

TOM SLATER ON RENT GAP AND RENT CONTROL: COMMENTARY AND INTERVIEW

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In the first week of July 2019, Lisbon was privileged with the visit of Professor Tom Slater (University of Edinburgh) invited by *Finisterra – The Portuguese Journal of Geography* and the Centre of Geographical Studies of the Institute of Geography and Spatial Planning, University of Lisbon (CEG/IGOT-UL) (fig.1). Tom Slater is a world reference in the field of critical urban studies and gentrification who honoured us with the lecture *The Revolutionary Imperative of the Rent Gap Theory of Gentrification*. Slater insisted on the need to recover the concept of rent gap and apply it in the geographic analysis of the city with the purpose of better understanding and combating socio-spatial injustices, segregation, and territorial fragmentation.

The original Neil Smith's rent gap theory of gentrification has been deployed and extended but also critiqued and caricatured, and regularly labelled as too structuralist, economist and determinist. For the past four decades, Neil Smith's rent gap theory has been attacked for underestimating human agency from the perspective of humanistic, liberal and poststructuralist geographies. Furthermore, in the last decade, post-colonial urban studies have attacked this theory as part of the Anglo-Saxon scientific imperialism of the Global North. Attempts to apply it in the Global South, even by critical researchers and academics, have often been considered as a way of oppressing the values, epistemologies, ontologies, and forms of thinking that are specific of these societies and spaces. In his first lecture, Slater argued that 40 years of attacking the rent gap theory display a very limited grasp of what the theory was designed to illustrate and explain: the role of State structures and institutions in providing the conditions for the circulation of capital and the profit extraction from urban land markets as well as the impact of cyclical movements of capital on the production of space and the built envi-

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ronment. These criticisms, however, lose sight of the critical value of the rent gap theory for a more transformative and emancipatory radical urban geography which enhances contemporary socio-spatial relations (Slater, 2017).

Slater explored the ongoing urban struggles taking place in the neighbourhood of Bo Kaap, Cape Town, South Africa, to demonstrate the continuing political relevance of the rent gap theory in cities of the Global South. This case exposes the most basic contradictions of the racialised capitalist production of space: the eternal struggle between dominant groups that accumulate capital through the dispossession of stigmatized, dominated, and alienated groups and their collective social needs.

This session, held on July 2nd, 2019, attracted a vast audience, not only composed by students, researchers, and professors of CEG/IGOT-ULisboa, but also from other national schools of geography, sociology, architecture, and urbanism (fig. 2).

The following day, Professor Slater took time to meet with the urban social movements, associations and collectivities of Lisbon that fight for the right to housing, to talk about rent controlⁱ. The professor insisted on the need to think and gather facts and evidence that may contribute to deconstruct certain myths from the dominant narrative that undermines rent control. He recognized that rent control is always a matter of heated debate in cities with severe crises of affordable housing. The dominant narrative among public opinion, but also economists, policy officials, think tanks, business leaders and landlords, is that rent controls – in any form and in any context – will be detrimental to those on whose behalf they were supposedly introduced (people of lower socioeconomic status struggling to find somewhere affordable to live). This view, however, is grounded in deep contempt for state regulation and in a set of highly dubious ideas about the causes of housing precarity and vulnerability, placing unreasonable faith in the “natural” efficiency of the functioning of the private rental market.

In this conversation, Tom Slater (2020) used the concept of “agnotology” (the intentional production of ignorance) to expose three of the prevalent myths of rent control: (1) that it negatively affects the condition of rented properties; (2) that it negatively affects the supply of housing; and (3) that it is an “inefficient” way of organizing the housing market. He demonstrated that it is the deregulation of the market with the erosion of the Welfare State and the financialisation logics fuelled by transnational capital flows taking place in the framework of global capitalism that led to a serious decline in rental housing quality. Slater also analysed how the housing market cannot be considered only in terms of a mere logic of supply and demand, since the abundance of housing does not necessarily mean lower purchase and rental prices. Housing is a commodity with a specificity based on land ownership, and this is the only factor of production that is fixed and cannot be reproduced. In addition, real estate values and housing prices vary depending on geographic location. Space is not isotropic, as neopositivist geography suggests. Urban space is socially produced by the capitalist system. Finally, Slater analysed the organising tactics of the social movement *Living Rent* (Scotland), which – against all odds – has managed to get rent control back on the policy agenda.

