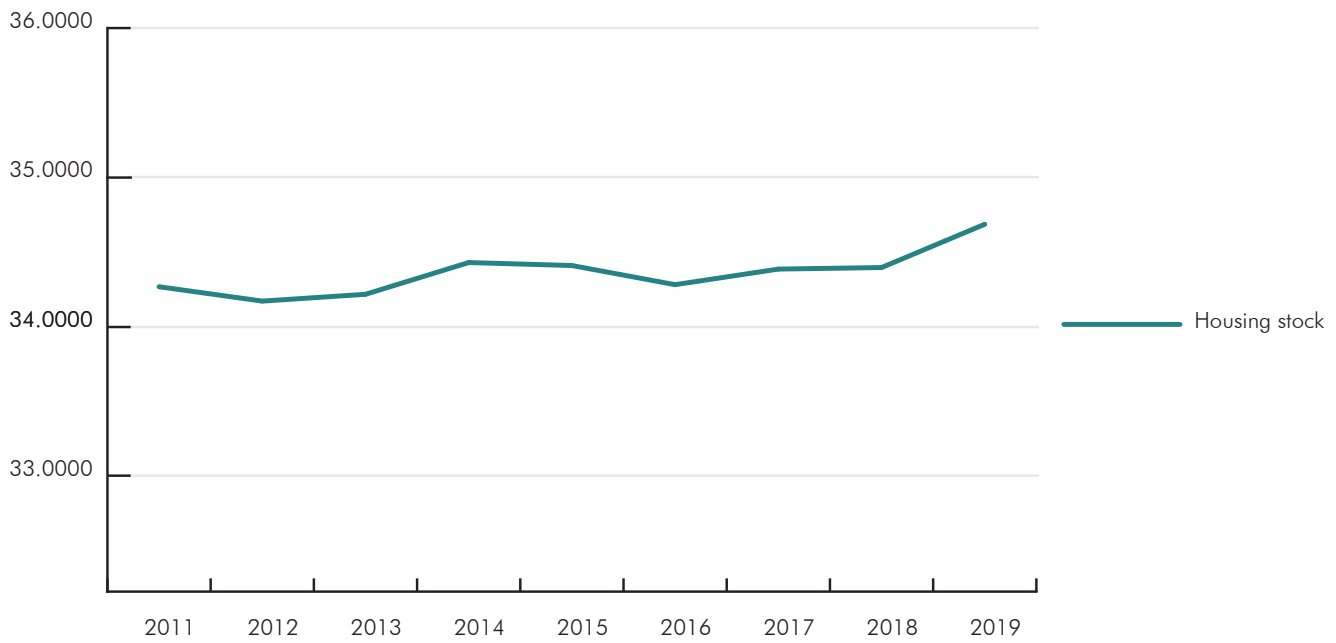*Figure 3: Changes in Rotterdam housing ownership (data: CBS).*

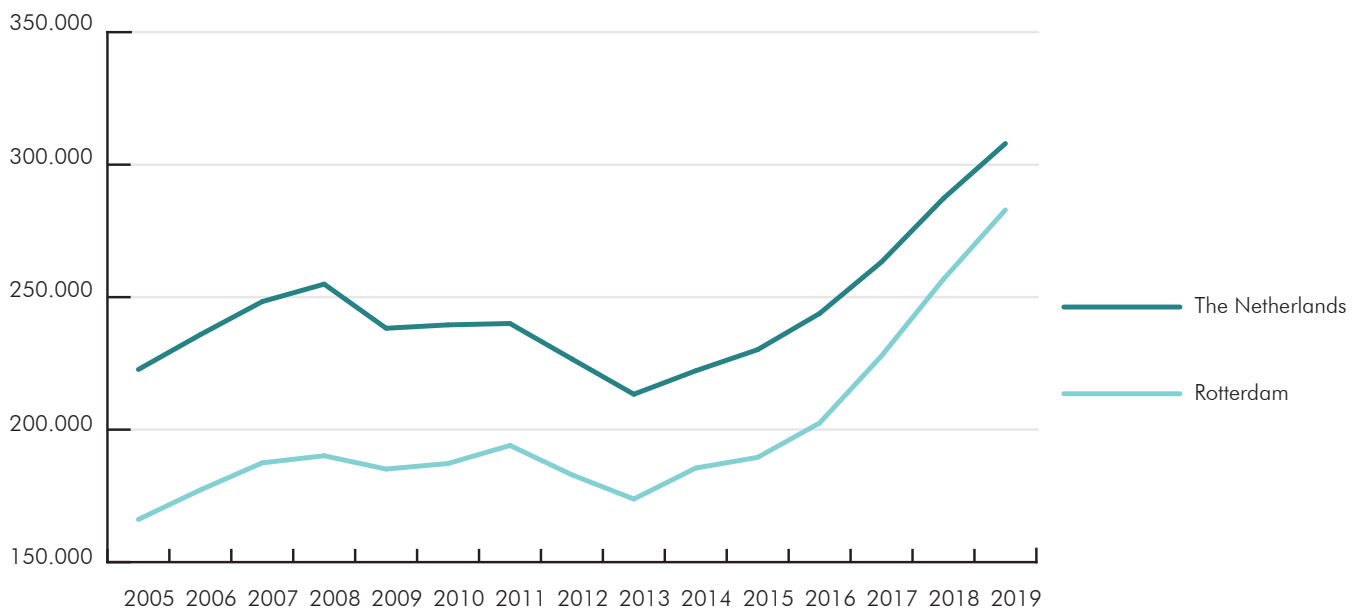*Figure 4: Total Rotterdam housing stock (data: CBS).*

Figure 5: Average housing prices in euro (data: CBS).

TWEEBOSBUURT

Tweebosbuurt consists of the south-eastern area of Afrikaanderwijk, Rotterdam Zuid. Afrikaanderwijk (literally: *Afrikaner neighbourhood*, as the streets are named after South-African cities and Boer leaders) originated around 1900 when the southern harbours were constructed and housing was needed for the many new dock workers who moved to Rotterdam from other parts of the Netherlands. When the Netherlands needed workers in the post-war boom of the 1960s, immigrants from, amongst others, Morocco, Turkey, Suriname and the Dutch Antilles were housed in the cheap dwellings of the relatively poor neighbourhoods of Rotterdam Zuid. The existing working class residents quickly saw enormous changes to their neighbourhood, both spatial and social, as Rotterdam Zuid became a multicultural district (Datema, 2015). Moreover, municipal housing policy still aimed to move people from the often dilapidated and cramped city neighbourhoods to the new suburbs. Not all residents were happy with these developments: the working class neighbourhoods were often close communities on which the local population depended. Both issues came to a head in a week of riots in 1972, during which Turkish migrant families were attacked. After police intervention managed to calm down the neighbourhood, new spatial policies were enacted. In these so-called *stadsvernieuwingsprojecten* (urban renewal projects), small-scale developments 'for the neighbourhood' took central stage in order to preserving the social structure of communities. However, although they usually were improvements on the dilapidated slums they replaced, due to the economic crises of the 1970s these projects often scored low on easthetic qualities. Moreover, due to the community-centric approach, dwellings were built for low-income households in stacked apartment blocks, most of them social housing. Private sector rental dwellings, homeownership or even just ground-floor dwellings were often absent. It is this era of projects that is mostly represented in Tweebosbuurt.

