

Neighbourhood Renewal & Housing Markets

*Community engagement
in the US & UK*

Edited by

Harris Beider

Centre for Urban and Regional Studies
University of Birmingham, UK

 **Blackwell**
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Preface

The world is becoming a smaller place. Countries are changing rapidly and no more so as a result of immigration, both old and new, and the impact on neighbourhoods and housing markets. Alongside demographic drivers is the continuing importance attached to policy issues on making equality of opportunity happen in practice rather than developed as a theory, addressing problems of racism and segregation and gaining the trust of people when confidence in institutions has reached an all-time low.

These policy and political debates are happening in different places and different contexts but have a clear resonance in the US and UK. Shaping neighbourhoods of opportunity and aspiration, addressing the problems of entrenched segregation and restricted choice and revitalizing communities are not in themselves new. However, both governments in recent times have grappled with these issues. So it was in this context that the Centre for Urban and Regional Studies (CURS) decided to convene a symposium on Housing, Neighbourhoods and Communities in the US and UK at the University of Birmingham, England, in late June 2004. The event brought together academics, policy makers and practitioners to share ideas, issues and trends on housing, neighbourhoods and communities in the US and UK. Through invited papers and presentations we wanted to explore critical themes, such as convergence of the role of the state, the impact of changing housing markets, conflict and displacement of communities and local organizational responses to these local, regional and national changes.

Since 2004 planning has taken place in preparation for this book. Original papers have been substantially revised to reflect the fast moving and fluid policy environment on housing, communities and 'race' in both countries. New papers have been commissioned to fill gaps from those presented at the original symposium. Discussion between participants has sharpened the focus of the book.

This is not designed to be a dry and esoteric academic volume. The issues are too important to be discussed in such an abstract way. Moreover many of the participants at the Birmingham symposium and contributors to the book have interesting career trajectories. We have been campaigners, advocates, lawyers and housing practitioners. This, combined with our academic training, means that the chapters that unfold are laced with the objectives of using knowledge to generate an informed debate that leads to public policy change.

Complex and deep-seated problems require practical and radical solutions. If we are successful in starting this journey then preparing this book would have been time well spent indeed.

Acknowledgements

Many people have made this book a reality. In early 2004 I took my proposal to convene a symposium to Phillip Leather who was then Director of Urban and Regional Studies. We discussed how the event could help to develop new ideas and thinking on critical comparative areas. Special thanks should be given to the CURS administrative staff for the conscientious way that they have coped with transatlantic correspondence. In particular, the efforts of Jane Simpson and Yvonne Harley are much appreciated.

CURS has been an encouraging place to embark on an academic career, and a number of people have helped. David Mullins was instrumental in bringing me to the department and has been a constant source of support and advice. He has struck just the right balance of encouragement and constructive criticism in the search for the highest standards. Lisa Goodson has been generous in allocating time to discuss new ideas, concepts and themes, as well as providing many laughs. Other colleagues who have helped include Austin Barber, Ed Ferrari, Stephen Hall, Ricky Joseph, Peter Lee, Jane Lutz, Alan Murie, Jenny Phillimore, Rob Rowlands, Andy Tice and Chris Watson.

Outside CURS a number of people have also encouraged my work. Kusminder Chahal has been my colleague and close friend for nearly ten years. During that time we have spent many occasions intellectually dissecting 'race' and politics, getting angry and frustrated with the slow pace of change but at the same time having fun. Danielle Walker and Katherine Knox from the Joseph Rowntree Foundation provided a grant to review UK and US approaches to 'race' and housing that sharpened some of the ideas in this book. More recently, Malcolm Harrison, David Robinson, Sarah Blandy, Steve Gayle and Glyn Robbins have all listened and shaped ideas.

My understanding and knowledge of 'race', housing and neighbourhoods in the United States have been deepened with the help of a number of people. Nicole Marwell has shared ideas and views on the role of community organizations and politics on my numerous visits to Columbia University and has always been a good colleague and friend. Jerilyn Perine demonstrates boundless knowledge on housing policy and practice in the US and has been an incredible host in New York since the time when she was Housing Commissioner. Conversations with Lucille McEwen have helped to deepen my understanding of the role of faith organizations in regeneration and renewal. Friends and colleagues at the Urban Institute in Washington DC have provided much needed space and rigour in comparing UK and US approaches to 'race' and housing. Sue Popkin has become a mentor and true friend. Marge Turner and Lynette Rawlins have provided a forum to develop some of the ideas contained in this book.