The session, organized by the social movement *Morar em Lisboa* and the association *Habita* on the premises of the *Confederação Portuguesa das Colectividades* (Portuguese Confederation of Collectivities), had a high attendance, not only by academics, but also by activists engaged in the struggle for the right to housing.

During Slater’s presence in Lisbon, it was also possible to interview him about rent control and the right to housing. This interview, conducted by the authors of this note, was published last year in the newspaper *Público* on August 11th 2020ⁱⁱ. The interview that is also available online in Portuguese, is fully reproduced here in its original English version.

Interviewers: *You say that political control is the biggest problem in the current housing crisis. What should politicians be doing about that right now?*

Tom Slater: Politicians have lost control because so many of them have actively embraced the dubious logic of economic deregulation. There is now at least 40 years of evidence showing that deregulating a housing market does not provide adequate nor affordable housing for everyone. Instead, it makes a small group of people very much richer. Housing prices are not determined by supply and demand because we do not have a choice about needing to be housed. Allow an unregulated market to develop when social housing is also being cut and there is no choice not to buy what is on offer, other than sleeping on the streets. Prices will go sky-high. The purchase prices for mortgage borrowers also rise to astronomical levels as individual buyers are competing with corporate landlords to buy properties, and so have to be able to secure a mortgage equal to the amount a landlord can wring out of people desperate for a home.

Interviewers: *What are they doing instead? Are those actions contributing to that “ignorance production” you talk about?*

Tom Slater: Rents are high because landlords have gained the upper hand politically. Because rents have been allowed to rise as high as landlords can get away with; landlords have been encouraged to buy up more and more properties that were once social housing or were once lived in by a family who had bought the property with a mortgage. In the UK, the number of people renting from a private landlord doubled between 2001 and 2011. It was the result of years of deregulation and the withdrawal of our government from representing our interests in housing. Well-regulated private renting can work for many, but without any rent regulation, it usually becomes utterly horrendous for tenants.

Interviewers: *And is the current urban planning contributing to fight these ideas?*

Tom Slater: The problem in many societies is that genuine scholarship on housing has become marginalised by the pseudo-scientific “research” being conducted in think tanks. In the UK, the only people who are listened to by politicians are the free-market fanatics working in think tanks that are generously funded by large corporations. Most UK housing policy right now is not written with academic input – it comes directly from these think tanks, which are effectively producers of sophisticated propaganda dressed up as policy.

Interviewers: *You’ve come to Lisbon to talk about “the myths and realities of rent control”. What’s your definition of rent control and why do you support it?*

Tom Slater: Rent control is a system of protecting the interests of both tenants and landlords. Landlords exist to make a profit, but they should only be able to do this if they provide safe and reasonably affordable accommodation. The best rent control systems guarantee this, where annual rent increases are modest and must be tightly linked to improvements in housing quality and safety, but most people think “rent control” means a complete and long-term freeze on rents, which never works. But there are many kinds of rent control.

Interviewers: *Is there a model in which the landlords feel comfortable and fairly paid? Or do you have to completely take away the notion of “property” of this debate?*

Tom Slater: The best available models are from the Netherlands, Germany, and Sweden, and are as I describe above (rent increases are modest and linked to housing quality). But crucially, rent controls like this work best where social housing is also valued and being constructed, and where tenant security (such as “just cause evictions”, where you cannot evict a tenant without a very good reason) is tight.