In order to improve the spatial quality of the dwellings and diversify the housing supply of the neighbourhood in line with the *Woonvisie*, housing association Vestia and the municipality are planning to demolish 599 dwellings, of which 535 are social housing (Liukku, 2018). Although Vestia is required to offer these residents alternative housing options, only 374 new dwellings will be built, of which merely 137 will be social housing. These new homes will be liberalised (placed outside the social segment) after the first tenant leaves, subtracting even more social dwellings from the Afrikaanderwijk housing stock. It is thus impossible to rehouse all tenants in their old neighbourhood, disrupting the social and economic structures on which
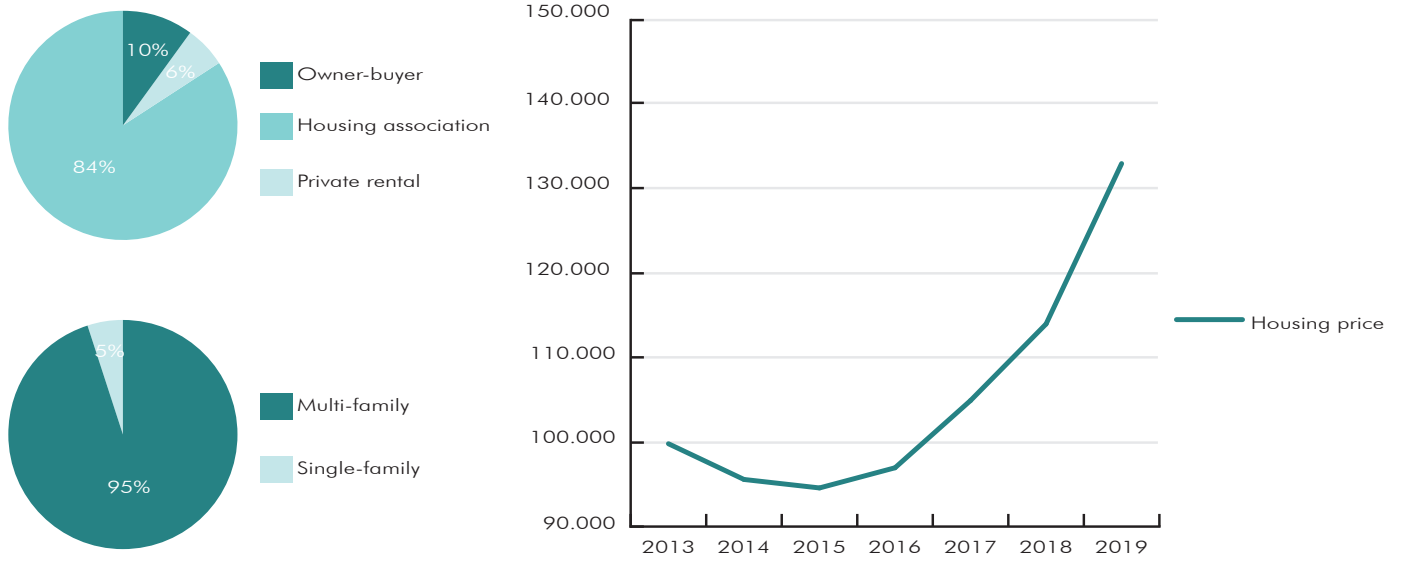
Figure 6: Neighbourhood composition and housing prices for Afrikaanderwijk (data: CBS).

Figure 7: Overview of Afrikaanderwijk, with Tweebosbuurt in the bottom right.

they depend. Moreover, due to the current housing shortage and the decade-long decrease of the social housing stock fitting housing for tenants often cannot be found within Rotterdam, or they will inevitably have to settle for rent increases. Tweebos residents have organised themselves in *Actiegroep Tweebos* in order to petition for a reconsideration of the demolition plans. In early 2020, they succesfully managed to block the eviction of some Tweebos residents who could not be rehoused in the neighbourhood (Liukku, 2020). The court also concluded that there is no financial or technical necessity for demolition, and that residents were insufficiently consulted in in the development plans. Vestia's hurry to demolish Tweebosbuurt, however, does have a financial motive: the housing association, which has had financial troubles for over a decade, would have been eligible for a state subsidy of 27 million euro if demolition started before April 2020, a deadline they have not met.

In the end, Rotterdam's ambitions in transforming its housing stock emerge from the desire to attract less low-income households, who bring along social problems and municipal costs, and more middle- and high-income households, who are expected to stimulate economic activity. Although this is good for the city as a whole, positive or emancipatory effects of such diversification policies on original residents have not been measured (Sahadat,

2020). This kind of transformation, however, which includes a reduction in social dwellings in favour of market-based housing provision, is logical from a neoliberal perspective. Government interventions in the housing stock through the *Woonvisie* and the NPRZ, in contrast to a laissez-faire approach, can be read as an attempt to bring housing supply and demand closer to their theoretical potential, thus ensuring the proper functioning of the housing market. However, since the market has not yet developed to this point, it comes down to the housing associations to carry out these transformations. Here we can recognise the neoliberalisation of housing institutions: housing associations have been heavily restricted in their financial means and housing activities, and are now incentivised by government subsidies to prepare neighbourhoods for market activity. In the case of Tweebosbuurt, where an active group of self-organised residents campaign against the demolition of their homes, this perspective clashes with the right to the city. Residents feel like they no longer own the spaces they inhabit and their voices aren't heard. This makes Tweebosbuurt into an interesting case study for research into an alternative paradigm for housing provision.

Rotterdam - Tweebosbuurt
Huidige situatie

LEGENDA

- Plangrens
- Renovatie
- Sloop

Formaat: A4

Datum: 3 juli 2018
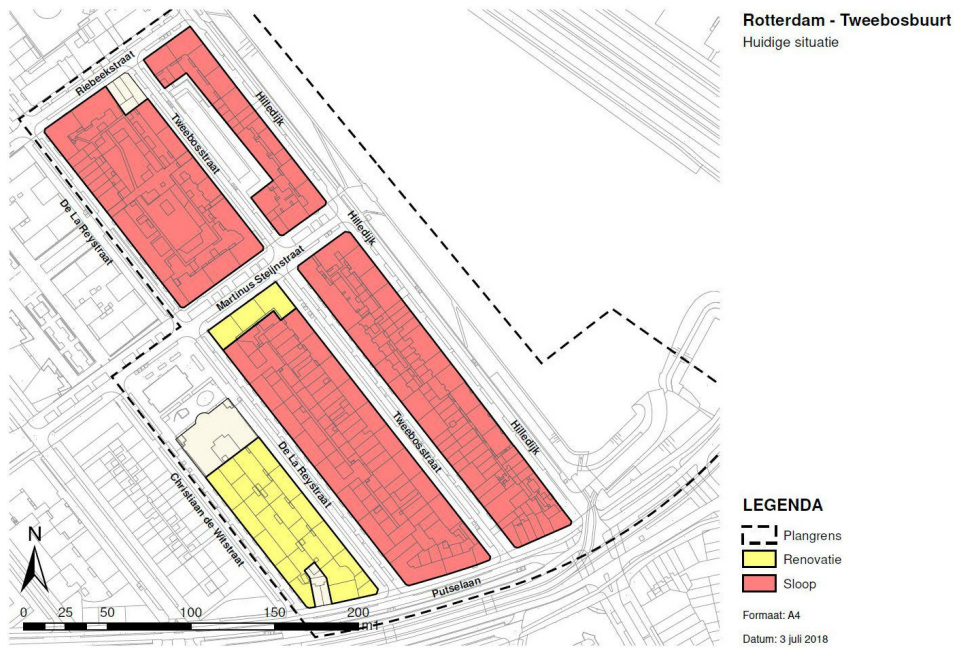
Figure 8: Demolition plans for Tweebosbuurt.

Figure 9: Urban renewal plans for Tweebosbuurt/Parkstad, Feyenoord City on the left.

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*Figure 10: Some of the blocks eligible for demolition in
De la Reystraat (top) and Hilledijk (bottom). Many have
already been shuttered to prevent squatting.*

Figure 11: Protests against the demolition of affordable housing in Tweebosbuurt by tenants who do not want to leave their neighbourhood.

Figure 12: Joubertstraat in Afrikaanderwijk, Rotterdam (top: 2008; bottom: 2018). Local commerce has been lost in spatial upgrades in the northern part of Afrikaanderwijk.

Figure 13: Jacominastraat in Afrikaanderwijk, Rotterdam (top: 2008; bottom: 2018). Stacked dwellings have been replaced by ground-floor family homes.

Figure 14: Paradijsplein in Crooswijk, Rotterdam (top: 2008; bottom: 2018). Crooswijk is a working-class neighbourhood that was upgraded through similar large-scale restructuring plans as Tweebosbuurt.

Figure 15: Kerkhoflaan in Crooswijk, Rotterdam (top: 2008; bottom: 2018). Note the newly developed street of owner-buyer homes in the background, which replaced stacked social housing units.

3.

METHODOLOGY

CONCEPTUAL FRAMEWORK

The conceptual framework shows how the problem fields are related. Neoliberalism is the ideological framework that currently informs housing policy in the Netherlands. As Rolnik (2019) explains, both owner-occupied and privately rented homes have become assets in a global financial system, where not the right to housing but growth of capital is the ultimate goal. This accounts for the ever-rising prices in both sectors, but also for the rollback of social housing and the subsequent gap between the limited amount of social housing and the ever more expensive private sector. Policy proposals to mitigate these issues are often aimed at increasing market dynamics, which would, acording to Rolnik's analysis, only worsen the affordability crisis. Thus, it is important to examine the ideological roots and development of neoliberal thought in order to understand both the global commodification of housing and the direction of housing policy in the Netherlands. Only then can be criticised exactly where innovation in the approach to housing is required.