Friends in Birmingham and London have lived through this project. Thanks to Ben and Nicola for providing food and sustenance to keep me going; to Alec and Nic for providing me with a London 'home'. Lastly, this book could not have been achieved without the love and support of my wife Sarah and our children Jemima, Alys, Jess and Tom. My kids in particular have had to put up with a lot over the years and have turned out in spite of this to be fantastic, humorous and well adjusted people. I suppose the reason is that Sarah has been an incredible mother and partner.

Harris Beider

Dedication

To Sarah, sometimes my critic, always my friend and forever my soul mate.

Contributors

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Austin Barber is a Lecturer in urban development and planning at the Centre for Urban and Regional Studies in the University of Birmingham. His main research interests include city centre regeneration, city living and gentrification, inter-city competition and cooperation and comparative urban development in Britain, Europe and North America. In recent years, he has written numerous studies for local and regional agencies around these themes as well as for academic audiences. Prior to his academic career, Austin worked as a newspaper journalist for several years in London and Birmingham, covering urban development, economic and planning affairs from a day-to-day perspective.

Harris Beider

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Harris Beider was appointed as Lecturer at the Centre for Urban and Regional Studies in the University of Birmingham in April 2005 after being an Honorary Lecturer since September 2001. Harris is also an independent management consultant specializing in diversity, housing and organizational change. At the Centre for Urban and Regional Studies his main research interests are focused on housing, race and neighbourhoods. His major recent projects include *Involving Black and Minority Communities in Housing Investment Decisions* (published by Office of the Deputy Prime Minister in 2004) and *Black and Minority Ethnic Communities in the Eastern Corridor: Aspirations, Neighbourhood 'Choice' and Tenure* (Birmingham City Council, 2006). He is currently editing a special issue of *Housing Studies* on 'Rethinking Race and Residence'. Prior to working at CURS Harris was Executive Director of the Federation of Black Housing Organisations (1997–2001) and Founding Director of People for Action (1995–1997). At the former, Harris was involved in helping to shape national policy on black and minority ethnic issues. Harris has been an advisor to the Prime Minister's Social Exclusion Unit and Visiting International Scholar at Columbia University, New York City.

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Pauline Card is a Lecturer in Housing at the School of City and Regional Planning. Her main research interests are housing policy, particularly in relation to social inclusion/exclusion; housing management with an emphasis on the management of anti-social behaviour and access routes

and allocation processes; the governance of housing; and housing and regeneration with particular interest in the role of housing organisations in community regeneration. Recent work includes 'The role of housing stock transfer organisations in neighbourhood regeneration: exploring the relationship between regeneration, "new localism" and social networks' (with Jane Mudd, 2006) in the journal *Housing Studies*; and 'Governing anti-social behaviour – inclusion or exclusion?' (2001) in *Two Steps Forward: Housing Policy into the New Millennium* (edited by A. Marsh and D. Cowan, published by Policy Press, Bristol).

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James DeFilippis is Assistant Professor in the Department of Black and Hispanic Studies at Baruch College, CUNY, New York. His work focuses primarily on issues of community development, but has also dealt with more specific housing policy issues and has recently broadened to include looking more explicitly at issues of immigration in community development and urban labour markets. He is the author of many publications on housing, community development and the politics of urban development, including: *The Community Development Reader* (with S. Saegert, forthcoming); *Unmaking Goliath: Community Control in the Face of Global Capital* (2004), named the best book on urban politics in 2004 by the American Political Science Association; 'The Emancipatory Community? Place, Politics and Collective Action in Cities' (with P. North, 2004) in *The Emancipatory City? Paradoxes and Possibilities* (edited by Loretta Lees); *Keeping the Doors Open: HUD-Subsidized Housing in New York City* (2003); and 'The myth of social capital in community development', *Housing Policy Debate* (2001).

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Xavier de Souza Briggs is Associate Professor of Sociology and Urban Planning at MIT. His main research interests are race/ethnicity, inequality and democracy in cities. Currently he is working on the effects of housing mobility and neighbourhood context on low-income families and children in the US; local civic process ('democracy as problem-solving') in Brazil, India, South Africa and the US; and interracial networks (bridging social capital) in America. In 2005, Brookings published his book *The Geography of Opportunity: Race and Housing Choice in Metropolitan America*. He is Founder and Director of The Community Problem-Solving Project @ MIT (www.community-problem-solving.net) and was former acting Assistant Secretary for Policy Development and Research at the US Department

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Ed Ferrari is a Lecturer at the Centre for Urban and Regional Studies at the University of Birmingham. Following an education in town and regional planning, Ed worked in local government where he was involved in the development of strategic research and GIS capacity for Birmingham City Council's Housing Department. The themes of using GIS and modelling techniques for housing strategy were continued in a PhD undertaken at the University of Sheffield. Since then, Ed has developed research interests in the analysis of housing markets, mobility in the social rented sector, application of GIS to housing research, and use of secondary data-sets for policy research. He has been involved in a wide range of research and consultancy projects for local government, central government and voluntary sector clients. Recently, he has been very closely involved with the development of the evidence base for, and the evaluation of, Housing Market Renewal (HMR) in England.