Interviewers: *The rent control is perceived, in Portugal, as a mean of letting the buildings and houses become degraded. Is that evitable?*

Tom Slater: There are bad memories of rent control in Portugal due to the connection to dictatorship and the harm of a complete and long-term rent freeze, which never works anywhere. A challenge for activists in Portugal is to help people see that there are different types of rent control. Rent control has become a deeply stigmatised policy, and there is a lot of symbolic “cleaning up” to do for people who fight for the right to housing.

Interviewers: *Are there recent experiences in rent control around the world? How are they going?*

Tom Slater: Recent experiences are, ironically, in the free market heartland of the USA! Several states (Oregon, Illinois, Nevada, and New York) have just introduced laws protecting tenants, with some expanding rent control, which were long overdue. There is a massive struggle underway in California, where activists are fighting hard for rent control and now working with academics to put forward the evidence in ways that smashes the right-wing propaganda about regulation being “bad” for economic growth (on the contrary, it is very good for economic growth as affordable housing is a necessity in order for essential service sector workers to remain in cities).

Interviewers: *Some governments, like Portugal’s, are launching what they call “accessible rents programs”, in which they want to provide thousands of houses with controlled rents, so the market gets cooler. From your experience, do you think that will work?*

Tom Slater: I think short-term measures like this do work, but only short-term. They have to become part of a wider commitment to social welfare. Housing is one crucial aspect of our lives, but wages need to be higher, work needs to be less precarious, healthcare needs to be better, education needs to be adequately funded – there is so much work to do after so much neoliberalism across the continent! Berlin’s government is doing something similar with a five-year rent freeze, but my hope is that it will become a more sophisticated set of measures connected to housing quality, and that the ongoing battle to socialise private rental housing in Berlin will be successful.

Interviewers: *If there is a surplus of housing units, why build more?*

Tom Slater: Good question! The problem in too many countries is that we have been building the wrong kind of housing. Housing need is most acute at the bottom of the class structure. But we have been building too much luxury and middle-income housing and much of it is kept purely as speculative investment. This is actually easy to regulate if the political will was there. But in too many cases, governments have actively encouraged speculative investment, and in some cases the rise of the super-rich class of investors is seen as some kind of progress that will benefit everyone. This is complete nonsense, there is no evidence that a city with a booming housing market is one where everyone is safely and affordably housed. In many of the most expensive cities in the world, much of the centrally located housing stock lies empty for much of the year, owned by foreign investors. Another problem is the massive value of land – without any kind of taxation, very rich people have been hoarding land and “sitting” on their investments, which they sell on to another super-rich person in a few years’ time and make a gargantuan profit on the interest alone. A basic instrument such as a land value tax can curb this sort of activity. Housing is a question of social justice, and governments have a lot to learn about how a healthy society is one where people are not spending over half their incomes on rents, and not making the terrible choice between eating or paying rent.

Thank you, Professor Tom Slater!



Fig. 1 – Tom Slater observing the urban landscape of the historic neighbourhood of Alfama, Lisbon. Colour figure available online.

Fig. 1 – Tom Slater a observar a paisagem urbana do bairro histórico de Alfama, em Lisboa.

Figura a cores disponível online.

Source: L. Mendes (2019)



Fig. 2 – Tom Slater outside the IGOT-UL building next to the golden globe with some researchers. Colour figure available online.

Fig. 2 – Tom Slater fora do edifício do IGOT-UL perto do globo dourado com alguns investigadores.

Figura a cores disponível online.

Source: L. Mendes (2019)

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ⁱ This lecture ended up giving rise to a paper by Tom Slater on “Rent Control and Housing Justice” that was published in 2020 in the Journal *Finisterra – Revista Portuguesa de Geografia* (special issue dedicated to the 50 years of the right to the city of Lefebvre).

ⁱⁱ See <https://www.publico.pt/2020/08/11/local/noticia/programas-renda-acessivel-so-funcionam-curto-prazo-1927748>