Lefebvre's right to the city (1996) offers a different perspective. Although the right to the city concerns urban life in its entirety, describing a right to be part of the diversity and opportunities for self-actualisation that the city offers, housing takes on a central role in this view. Lefebvre defines two conditions for the right to the city to be actualised: appropriation of space and participation in the creation of space. These can be linked to the two definitions of justice as identified by Fainstein (2010), who differentiates between justice as a process of deliberation under ideal circumstances and justice as an equitable distribution of goods. In an urban context, justice as a process of deliberation can be achieved by Lefebvre's right to participate in the production of space. The concept of neighbourhood planning, a practice pioneered in London where local residents have been granted the power to develop a plan for their neighbourhood (De Bode, 2020), can institutionalise this right at the local level. The right to appropriate space, that is, to put use value over financial value, is in direct conflict with the process of financialisation as described by Rolnik. Fainstein writes about an equitable distribution of goods, and if we apply this to housing, it becomes clear that we need to consider property ownership. If the use value of housing property is to be considered above its financial value, that is its value as an asset that offers returns and can be used as a security, in between Fainsteins distribution of goods and Lefebvre's appropriation of space we can find common ownership in the housing cooperative. The right to housing can then be institutionalised by combining the concepts of neighbourhood planning and housing cooperatives. These are the instruments that will be applied in this thesis to develop a strategy for affordable housing in Rotterdam.

CONTEXT

neoliberalism
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and Thatcherism"
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and the Birth of Neoliberalism"

**commodification
of housing**
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Markets To Work"
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the Netherlands**
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Nederlandse volkshuisvestingsbeleid"
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Hervorming van de woningmarkt"

PROBLEM

financialisation
rent extraction
displacement
commodification of land
mortgage debt
affordability

systemic failure
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the gentrifying European city"
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role of housing corporations
role of the municipality
suburbanisation
housing shortage
gentrification
segregation

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Ryan-Collins, 2017, "Rethinking the
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appropriation

participation

Arnstein, 2006, "A Ladder of
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Pal, 2010, "Planning from
the bottom up"

**housing
cooperative**
Platform31, 2014, "Quickscan
Wooncoöperaties"
Franse, 2016, "Wooncoöperatie in
wording"

spatial justice

**neighbourhood
planning**
Burton, Koch et al, 2019, "Neigh-
bourhood planning in London"
De Bode, 2020,
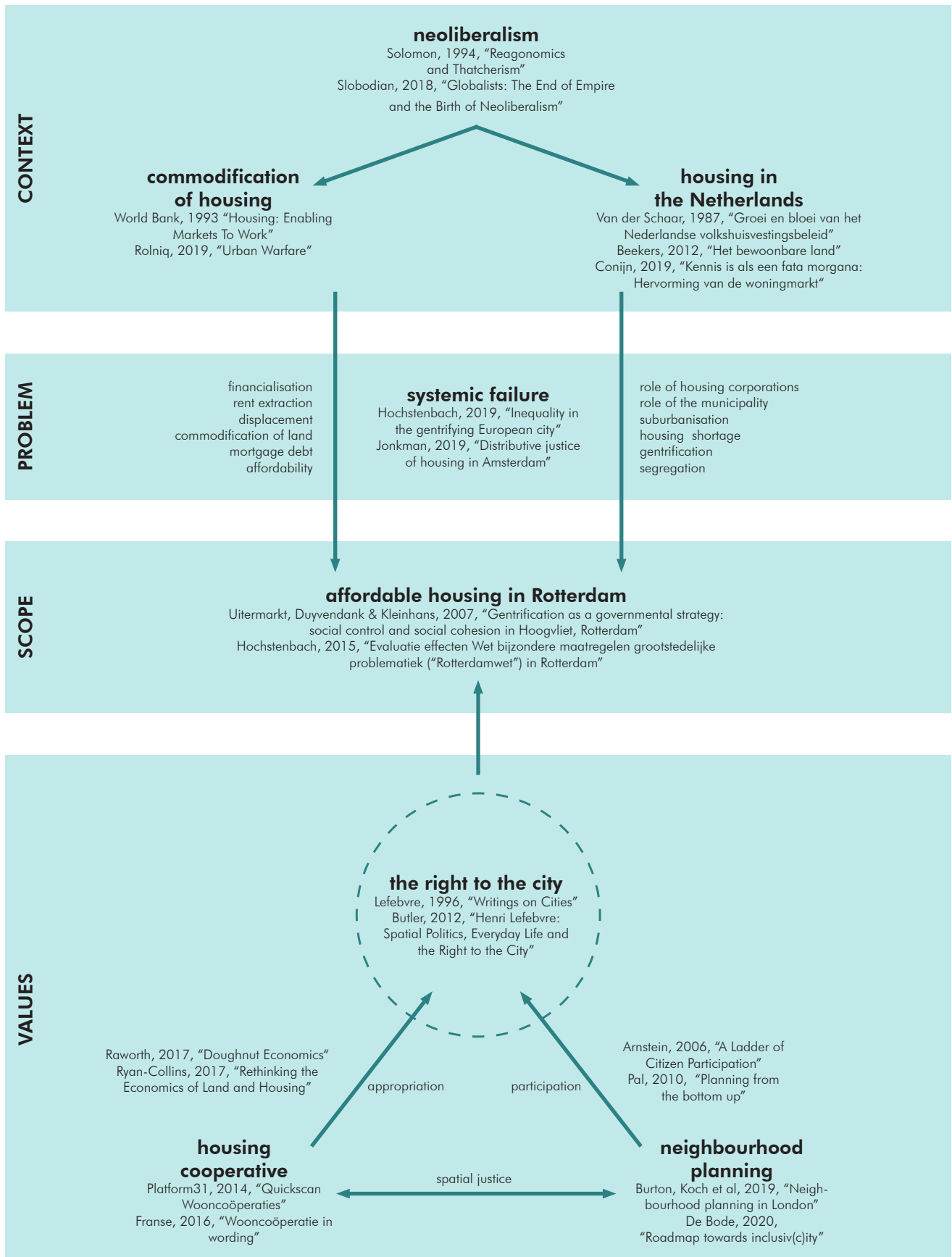"Roadmap towards inclusiv(c)ity"

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Figure 1: Conceptual framework.

AIM AND APPROACH

The aim of this thesis is to construct a model for the provision of inclusive and affordable housing in Rotterdam. The larger aim is to reconsider the values that underly the Dutch system for housing development within the projected conditions of a changing socio-environmental context. Through this reconsideration, the thesis will explore the implementation and operability of a new model of endogenous housing development.

In the research process towards this aim, two important distinctions have to be made. The first distinction is that between the theories and ideology behind policy and the empirical reality that they create. Policies do not exist in an objective vacuum. They are embedded with the ideological values of their writers, and ideology always elevates certain interests above others based on these values. This is not inherently wrong, nor is it surmountable, but it does mean that an examination and, perhaps, a correction of these ideological values can be necessary in order to create effective policies. The second distinction is then that between the current approach towards housing provision that requires re-examination, and the potential future approach that is to be designed. It is one thing to criticise the current approach, but it is quite another matter to draft a new one. By distilling a matrix out of these two distinctions, we can start to set up a framework to formulate this answer.

The starting point of the research will be an examination of neoliberal ideology and its influence on housing. The translation from theory to practice will be made by asking the question: how do we make this spatial? The translation from the current state to the proposed future state will be made by asking the question: how do we make this just? These sections are not consecutive, but have to be explored in parallel. Each forms a lens through which to view the other: one cannot criticise policy if there is no ideology from which to do so, and one cannot explore ideals if there is no problem to which they are an answer. A synthesis of these two perspectives will then inform the final proposal for affordable housing provision in Rotterdam.

NOW
what is?

FUTURE
what should be?