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Rick Groves is Head of Department, Centre for Urban and Regional Studies, at the University of Birmingham. He has undertaken a wide range of research and consultancy into various aspects of housing policy and urban development both in the UK and overseas. In the UK he has undertaken commissions for ODPM (and its predecessors), the Joseph Rowntree Foundation, ESRC and a variety of other organizations and authorities. Recent publications include *Implementing New Powers for Private Sector Housing Renewal* (with Sian Sankey, published by the Joseph Rowntree Foundation) and *Neighbourhoods that Work: A Study of the Bournville Estate, Birmingham* (with Alan Middleton, Alan Murie and Kevin Broughton, 2003, published by Policy Press).

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Stephen Hall has been a Lecturer in Urban and Regional Economic Development at CURS since September 1995. His principal research interest is in area regeneration policy in England. Stephen has undertaken research on area regeneration and neighbourhood renewal for the Office of the Deputy Prime Minister, Joseph Rowntree Foundation, Local Government Association and the Housing Corporation, and has wide experience of evaluation of local regeneration projects in different parts of England. Stephen has undertaken research into partnerships, housing and employment aspects of

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Lucille McEwen is President and Chief Executive Officer of Harlem Congregations for Community Improvement. Founded in 1986, HCCI is a coalition of more than 90 inter-faith congregations that has implemented a comprehensive portfolio of programs to provide affordable housing and safer streets; offers opportunities for individuals and groups to become and remain economically independent; increases understanding of and access to health care; and provides substantive educational programs for adults and young people. Through alliances with other communities and organizations, elected officials and local residents, HCCI has also helped reduce crime in the community; increase public sanitation; and preserve and transform open space.

David Mullins

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David Mullins has been based at CURS since 1989, and is Professor of Housing Policy and Programme Director for the Public Service MBA (Housing Stream). His research interests include the governance, management and

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Jerilyn Perine

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Jerilyn Perine is President of BLOCK BY BLOCK, LLC which is focused on affordable housing development, community preservation and redevelopment of former industrial sites in cities in the US and abroad. From 2000 to 2004 she was Commissioner of the New York City Department of Housing Preservation and Development and has more than 25 years of experience in housing and community development in New York City's neighbourhoods.

Jerilyn was appointed by both Mayor Rudolph Giuliani and Mayor Michael Bloomberg to lead America's largest municipal housing agency with more than 2500 employees and an annual operating and capital budget of \$800 million. As Commissioner, Jerilyn was the author of Mayor Bloomberg's New Housing Marketplace Plan that provided \$3 billion over 5 years to preserve and create over 65,000 units of affordable housing. Under Mayor Giuliani she designed and oversaw the management and operation of programs designed to return a significant inventory of tax-foreclosed residential property to local, private ownership. She was a member of the International Brownfield Exchange between 1998 and 2002 and has lectured at conferences and universities in the US, Germany, the UK and Australia.

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Sue Popkin is a Principal Research Associate in The Urban Institute's Metropolitan Housing and Communities Policy Center, Washington. A nationally recognized expert on assisted housing and mobility, Sue directs The Urban Institute's 'Roof Over Their Heads' research initiative, which examines the impact of radical changes in public housing policy over the past decade. A second key area is the impact of neighbourhood environments on outcomes for public housing families. A third focus is evaluating strategies for promoting mobility and choice for assisted housing residents. This body of research includes the HOPE VI Panel Study, the first large-scale, systematic look at outcomes for public housing families; the HOPE VI Retrospective Tracking Study; the Ida B. Wells Relocation Fall-Out Study; the CHA Relocation Assessment; and the Three-City Study of Moving to Opportunity, which builds on her work on the MTO Interim Evaluation. Previously, she directed the only national study of public housing desegregation, and was the Project Director for a series of studies on the Gautreaux Housing Desegregation programme, which assisted public housing residents with moving to housing in integrated communities in Chicago and surrounding suburbs. Sue is the lead author of *The Hidden War: Crime and the Tragedy of Public Housing in Chicago*, and the author of numerous papers and book chapters on housing and poverty-related issues.