*how do we
make this
just?*

THEORY
ideological analysis

problem analysis:
NEOLIBERALISATION

ideological toolbox:
THE RIGHT TO
THE CITY

*what
values are
needed?*

*how do we make
this spatial?*

*what local effects
has this had?*

*how do we
implement this?*

PRACTICE
neighbourhood analysis

local conditions:
TWEEBOSBUURT,
ROTTERDAM

*what
policy is
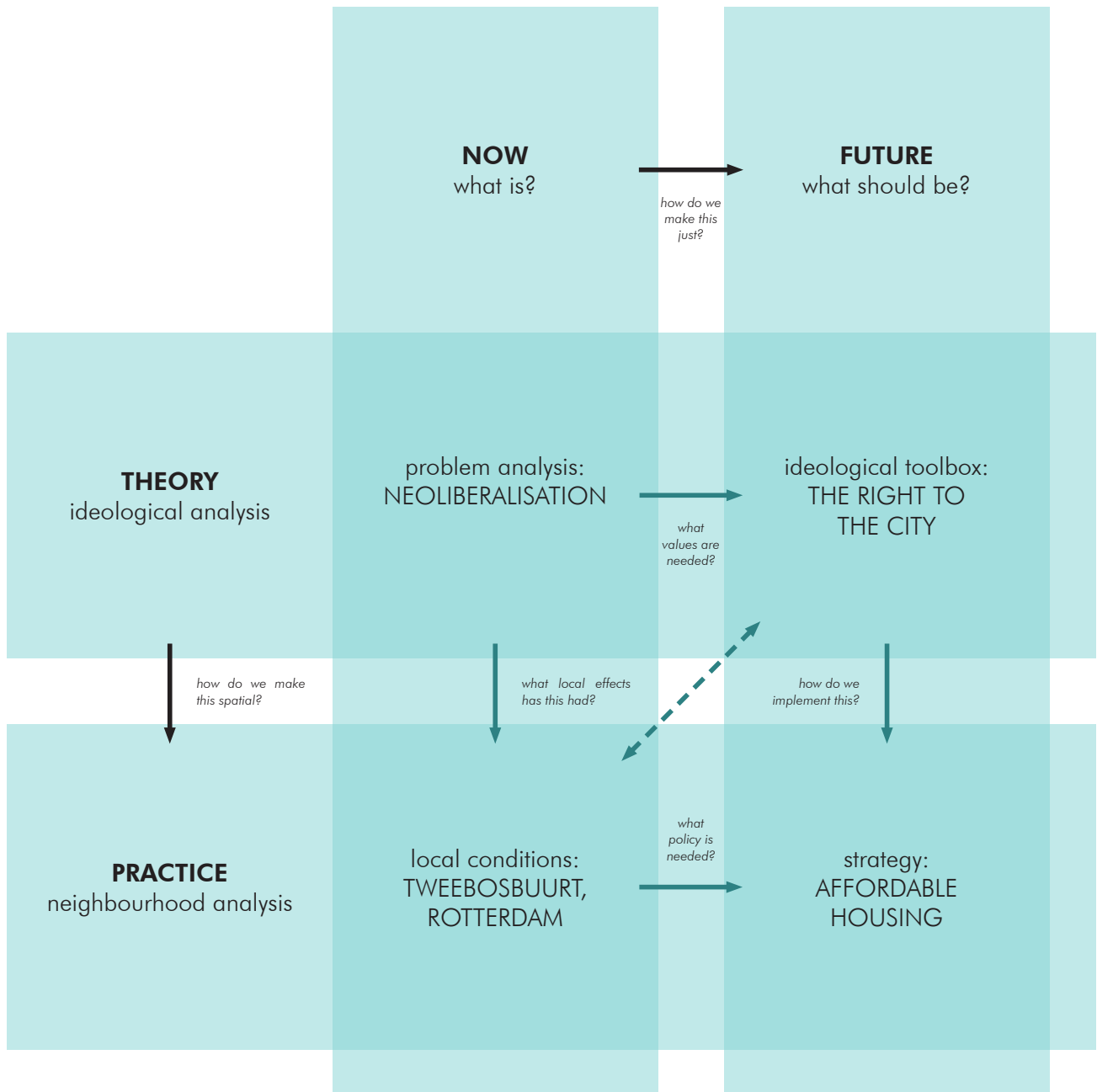needed?*

strategy:
AFFORDABLE
HOUSING

Figure 2: Research approach.

QUESTIONS AND OUTCOMES

The central question of this thesis is:

How can the Dutch model of housing corporations as a base for affordable housing in Rotterdam be transformed to break away from the neoliberal paradigm of development in service of a more just city?

This question will be explored in the four sections that have been defined in the research approach. First, it is important to gain an understanding of the ideological basis under the current direction of policy, so that we may understand the reasons why certain policies have been designed and the expectations that have been set on their effects. Thus, the first section of subquestions will explore the ideas behind neoliberalism, the hegemonic political and economic ideology since the 1980s, and the ways it has affected housing on a global scale.

The second section will localise these values and dynamics in Tweebosbuurt and Rotterdam by exploring how they have transformed Dutch planning systems, policies and actors. This will result in an timeline detailing the changing approach to housing, a mapped network of actors and their interconnections, objectives and powers, an overview of recent housing policies and their spatial effects as they apply to Tweebos, Rotterdam.

The third section of the thesis will build on both the values and dynamics of neoliberalism and the effects of neoliberal policies as described in the second section. A new ideological framework for housing will be constructed by relating Lefebvre's right to the city with Fainstein's concept of spatial justice. This will result in a toolbox for the two requirements that Lefebvre defines in the right to the city: appropriation of urban space which puts use value above financial value, and participation in the production of urban space.

Finally, the last section will explore how these tools can be used in Tweebos, building on the local conditions that have been defined in the second section, which will result in a series of policy proposals to institutionalize the right to the city and a strategy towards affordable housing development through this new right.

The second and third sections of subquestion both build on the first section and inform each other's perspectives, and subsequently inform the fourth section of subquestions together. They will be presented linearly in this report in order to improve readability.
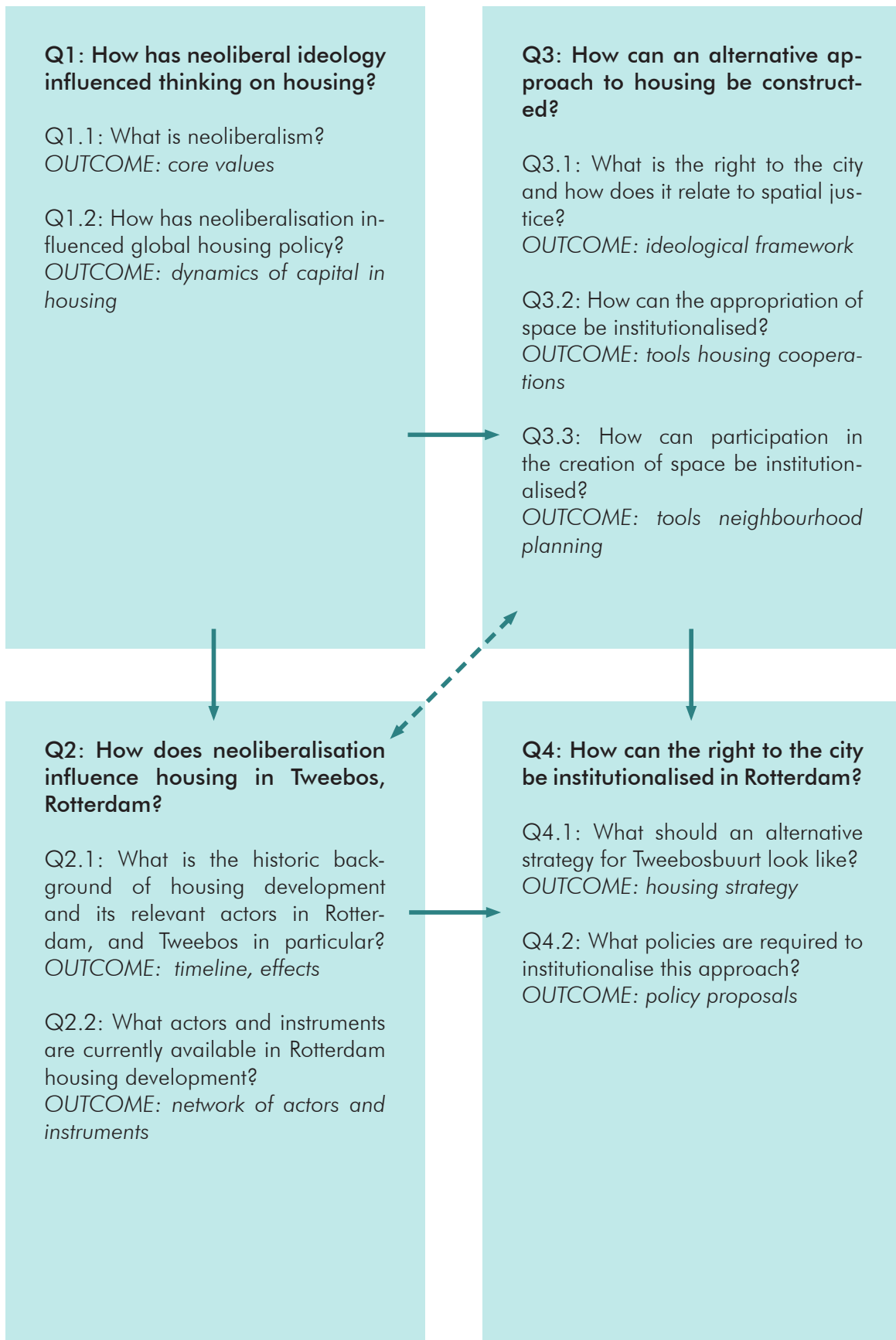
Q1: How has neoliberal ideology influenced thinking on housing?

Q1.1: What is neoliberalism?
OUTCOME: core values

Q1.2: How has neoliberalisation influenced global housing policy?
OUTCOME: dynamics of capital in housing

Q3: How can an alternative approach to housing be constructed?

Q3.1: What is the right to the city and how does it relate to spatial justice?
OUTCOME: ideological framework

Q3.2: How can the appropriation of space be institutionalised?
OUTCOME: tools housing cooperations

Q3.3: How can participation in the creation of space be institutionalised?
OUTCOME: tools neighbourhood planning

Q2: How does neoliberalisation influence housing in Tweebos, Rotterdam?

Q2.1: What is the historic background of housing development and its relevant actors in Rotterdam, and Tweebos in particular?
OUTCOME: timeline, effects

Q2.2: What actors and instruments are currently available in Rotterdam housing development?
OUTCOME: network of actors and instruments

Q4: How can the right to the city be institutionalised in Rotterdam?

Q4.1: What should an alternative strategy for Tweebosbuurt look like?
OUTCOME: housing strategy

Q4.2: What policies are required to institutionalise this approach?
OUTCOME: policy proposals

45

Figure 3: Research questions.

METHODS

A wide variety of methods can be employed to conduct the research necessary to answer the research questions. The methods that will be used in this thesis are listed below.

Analytical research
Literature review
An in-depth understanding of any subject starts with analysing and reviewing relevant literature. A starting point in the search for literature can be the references sections of books, papers and theses on the subject, an enquiry by key words in a library or research repository or by reccomendations from students or researchers in the subject. Subquestions that can help answer the research question are: which authors have written on the subject? What dynamics do they identify on the subject? How do authors differ in their analysis, and can they be connected?

Historical analysis
Historic analysis focuses on questions regarding the chronology of information on the subject. Relevant questions can be: where does a phenomenon originate, and how has it developed through time? Which actors have influenced this development and where did their position on the subject originate? How did major events influence the subject?

Policy review
When studying government policies on a subject, it is important to ask: what were the goals of this policy? Considering the dynamics identified in the literature review, what effects are expected? What effects are documented, and do they correspond to the policy's intention? How can this be explained?

Actor analysis
Actor analysis scans literature for actors (individuals or organisations) and maps their sectors, interconnections, interests and powers. Combined with relevant data, this can show how certain powers are distributed through the problem field and which dynamics play a part in it.

Quantitative research
Data collection
Data can be collected from a diverse array of sources. The most important of these is the data repository of the Dutch Central Bureau for Statistics (CBS). Other data sources can be found by exploring relevant literature and their references, in the Rotterdam city archives or through institutions such as the Rotterdam Open Data Store, the municipal department database Onderzoek010 or the National Data Portal of the Dutch government.

Mapping
After data has been collected, it needs to be processed in order to draw conclusions. This can be done spatially, by projecting it on a literal map, temporally, by mapping it on a timeline, or in any other way that data can be integrated and visualised. Overlaying different datasets can illustrate important underlying dynamics, just

like comparing different scales or different datasets on similar phenomena.

Qualitative research
Site visits
Some data on a more specific or local level is not recorder in databases and requires in-person visitation in order to be documented and processed. When cvisiting a site, it is important to know what to look for and how to document it, however, it is also important to remain open for new or conflicting observations.

Interview
Sometimes data on specific cases from more subjective sources can be useful to assess certain local phenomena, especially when it concerns the opinions of neighbourhood inhabitants. Opinions or even more objective knowledge from experts that are not available in other sources can also be collected through interviews. It is important to know beforehand what type of information is to be collected, and which questions to ask to retrieve it.

Case study
Studying specific cases of a phenomenon can help analyse and assess the specific circumstances in which it took place, which may not be recorded as detailed in general data sets.

Research by design
Design principles
Theories or aspects thereof can be illustrated by a series of schematic proposals that showcase certain spatial or other qualities, instead of a fully worked out design built on a thorough and specific local analysis.

Vision
A vision is a visualisation or description of how a neighbourhood, district or city could develop in the future, usually according to a certain set of ideals.

Strategy
A strategy is a plan to achieve a certain long-term goal. In urbanism, such a strategy usually defines a set of spatial or policy interventions in order to solve issues related to urban living.

These methods will be applied per subquestion, resulting in a detailed plan of action.

Q1: How has neoliberal ideology influenced thinking on housing?

Q1.1: *What is neoliberalism?*
Literature review of neoliberal ideology (Solomon, 1994; Slobodian, 2018), schematising core values and relationships.

OUTCOME: a scheme of the core core values and dynamics of neoliberalism

Q1.2: *How has neoliberalisation influenced global housing policy?*
Literature and policy review of urban planning (World Bank, 1993; Rolnik, 2019), schematising how values in housing have shifted.

OUTCOME: a diagram illustrating the shifting values in housing and a scheme showing the dynamics of capital in housing

Q2: How does neoliberalisation influence housing in Tweebos, Rotterdam?

Q2.1: *What is the historic background of housing development and its relevant actors in Rotterdam, and Tweebos in particular?*
Literature review on housing development in the Netherlands (Van der Schaar, 1987; Beekers, 2012; Conijn, 2019), schematising of different paradigms and connecting them to results of Q1.

OUTCOME: a timeline of shift-

ing housing paradigms in the Netherlands and diagrams showing the effects of these policies

Q2.2: *What actors and instruments are currently available in Rotterdam housing development?*
Literature review on housing in Rotterdam (Uitermarkt, 2007; Hochstenbach, 2015), schematising of available instruments and their relationship to and function in the ideological framework of Q1 and mapping of actors and their connections, powers and interests.

OUTCOME: a network of actors and instruments in Rotterdam housing development

Q3: How can an alternative approach to housing be constructed?

Q3.1: *What is the right to the city and how does it relate to spatial justice?*
Literature review on the right to the city and spatial justice, schematising how they can be synthesised and schematising how the doughnut economy (Raworth, 2017) can bridge the gap between the right to the city and the neoliberal framework of Q1

OUTCOME: doughnut economy scheme + right to the city/ spatial justice scheme

Q3.2: *: How can the appropriation of space be institutionalised?*
Literature review on appropriation of urban space through alternative forms of owner-

Q1.1: *What is neoliberalism?*

Q1.2: How has neoliberalisation influenced global housing policy?

Q2.1: *What is the historic background of housing development and its relevant actors in Rotterdam, and Tweebos in particular?*

Q2.2: What actors and instruments are currently available in Rotterdam housing development?

Q3.1: What is the right to the city and how does it relate to spatial justice?

Q3.2: How can the appropriation of space be institutionalised?

Q3.3: How can participation in the creation of space be institutionalised?

Q4.1: *What should an alternative strategy for Tweebosbuurt look like?*

Q4.2: What policies are required to institutionalise this approach?

Literature review

Historical analysis

Policy review

Actor analysis

Data collection

Mapping

Site visit

Interview

Case study

Design principles

Vision

Strategy

Figure 4: Methods.

ship that place use value over economic value (Platform31, 2014; Franse, 2016), studying relevant case studies possibly complemented by expert interviews and subsequently schematising a set of requirements or principles.

OUTCOME: tools for housing cooperations in Rotterdam

Q3.3: *How can participation in the creation of space be institutionalised?*
Literature review on participation and bottom-up development in urban planning (Burton, Koch et al, 2019; De Bode, 2020), studying relevant case studies possibly complemented by expert interviews and subsequently schematising a set of requirements or principles.

OUTCOME: tools for neighbourhood planning in Rotterdam

Q4: How can the right to the city be institutionalised in Rotterdam?
Q4.1: *What should an alternative strategy for Tweebosbuurt look like?*
Synthesizing Q2 and Q3.2 by applying the toolboxes to the neighbourhood case study of Tweebosbuurt.

OUTCOME: a vision for endogenous housing development and management in Tweebos, Rotterdam

Q4.2: *What policies are required to institutionalise this approach?*

Synthesizing Q2 and Q3.3 by drafting a set of policy proposals.