David Robinson

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David Robinson is Professor of Housing and Public Policy at the Centre for Regional Economic and Social Research (CRESR), Sheffield Hallam University, where he leads the housing research team. David has researched extensively around the interface of housing, social justice and cohesion. He

has a long-standing interest in efforts to understand the complex interplay of factors reproducing racialised inequalities within the housing system and efforts to manage the consequences of residential settlement patterns for community relations and cohesion. David's recent project work includes separate studies of the housing pathways and the neighbourhood experiences of new immigration for the Joseph Rowntree Foundation and analysis of the contribution of housing management to the objectives of community cohesion for the Chartered Institute of Housing. David has produced numerous academic outputs and policy reports. Recent examples include the report *Neighbourhood Experiences of New Immigration* (2006) and his editorship of a special edition of *Housing Studies* focusing on the transforming of social housing in the UK (2006).

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Rob Rowlands is a Lecturer at the Centre for Urban and Regional Studies. His background is in housing and planning and he has worked as a housing officer. Rob has developed a number of research interests based around housing. He is interested in the notion of community and its application to public policy. In particular he has developed research around public participation in policy development and is interested in the role of 'community' in the development and regeneration of residential areas. He has been involved in a number of research projects focused on communities and regeneration. Recent publications include 'Place making in theory and practice: collaborative planning, power, governance and large estates' (with S. Hall, 2004) in *Restructuring Large Scale Housing Estates in European Cities* (edited by R. van Kempen, K. Dekker, S. Hall and I. Tosics, published by the University of Utrecht), 'Commodification, normalisation and intervention: cultural, social and symbolic capital in housing consumption and governance' (with J. Flint, 2003) in *Journal of Housing and the Built Environment* and *More than Tenure Mix: Developer and Purchaser Attitudes to New Housing Estates* for the Joseph Rowntree Foundation.

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Michael Schill is Dean and Professor of Law at UCLA School of Law. He is a national expert on real estate and housing policy, deregulation, finance and discrimination. He has written or edited three books and over 40 articles on various aspects of housing, real estate and property law. He is an active member of a variety of public advisory councils, editorial boards and community organizations. Before joining the faculty of UCLA School of Law, Michael was the Wilf Family Professor in Property Law at New York University's School of Law and Professor of Urban Planning at NYU's

Robert F. Wagner Graduate School of Public Service. From 1994 to 2004, Michael served as the director of the Furman Center for Real Estate and Urban Policy. Prior to that, he was a tenured Professor of Law and Real Estate at the University of Pennsylvania. He has also been a visiting professor at Harvard Law School.

1

Introduction

Harris Beider

Background

This book is about cities, neighbourhoods and people in the US and UK and the impact of debates on housing, renewal, community engagement and 'race'. These are concerns that have been at the forefront of public policy in both countries for many years. While there is a long-established dialogue about these issues between British and American academics and policy communities, there has been an absence of a coherent comparative approach¹. This book is one of the first to try to bridge the gap at academic and policy levels.

In recent years the US and UK have been witness to substantial changes to national and local approaches to housing, community engagement and renewal within cities and neighbourhoods. The processes of privatization, deregulation and the changing structure of cities with the long-term decline of manufacturing industry have considerably moved the agenda on. In the UK, 'disturbances' in several northern cities and associated concerns about race and segregation were discussed in a series of high-profile reports and influenced subsequent policy. In 2000, the Sustainable Communities Plan signalled renewed interest in investment in housing. In the US, the new approaches being adopted to housing, with the Voucher Program, HOPE VI Program and the further move away from public housing, have contributed significantly to policy discourse and practice.

Changing patterns of race and residence, and new approaches to community involvement and empowerment are also of central interest and are themes that run throughout this book. There is an underlying debate about

¹ The most recent texts making a comparison between housing issues in the UK and the US are Karn and Wolman (1992) and Wolman (1975).

convergence and divergence of policy and research agendas across the two countries.

This book provides an important new contribution to these debates. It does not set out to provide a systematic or comprehensive comparison of approaches in the US and UK, but rather highlights specific issues and developments which are crucial to an understanding of residence, renewal and community empowerment in both countries. It presents original research material, a discussion of the transferability of experience between these and highlights of the issues emerging from the consideration of the two countries in parallel.