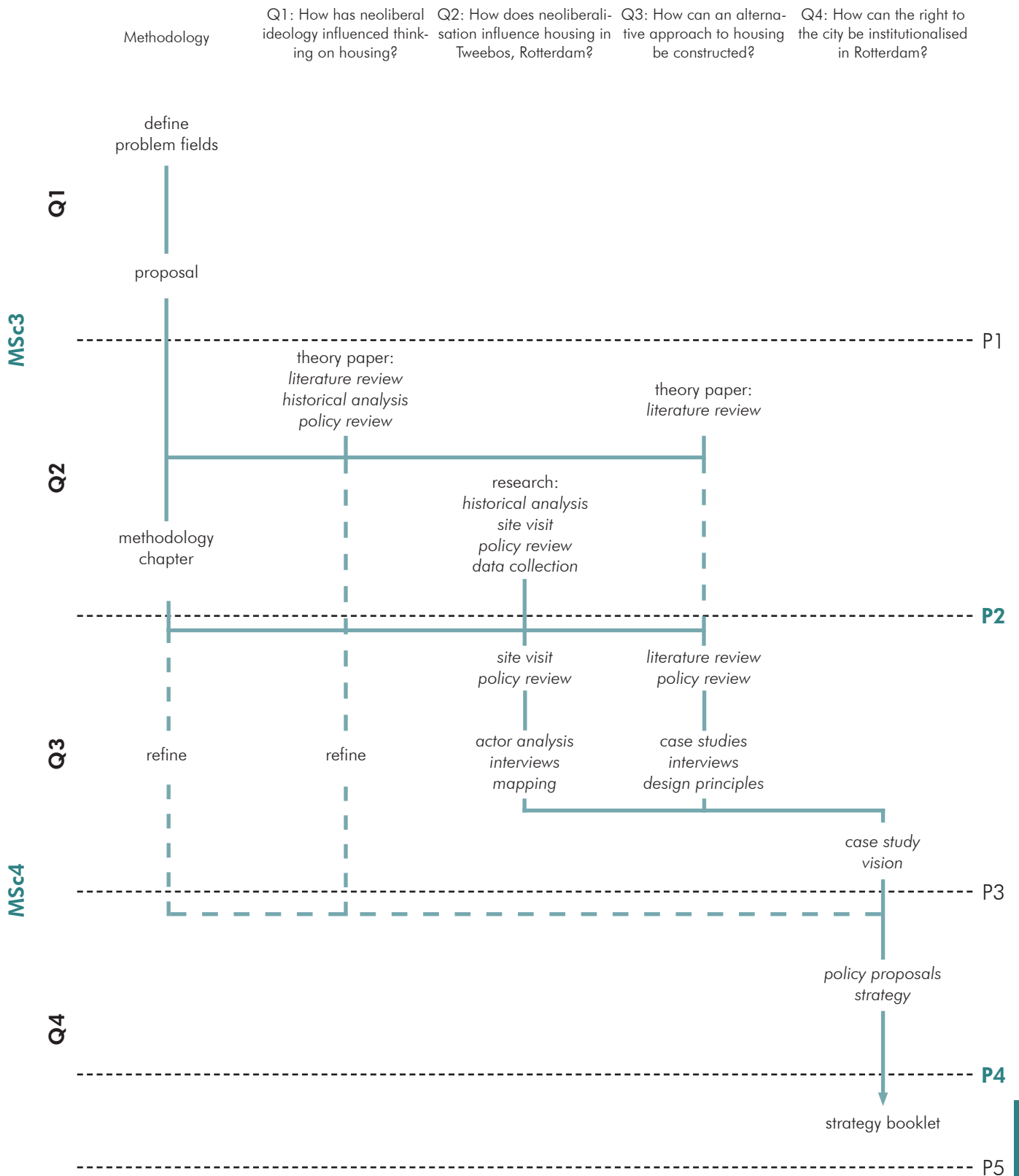*OUTCOME: a set of policy proposals for affordable housing in Rotterdam*

Methodology

Q1: How has neoliberal ideology influenced thinking on housing?

Q2: How does neoliberalisation influence housing in Tweebos, Rotterdam?

Q3: How can an alternative approach to housing be constructed?

Q4: How can the right to the city be institutionalised in Rotterdam?

Q1

define problem fields

proposal

MSc3

---------- P1

Q2

theory paper:
*literature review
historical analysis
policy review*

theory paper:
literature review

methodology chapter

research:
*historical analysis
site visit
policy review
data collection*

P2

Q3

refine

refine

site visit
policy review

literature review
policy review

*actor analysis
interviews
mapping*

*case studies
interviews
design principles*

*case study
vision*

MSc4

---------- P3

Q4

*policy proposals
strategy*

P4

strategy booklet

---------- P5

51

Figure 5: Methodological framework.

4.

THEORY PAPER

FOREWORD

In my theory paper, I examine how neoliberal ideas have affected housing policy, both on global and national levels., how current problems concerning housing affordability are an effect of neoliberal ideology and thus how solving these problems requires a different ideological framework which I find in Henri Lefebvre's concept of the right to the city. This paper will be expanded into the first few (theoretical) questions of my thesis. The first part of the paper, up to and including the section *Housing policy in the UK and the Netherlands*, will be expanded into questions Q1.1, Q1.2 and Q2.1, concerning neoliberalism and the history of housing in the Netherlands. The second part of the essay, from *Doughnut economics* and onwards, will be expanded into Q3.1 on the right to the city.

Abstract

The Netherlands is suffering from a growing shortage of affordable housing that is unlikely to be resolved soon. This crisis is reflective of the global state of the housing market and has important roots in neoliberal ideology and thus calls for a paradigm shift in housing policy. To that end, the origins and development of neoliberalism are explored. Ideological influences are followed towards the policy propositions of the World Bank and national housing legislation in the United Kingdom and the Netherlands since the 1980s. The subsequent transformations in the housing markets in these countries are examined and their effects described. An alternative paradigm is sketched using the model of the doughnut economy (Raworth, 2016) and the concept of the right to the city (Lefebvre, 1996). The latter is integrated into the doughnut economy's four domains of market, state, household and commons to reach a new perspective through which to approach housing development through endogenous participation and community development.

KEY WORDS: *housing policy, neoliberalism, doughnut economy, world bank, right to the city*

THE RIGHT TO THE CITY

Introduction

At the end of his term in 2017, Dutch minister for Housing Stef Blok proudly exclaimed that he had become the first lawmaker to dismantle an entire ministry (Cats, 2017). After years of reforms aimed at decreasing government interference, housing in the Netherlands had now been fixed and the market would solve all remaining problems. At the same time, however, an increasing shortage of affordable housing was growing in Dutch cities, a pressure which has only intensified since (Ministerie van Binnenlandse Zaken, 2019). Apparently, housing has not been 'fixed' by simply leaving it to the market, as the neoliberal paradigm would expect. But if the market cannot solve this housing shortage, who can? In this essay, I will examine what an alternative paradigm to housing development could look like. In order to do this, I will first delve into the ideological origins and development of neoliberalism. I will follow this by taking a critical look at neoliberal housing policy since the 1980's, on a global scale by examining the World Bank's policy and on a national scale by looking into housing policy in the United Kingdom and the Netherlands. Finally, I will investigate an alternative paradigm of housing development through the concepts of the doughnut economy and the right to the city.

Neoliberalism

Neoliberalism is often conflated with laissez-faire free-market capitalism, yet although they share a free market-based perspective, there are important differences. The origin of neoliberal ideology is usually pinpointed as the meetings of the Mont Pèlerin Society, founded by Austrian economist Friedrich Hayek in 1947 (Slobodian, 2020). It is unsurprising then that it finds its roots in German ordoliberalism, which, in contrast to a laissez-faire approach wherein any form of government intervention in the market is opposed, sees a need for the state to actively ensure that markets function to their theoretical potential. Neoliberalism transposes this idea to a global scale. In the neoliberal perspective there are two worlds: the political world of territorial states, called the *imperium*, and the economic world of property and trade, the *dominium*. The *dominium* is global and requires constant maintenance, but it also requires protection from the *imperium*. *Dominium* and *imperium* exist in a delicate balance. The lesson of the Second World War was that both these domains are delicate and require protection from attempts to disband them. At the same time, growing decolonisation efforts throughout the empires of western countries meant that the existing global world order was changing. The challenge for neoliberalism in the mid-20th century was then to strengthen the balance between the economic world and the political world by designing a global system of insti-

tutions to protect an international market. Neoliberalism is thus strongly connected to the phenomenon of globalisation, and it is this global institutional system that ensures the proper functioning of markets, rather than free markets itself, which is neoliberalism's goal.

However, it was not until the late 1970s that neoliberalism emerged as a clear and mainstream policy influence in Western countries. Classic Keynesian economics had formed the consensus since the end of the Second World War, and are often associated with social-democratic politics in which the state mitigates inequalities that arise from market dynamics. Keynesians, however, could not provide an answer to the stagflation crisis of the 1970s, during which low economic growth came coupled with high inflation rates. The monetarist policies of Milton Friedman, a member of the Mont Pèlerin Society, rejected Keynesian demand-management and instead propagated taming inflation through greater control of the money supply and creating economic growth through cutting taxes and decreasing regulations (Stedman Jones, 2012). They were an attractive solution that opened the gates for the subsequent conservative governments of Margaret Thatcher in the UK and Ronald Reagan in the US to champion neoliberal economic policies, characterized by deregulation of (financial) markets and privatisation of state enterprises, as the answer

to the economic turmoil of the previous decade. Both Thatcher and Reagan were strongly anti-Keynesian and proponents of free-market policies (Solomon, 1994). Reaganomics is often associated with trickle down-economics, which posits that tax cuts for the wealthy would create wealth that will eventually 'trickle down' to the lower classes. The same would apply to cuts in regulations. Thatcherism embodies a similar economic view, but is broader. Under Thatcher, privatisation of state enterprises was meant to make these enterprises more efficient while at the same time cutting government spending. The power of trade unions was also weakened, as they were seen as an obstacle to growth. These policies were a radical break with the preceding economic paradigm and set an example for market reforms on a global scale.

World Bank policy
In 1993, the World Bank published its policy paper *Housing: Enabling Markets To Work* (Angel, Mayo et al.), in which it set out the course of the Bank's policy in the housing sector for the coming years. This paper marks a turn in the Bank's housing policy. Where it previously aimed to advance global housing conditions by investing in individual projects, the Bank now shifted this approach to institutional reform at the national and municipal level. Seven policy instruments for national governments to reform housing markets are

cited. Three of these instruments are concerned with demand-side constraints: developing property rights, which includes transferring publicly owned housing to residents, developing mortgage finance and the financial sector, and rationalising subsidies to improve access to housing, but only as a last resort. The next three instruments are concerned with supply-side constraints on the housing market: provision of residential infrastructure that opens up opportunities for land development, reform of regulations for urban development and organising the building industry by eliminating regulatory barriers. The most interesting policy proposition in regards to the previous discussion, however, is the World Bank's recommendation for national governments to set up a coordinating institutional framework to manage the housing sector as a whole. Such institutions would be tasked with handling data on the performance of the housing market, providing a link to macroeconomic planning and devising long-term plans for housing sector development, organising participation of private and public actors in policy formulation and influencing decisionmakers and local institutions in housing-related activities. This aim illustrates the desire to more efficiently integrate local housing development into the global economic system, governed by top-down institutions that can operate more or less independently from political influences.

The specific set of policy instruments that should be prioritised depend on the type of country in which they are to be implemented. Although the aim of these propositions is improvement of the housing conditions of the global poor, the Bank's more direct goal is making national and, by extension, international housing markets more efficient in an economic sense. These policy propositions encapsulate clearly the idea that state intervention is required on a regulatory level to ensure that markets function correctly according to economic theories. However, they also showcase the belief that direct state intervention, whether through the production of public housing or through financial support, is an act of market distortion that would, despite good intentions, ultimately make participants in the market worse off. Coupled with deregulation of the financial sector and encouragement of mortgage finance, this presents a distinct belief in the price mechanism of supply and demand to regulate the efficient distribution of housing as long as the market operates properly. Thus housing, which had previously often been regarded as a social good, has been commodified. This has transformed housing in a financial asset, which resulted in a housing system that behaves as "a neoliberal 'fantastic ballet', in which assets leap from hand to hand through fast and constant transactions" (Rolnik, 2019, p. 18).

The World Bank's propositions are not the beginning of neoliberal housing policy, nor are they an endpoint. They do, however, offer a uniquely complete illustration of the direction of global housing policies since the 1980s. Although the Bank's propositions were originally aimed at lower- and middle-income developing countries, they have been followed, directly or indirectly, in many high-income developed countries as well. It is important to note here that neoliberalism is not monolithic, but like any ideology knows different schools that influenced policy through very practical means. As Rolnik (2019) writes:

"Despite being a general tendency, neoliberal restructuring strategies are applied to specific institutional configurations. […] In general terms, there is a move to dismantle social and public housing policies, destabilise security of tenure – including rental arrangements – and convert the home into a financial asset. However, this process is path-dependent: the institutional scenarios inherited by each country are fundamental for the construction of the emergent neoliberal strategies. Neoliberal policies must be understood as an amalgam between these two moments: it is a process of partial destruction of what exists and of trend creation of new structures." (p.19)

In other words, neoliberal policies take on different forms in different countries, dependent on the institutional and ideological predecessors that it builds upon. In the next section, I will therefore evaluate housing policies in two comparable yet very specific cases: those of high-income West-European countries with a strong welfare state transformed by the new neoliberal paradigm, exemplified by the UK and the Netherlands.

Housing policy in the UK and the Netherlands

In broad strokes, the histories of social housing in the United Kingdom and the Netherlands follow the same path. During the latter half of the 19th century, movements arose in both countries that aimed to improve the housing conditions of the poor, partly out of charity, but mostly out of necessity (Boughton, 2018). The increasingly dense slums of fast industrialising cities were a breeding ground for criminal activity and diseases, as large families lived in overcrowded dwellings under unhygienic circumstances. In the UK private developers started providing housing for the lower and middle classes, often terraced houses or tenement blocks. It was not until after the First World War that the state started providing public housing. During the war housing construction came to a standstill and interwar economic circumstances made it practically impossible for private developers to construct housing at affordable rents for the working class. The Housing and Town Planning Act of 1919, also known as the Addison Act, pro-

vided subsidies to local governments for the construction of housing and set in motion a booming period for affordable housing development in what would become known as council estates. The quality of these first projects was high and was meant to set a standard for subsequent developments, however, high costs and high rents slowly led to these standards being reduced. The Second World War, however, had a similar effect on housing as the first. Construction stopped, and thousands of homes were destroyed in bombings. Large-scale post-war reconstruction efforts were carried out by local authorities, leading to a great diversity of housing projects being built, from suburban extensions to existing towns to council estates on the edge of cities to large tower blocks in urban areas.

The Housing Act of 1980, proposed by then new Prime Minister Margaret Thatcher, introduced the Right to Buy-legislation. This policy allowed long-standing tenants to buy their council house at a large discount of 33-50% off the market price (Rolnik, 2019). Moreover, council investment in new housing projects was restricted, which meant sales now exceeded new construction, effectively shrinking the public housing stock. What remained were mostly lower quality dwellings, which were transferred to social landlords and housing associations. By deregulating financial and mortgage markets homeownership through

mortgage lending became the new preferred model for housing, transforming housing from a social good into a financial asset. Further deregulations of urban development and cuts to social housing finance have followed since. In 2013 the so-called 'bedroom-tax' came into force, which reduces the housing benefits received by social housing tenants whose number of bedrooms exceeds that required by their family's composition. Along with other austerity measures enacted after the financial crisis of 2008, the bedroom tax has had an enormous effect on the poorest tenants. Due to the shortage of social housing, smaller units are not readily available. Moreover, ever-rising rents make alternatives in the private sector unattainable for low-income tenants. Increasing homelessness as well as decreasing access to housing for young people have been linked to these policies.

The story of social housing in the Netherlands is remarkably similar. Here it was the 1901 *Woningwet* (Housing Act) that gave housing associations the right to receive financial support from the state for the construction of social housing units (Beekers, 2012). Although these associations were initially private organisations, the Housing Act gave municipal governments great levels of control and regulating authority in exchange for financial support. Although housing production got off to a slow start, additional financial support

from the national government led to a boom in housing development after 1916. Similar to the situation in the UK, the Netherlands suffered a housing shortage after the Second World War. In order to solve this crisis, the national government increased state influence in planning and construction of housing, essentially making housing associations into state enterprises. During the 1960s this influence was gradually rolled back and housing associations took their place as social non-profit organisations.

During the 1980s, the housing associations were made increasingly autonomous from state support. The aim was for them to be completely privatised to both make the associations more efficient by subjecting them to market dynamics, and at the same time cut back on government spending by making them financially independent. The *Bruteringsoperatie* of 1995, which abolished state subsidies for housing associations but also cancelled their debts to the state, was the final piece in this process of privatisation. Housing associations were expected to behave more like private enterprises, yet at the same time their responsibilities were expanded to monitoring and maintaining neighbourhood liveability. The scope of these responsibilities were considered vague and after a series of resulting scandals further measures were taken (Conijn, 2019). Perhaps the most notable of these was the verhuurderheffing (land-

lord's tax). Social housing associations were expected to pay a tax on their properties, and were allowed to raise rents of certain tenants depending on their income groups to finance this tax. Housing investment in the social sector has halved since then. Where social housing was once a social good meant to provide dwellings for a broad section of the population, it had now been reduced to housing only the poorest of tenants. However, the private rental sector in the Netherlands had always been relatively small. Both tenants who are deemed too wealthy for social housing and prospective buyers who can no longer afford the rising costs of homeownership are being pushed in this segment. Consequently, rents in the private sector have exploded and the share of affordable rental units in this sector is stagnating while the investment capacity of housing associations has dried up. Current estimates show that the shortage of affordable housing will keep growing until at least 2023 (Koning & Kragt, 2020). Meanwhile, homelessness in the Netherlands has doubled in the last decade (CBS, 2019).

Over the past decades, many authors have criticised neoliberal policies in and outside the housing market. According to Rolnik (2019), neoliberalism has degraded housing into financial assets first and only dwellings second. This has made them objects of speculation not only on the global

financial markets, where they are required to provide ever greater returns, but also for their owner-occupiers, who expect their houses to increase in value to provide collateral for loans or savings for retirement. This conversion of housing into a speculative asset thus encourages ever rising prices, not just for homeownership but on rental markets as well (Ryan-Collins, 2017). At the same time, the rollback of public housing and global encouragement of mortgage-lending in a deregulated financial system pushed ever more low- and middle-income households to take out mortgages they could not afford, resulting in the subprime mortgage crisis of 2008.