The material presented is research based but also directly engages with issues around policy and delivery. It is designed to reflect the concerns of academic, activist and policy communities on both sides of the Atlantic. Indeed, the book is enriched by the contributions from housing practitioners who manage the complex issues of providing housing to diverse and changing communities on a day-to-day basis.

The objective is to make a positive contribution to the debates on housing, ethnicity and community renewal. This is a challenging task when discussing these issues in one country, let alone comparing two housing systems. For this reason the first step is to consider the tradition of comparative housing studies, and specifically those that compare the US and UK. The current approach will be placed in a context that both acknowledges the tradition of comparative work but also seeks to make a departure towards the importance of origins of housing policies and their outcomes. After reviewing comparative housing approaches we will discuss the extent to which the UK and US have different housing typologies shaped by approaches to policy issues, housing affordability and racial segregation. The plan of the book and discussion of chapters recognizes the differences between the two countries. The chapters are analysed with reference to housing and welfare typologies, comparison between cities and neighbourhoods and an exploration of change agents within institutions.

Comparative approaches

There has been growing interest in comparing housing policies and systems across different countries (Wolman, 1975; Ball et al., 1988; Karn and Wolman, 1992; Power, 1993; Barlow and Duncan, 1994; Harloe, 1995; Doling, 1997; Kemeny and Lowe, 1998; Katz, 2004; Van Kempen et al., 2006).

The world has become a smaller place during the last 20 years, not only in terms of the ease and cost of travel and the increased interest this brings in different cultures, people and ideology, but also the advent of the internet, making communication between people from different parts

of the world reduced to a click of a computer button. The technological revolution, together with the growing dominance of English as the lingua franca of the internet, has encouraged dissemination of ideas, policies and papers between academics and practitioners. People have come together in an unprecedented manner. Differences have been acknowledged, but it could be argued the emphasis has been to find common solutions to what appear to be common problems at a number of different levels. Most notably Sassen (1991) viewed globalization as shaping a new hierarchy of cities, neighbourhoods and people, driven by flows of international capital and the reconfiguration of urban economies.

Here global forces create a prosperous and rich workforce employed by transnational companies living in the wealthiest part of cities. A workforce, that is also internationalized but very different, services transport, health and catering infrastructure. These are poor migrants seeking a better deal in the rich cities. The cleaners, cab drivers and cooks that live in the fragile world of low skills and low wages are essential to make the global city function. Globalization not only helps to remove barriers for increased communication in policy analysis but also leads to income and spatial inequality (Sassen, 1991).

The globalization thesis has been subject to criticism. Hamnett questions the basis of Sassen's methodological perspective, process and outcomes (Hamnett, 1996). Specifically the view put forward is that Sassen at best neglects and at worst ignores the importance and legacy of the welfare state in European countries. In short, dual cities of rich and poor do not follow automatically from globalization. Polarization does exist within cities but, because of the welfare state and the existence of a system of benefits, this is cushioned in Europe. Further Hamnett suggests that Sassen and her followers are guilty of placing an American template laced with assumptions about the limited role of the welfare state and driven by immigration. The world and the concept of globalization are more complex than this.

The importance of political integration or ideological attachment between different countries helps us to understand the increase in comparative housing studies. It could be argued that the fall of the Soviet Union together with the rise of the US as the pre-eminent political and economic global power paved the way for a free market political and economic philosophy to 'let rip' across the world. In truth the election of the Thatcher government in the UK in 1979 followed by Reagan's presidential success in 1980 had already started the process that has been followed by successive administrations in both countries and replicated in many other parts of the world.

The characteristics of the new political ideas resulted in to a sharp reduction in the importance of and funding to the welfare state, a concerted attack on unionized labour and the dominant position of free market

economics (Gamble, 1994). Social housing no longer featured among the main spending priorities of government but was, instead, increasingly depicted as part of a malaise associated with a bloated and inefficient welfare state and social disorder. Apart from the sharp cutbacks in public expenditure there are other aspects of ideological re-alignment that need to be considered. These include, for example, the economic management in both countries that prioritizes low interest rates, active promotion of home ownership as the preferred form of tenure for all income groups, demolition and selling of public sector housing stock and increasing dependence on private sector finance to support housing development and maintenance programmes.

The ideological processes that have become so dominant during the last 20 years had a profound impact on the direction of housing policy. It could be argued that the importance of low inflation, limiting public investment and reforming public management have shaped housing decisions on the importance of home ownership as a policy objective leading to sustainable communities, the increased role of private finance to build social housing, the growing professionalization of housing organizations to reflect the importance of markets as opposed to state intervention and the demolition of public sector housing estates and their replacement with mixed-tenure and mixed-income neighbourhoods.