Moreover, as the welfare system, and especially social housing, has been deliberately redefined as a place for the poor and the weak who depend on government handouts, it became stigmatised as such. Rolnik (2019) states:

"[…] real-estate prices cannot drop, because this would mean eroding the political-social base and their asset-based welfare. Public social housing cannot be promoted, because this would symbolise regression to a state of dependency. Therefore, British people – especially the youngest and poorest – simply have nowhere to live." (p.40)

As described above, these dynamics are present in the Netherlands as well. It might thus be concluded that the housing crisis that is currently plaguing the United Kingdom and the Netherlands is a direct effect of the ideology that is now also expected to solve it, and thus that neoliberal solutions are unlikely to improve these situations. Policy is stuck in an ideological framework that it cannot think outside of.

Doughnut economics
Raworth (2016) suggests an alternative approach to economics by embedding the economic phenomenon in the social and ecological issues of our time. Her goal is relearning to think outside the neoliberal framework that prefers to see the economy as an exact science governed by economic laws of nature, by instead viewing the economy in a broader sense and recognising that there exist values other than exchange value which shape human interaction. Rather than seeing issues of inequality and climate change as externalities, she aims to internalize these problems as effects of the system, drawing up a scheme of two concentric circles whose inner bound represents the social conditions for all humans to thrive and whose outer bound represents the ecological capacity of the planet. The safe spot for economic affairs is the space in between: the 'doughnut'. Thus, Raworth aims to integrate the global economy in the language of human rights.

In neoclassical economics there are two domains, business and households, that create value by exchanging

labour and wages. Raworth regards these as incomplete and proposes two additional domains: the state and the commons. Where the state is delegated to the role of (de)regulator and protector of market interests in the neoliberal view, Raworth expands this to support of all three other domains. The state should harness the power of the market, but also embed it in institutions and regulations so that it promotes the common good. The role of the commons, which in the neoliberal view should be absorbed in the market or risk being depleted, is perhaps the most important adjustment. The commons are defined as shareable resources of nature or society that people choose to use and govern through self-organising. Commons can be natural, such as forests and watersheds, cultural, such as language and heritage, or digital, like social networks and open-source knowledge. Their value is often deeply personal and cannot easily be expressed in exchange value, precisely because this value lies in their inherently collective character: they cannot be traded or even privately owned. Commodification of the commons would therefore result in their destruction. Rather than tragedy, however, the commons have the opportunity to triumph by being governed by clearly defined communities who share a sense of responsibility and ownership for them. Raworth therefore calls for protection of the commons to be institutionalised, but warns that this can

only be achieved by combined efforts of endogenous and state support.

If we look back at the values at the core of neoliberalism as defined by Slobodian (2020), we can distinguish the political world of the *imperium* and the economic world of the *dominium*. These domains are present in Raworth's embedded economy as the state and as business, but she complements them with the household and the commons, which were in the neoliberal view considered part of the dominium. By doing so she elevates the value of these domains to being more than merely exchange value, but in fact having a complementary value of their own. *Imperium* and *dominium* clearly have a spatial component: in neoliberalism the dominium is a global economy by definition, and the imperium, which is bound to the territoriality of nation-states, implies a more local character. *Imperium* and *dominium* are geographies of power: one of the political power of the state, the other of the economic power of capital. However, they are geographies of power accumulation aimed at expanding the influence of their respective holders. If we are to follow Raworth in introducing two new domains, these will have to be geographies of power distribution which aim at the self-actualisation of every individual. We can then construct the hypothetical domains of the private *domus*, or the household, which is the core unit of society

(and can take on a great diversity of forms), and the collective *communis*, or commons, which are governed by communities who express their shared sense of ownership over a certain resource.

The right to the city
In the light of this embedded economy, it is interesting to integrate discourse on the right to the city, a term coined by philosopher and sociologist Henri Lefebvre. This right to the city is more than merely a right to housing: it is a right to partake in the urban (Butler, 2012). For Lefebvre, a city is not merely a locus of production and capital accumulation, but rather is "more or less the *oeuvre* of its citizens" (Lefebvre, 1996, p. 117), it is a work of art that is continuously being remade. Richard Sennett writes of this that in the city "making [is] derived from dwelling" (Sennett, 2018, p. 13): by inhabiting a place, we exert agency over it and transform it through our appropriation and use. The right to the city is thus a right to partake in the shaping of urban space. Additionally, the urban is a phenomenon of gathering and encounter and of difference and diversity. This makes the city a primary force of emancipation and collective action. Thus by shaping the city, man also transforms himself. The right to the city then becomes a right to self-exploration and self-development, which is perhaps the most fundamental right of all.

Lefebvre posits that inhabiting space requires two conditions: the right to appropriate space and the right to participate in the production of space. Appropriation of space elevates everyday use value over the exchange value of space. It is when inhabitants have incorporated the usage of a space in their daily routines, work practices and forms of play that they have appropriated it. Participation is concerned with the "right to be present in all circuits of decision making leading to the control and development of the organisation of social space" (Butler, 2012, p. 145). This is more than a simple process of consultation: it requires the power to shape space to be redistributed to or shared with those who inhabit the space. This means that inevitably conflicting interests over the use and thus the shape of a space will be resolved differently, which makes it an inherently political process. Lefebvre therefore questions whether it is possible to institutionalize the right to the city: if participation is imposed from above, power dynamics are at play that prevent true self-management and 'it becomes an ideology, and makes manipulation possible'. Such a right would require the support of state actors, which is at odds with the existence of urban struggles against those same state actors or interests.

Lefebvre's definition of the urban as a creative and emancipatory spatial phenomenon that is defined by its collectiveness, which should be open to all and cannot be private-

ly owned, places it squarely in Raworth's definition of the commons. The right to the city then becomes the right to partake in the urban commons and institutionalisation of the right to the city takes on a new meaning in the model of the embedded economy. In her work, Raworth illustrates how the commons can flourish when it is governed by clearly defined communities who share their value for and ownership over a shared resource, but this does require institutional protection from commodification. The same then applies to an urban commons. The city as a socio-spatial artefact can only flourish when all of its communities can exert their right to shape urban space through inhabitance. The definition of clear communities who share agency over an urban commons does not mean that access to this urban commons is limited to these communities, however, it does offer space for multiple types of urbanity to exist, rather than one overarching form of the urban phenomenon.

Conclusion

Housing takes on a key role in these domains. It is a prerequisite for urbanity. Those who are homeless may dwell in urban space, but since they cannot exert agency over a place that belongs to them they cannot truly inhabit it in the sense that Lefebvre refers to, and thus they are denied their right to the city. Housing is also a prerequisite for the existence of the household, as it physi-

cally separates the privacy of the household and the collectivity of the urban commons. It is through the commodification of housing that the urban commons is corroded, and the right to the city is infringed. If we are to counter this, we need to approach housing in a broader sense. The language of urban development and how it is measured will have to change. Instead of looking merely at brick and mortar and their exchange value, we will have to look at communities, their networks, needs and commons and how they interact with each other and with other urban levels of scale. This does not mean these communities have to be static and unchangeable. Far from it, the inherent character of urbanity means it will constantly be changing, growing and transforming. However, it does mean that any change will at the least need endogenous support and participation and preferably have an endogenous origin. Communities cannot simply be transplanted, but require careful nurturing to take root and grow into an urban commons. Most of all, it needs to be recognized that affordable housing is at the base of this flourishing urban commons, and thus a flourishing economy and meaningful society as a whole, that it is up to the state to protect this right from commodification, and that redistribution of both political and economic power, through participation and capital respectively, is necessary to achieve this.

Discussion

Following Raworth's model of the embedded economy, it is possible to institutionalise the right to the city, but not within a neoliberal framework. Both commons and household will have to be protected from commodification in the market. Withdrawing these areas from market influence will inevitably evoke resistance from market forces and might require a larger shift in economic thinking. The upside is that since a thriving urban commons can only emerge from endogenous communities, this transformation will not necessarily need to start at the top of the economic food chain. In fact, collective action from the bottom up is essential in building the urban commons, although it will inevitably require institutional protection through the state. Further research is then required into how this balance between bottom-up forces from the commons and top-down forces from the state as a whole can be successfully designed and maintained. Municipalities take on an especially interesting position in this balance through their position between national government and local community, and the role they play in development planning and land policy. Discourse on the effects and role of land as a commodity have been largely kept out of this analysis, as this would have called for the integration of a large and controversial theoretical field that would perhaps have been too much for this essay. However, the immobility and scarcity of land largely being the driving forces behind rising real estate prices, it is important to take these discussions into any further exploration of this topic. Finally, it should be noted that many of the elements of this new paradigm are already available. The Dutch housing associations, for example, have been focusing on 'neighbourhood liveability' for almost two decades now, and before they were privatised they occupied a position between state and market that could be described as being a sort of commons. The challenge is then to set up an encompassing framework to bring the right existing and new elements together in an innovative way.

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Chapter 1

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Chapter 2

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