One of the most interesting comparative accounts on US and UK housing policies was provided by Karn and Wolman (1992). Though now somewhat dated, and based on research during the 1970s and 1980s, it nevertheless provided a systematic comparison between the two systems that helps to contextualize this book. These rested on the importance of tax incentives given to home ownership in the US during the 1980s and the relatively small and marginalized role of public sector and assisted housing. In contrast the local authorities and, increasingly, housing associations in the UK, continued to develop and manage housing for low-income communities. Karn and Wolman commented that that quality of housing stock in the UK was not as good as in the US. This of course is less important because the Labour government's Decent Homes Standard (DHS) establishes a series of quality measures that all public sector housing stock should reach by 2010 (ODPM, 2003). It should also be noted that DHS applies to the private sector but to a lesser standard. In July 2002 a public service agreement (PSA) target was announced for housing in the private sector. This applied not to all dwellings but to those occupied by vulnerable households (defined as people on income support, housing benefit, council tax benefit, disabled persons tax credit, income based job seekers allowance, working families tax credit, attendance allowance, disability living allowance, industrial injuries, disablement benefit, war disablement

pension). The target was to increase the proportion of vulnerable households in the private sector who live in homes that are in decent condition.

Housing typologies

It could be argued that divergence analysis owes much to, and indeed flows from, the influential work of Esping-Andersen (1990). Some have even suggested that this body of work has 'paradigm status' in that it has shifted theoretical thinking (Matznetter, 2001). Here, three typologies of welfare regime are grouped based on data on key social policy areas. These are *liberal*, which is characterized by the importance of the market, restricted public goods and emphasizing the role of the private sector; in contrast *social democratic* regimes are typically those that provide universal public goods and services, promote the importance of the state and the relatively small role of the market; finally the *conservative* regime is one which is characterized by the centrality of the family and relatively marginal role of the state and markets (Table 1.1). Based on comparative research of certain features of welfare states (excluding housing), Esping-Andersen was able to accommodate 18 capitalist countries into these three ideal types. Britain and the US were grouped under the liberal category.

The work of Esping-Andersen provides a systematic way of discussing social policy and practice in different countries. However, housing is not discussed as a key area of analysis. The focus was on social security and pension systems. Indeed there is only one housing reference in the index and that relates to home ownership. As Esping-Andersen recognizes, 'our

Table 1.1 Different types of welfare regime.

	Liberal	Social democratic	Conservative
Role of:	Marginal	Marginal	Central
Family	Central	Marginal	Marginal
Market	Marginal	Central	Subsidiary
State			
Welfare state:	Individual	Universal	Kinship
Dominant mode of solidarity			Corporatism
Dominant locus of solidarity	Market	State	Etatism
Degree of decommodification	Minimal	Maximum	Family
			High (for breadwinner)
Modal examples			Germany
	US	Sweden	Italy

Source: Esping-Andersen (1990).

study has clearly ignored many crucial policy arenas and institutional aspects of modern industrial capitalist societies' (1990, p. 221). It must also be recognized that the research was undertaken during the 1970s and 1980s.

Turning to the contemporary housing question, we might ask whether it was appropriate in the 1970s and 1980s to categorize the two housing systems in the US and UK as examples of a liberal welfare regime. We might also consider the trajectory of change in the housing systems since 1980 and ask whether they are closer to each other today than when Esping-Andersen published his seminal work in 1990. Private housing tenure has become increasingly dominant in both countries; finance capital to support owner occupation has become easier to access, even for the lowest-income groups; public sector housing has become more residual and stigmatized, and is undergoing transformation in the form of HOPE VI in the US and the 'Right to Buy' together with local authority stock transfer in the UK.

The different starting point and very different institutional context have led to many differences being preserved despite these somewhat common trajectories of change. In particular the continued existence of a social housing 'profession' with skills, knowledge and capacity has helped preserve a social housing sector of some size in the UK, whereas its more limited development in the US has restricted the ability to resist market mechanisms and the advance of real estate professions into the social realm. Nevertheless, it could be argued that these differences are minimal and that a common set of political assumptions about the limited role of the state, the importance of markets and discussion on active and responsible citizenship will eventually lead to similar outcomes for policies concerned with housing, communities and renewal of cities and neighbourhoods. Table 1.2 considers the evidence and attempts to build towards housing typologies for the US and UK.

Given the above, do US and UK housing systems show a move towards alignment? In formulating a response we need to take a step back and reflect briefly on the starting points, process and outcomes of housing policy. We have already discussed processes and outcomes but said little about starting points.

Social housing after 1945 in the UK was about large-scale volume building by local authorities. The context is important. World War II meant that many towns and cities had to be rebuilt. Decent quality housing was in short supply and out of reach of all but the very rich. In these circumstances, it was local authorities rather than the private sector that had the capacity, skills and political support to build large-scale public sector housing efficiently. Indeed the Labour government elected by a landslide in 1945 birthed the welfare state and was driven to create a vision of a post-war Britain very different from mass unemployment, squalor and

Table 1.2 Comparing US and UK public assisted housing systems.

US	UK
Public housing authorities, not-for-profit organizations and for-profit organizations build and manage housing for low-income communities	Local authorities and housing associations build and manage housing for low-income communities but also increasingly engaged in intermediate housing markets
Stigmatized public housing sector	Stigmatized public housing sector but much less so than US
Public and assisted housing accounts for about 5 percent of total housing	Public and assisted housing accounts for about 20 percent of total housing
Public housing demolition by HOPE VI	Public sector housing transfer by stock transfer; demolition of mainly private housing in the Housing Market Renewal Areas
Public housing tenants have to perform 8 hours of community service a month or face eviction	Local authority and social housing tenants have an opportunity to become involved in tenant participation
Emphasis on home ownership because seen as way to build sustainable communities	Emphasis on home ownership because seen as a way to build sustainable communities
Housing seen as entitlement, not a right	Housing increasingly viewed as an entitlement and not a right
Low levels of supported housing provided to vulnerable communities, e.g. ex-offenders	High levels of supported housing provided to vulnerable communities, e.g. ex-offenders, elderly
Public sector housing characterized by segregation by race and income	Public sector housing generally characterized by segregation by income but not race. There are exceptions to this, such as Tower Hamlets in east London that has high concentration of Bangladeshis in public sector and assisted housing (see Chapter 11)
Low levels of government spending on public and assisted housing	Relatively high levels of spending on social housing to address problems of affordability; real spending on housing fell 1992–2003, but increased thereafter
Voucher programmes provide opportunity to move from public sector housing	No voucher programmes but Housing Benefit a significant voucher-like subsidy for low-income households to rent privately. In addition options for social housing tenants under the Right to Buy legislation and Home buy
Intensive programmes offered to public housing tenants on basic housekeeping, credit repair and counselling on home ownership	Programmes on home ownership and support fragmented and small scale

destitution that had marked pre-war Britain. The political emphasis was to design and build quality housing for low- and middle-income communities. As Malpass and Murie document, social housing was an important policy and political priority with private tenure relatively marginal (Malpass and Murie, 1999). More recently Malpass argues that housing was not incorporated into the post-war welfare state and as early as 1953 had moved back to a more residual role (Malpass, 2005). Despite the subsequent increase in home ownership, cutbacks of public expenditure, and policies of 'Right to Buy' and local authority stock transfer, social housing continues to account for 18.5% of all dwellings in England during 2005 (Wilcox, 2005). It could be argued that the welfare state has shown a remarkable capacity to withstand disinvestment and ideological attack.

In the US the starting point was very different. Cities did not suffer bomb damage. By 1950 the majority of households were homeowners and the impact of a booming economy, rising prosperity and access to finance led to a home ownership reaching 61.9% by 1960 (US Census Bureau, 2001). In these circumstances, public housing authorities in the US could not play a critical role in meeting housing supply or housing management. Indeed, public assisted and public housing in the US accounted for just 3% of all housing units in 2001 (Ditch et al., 2001). The social housing sector has remained small. Although the processes have been similar to some extent, the underdeveloped welfare state and small social housing sector means that convergence between housing systems is not likely to take place.

Political ideology has been an important driver for change in recent years but it is even more important in the origins of social housing in the UK and US. There has been significant convergence but the two housing systems are also very different because of social housing legacy in the UK (Figure 1.1). It could be argued that in both the US and UK public sector housing is declining. However, it was never a serious competitor to private sector housing in the US compared to the dominant role it once had in the UK. Moreover, it continues to occupy an important political position despite the impact of housing stock transfer and Right to Buy.

The common set of policy processes during the Thatcher/Reagan era, and more latterly by Blair/Clinton and Blair/Bush II, sharpened the importance of earned rights as well as responsibilities in housing. These policies, together with actions such as HOPE VI and DHS, reforms of housing benefits and a residualized public and assisted housing sector in the US and UK, have still resulted in differences in access to, and size of, public housing. Policy and ideological pressures have led to the withering of already weak and small public sector housing in the US, whilst in the UK social housing still continues to play an important role in meeting housing supply. The reasons for the outcomes are related to the starting positions of public housing in both countries.

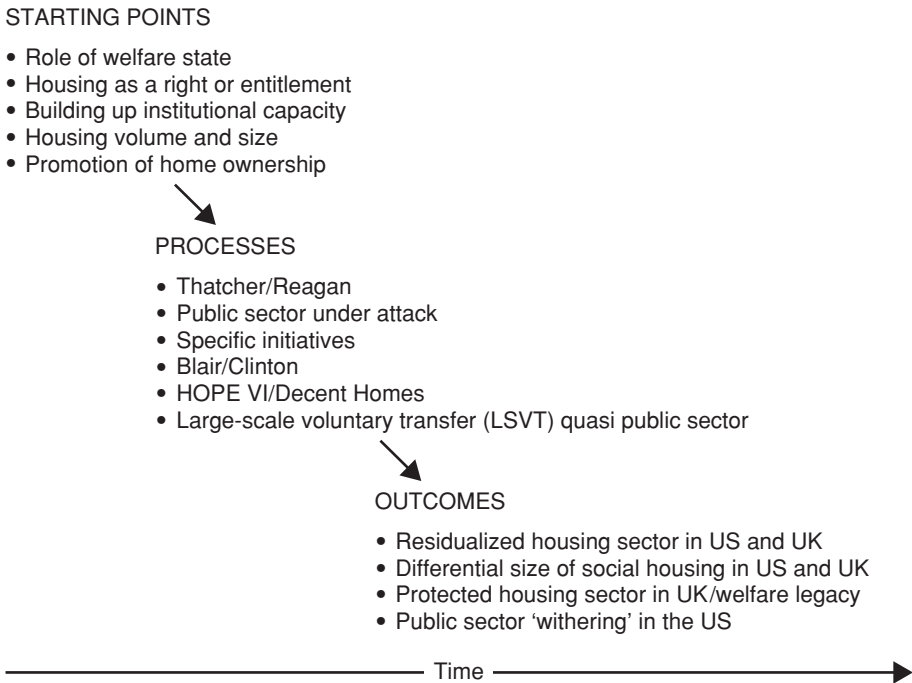


Figure 1.1 Developing housing processes and typologies in the US and UK.

Policy comparisons

In this section we will compare responses to a common set of problems that afflict cities and neighbourhoods in the US and UK. The issues of growing racial polarization, housing quality and reviving cities and neighbourhoods have taxed governments in both countries. Again differences exist because of the policy context and responses will vary.

Patterns of residence, segregation and discrimination

Minority communities account for almost 25 percent of the population in the US compared to fewer than 8 percent of the population in the UK. In both countries these groups are largely based in urban areas (US Census Bureau, 2001; UK Census, 2001).

The ten major cities of residence for minority groups in the US were 'majority minority' cities, ranging from Detroit, where the white population formed only 10.5 percent of the overall population, to Phoenix where they formed 45 percent of the population. Some cities such as New York, Chicago and Los Angeles had relatively diverse populations. Much of the population growth in US cities during the 1990s was the result of

Latino, Caribbean and, to a much lesser extent, eastern European migration. It should be noted that this minority growth occurred in the context of a general population decline in most cities. More specifically, rapid population growth in minority communities coincided with slower population growth in white communities. For example, Detroit lost a fifth of its population between 1980 and 2000, especially whites, which left African-Americans accounting for over 80 percent of the city population. In most of the cities there was a high degree of racial segregation (US Census Bureau, 2001).

The situation in the UK is different, with no city having a majority minority population. Twenty-nine percent of London's population is drawn from minority communities. The next largest cities of minority residence are Birmingham and Manchester where they comprise 29 and 20 percent of the population respectively. This overall suggestion of clustering in certain cities tends to mask an increasing segregation of minorities, with many residing in certain neighbourhoods. For example, the inner London boroughs of Newham and Brent have 'majority minority' populations (61 and 55 percent respectively), whilst 90 percent of the people living in the outer London boroughs of Havering, Bromley, Bexley and Richmond are white. Birmingham and Manchester show similar patterns of concentration of minority groups. Moreover, concerns about increasing segregation were (and continue to be) an important issue in the UK in towns and cities such as Bradford, Burnley and Oldham (with minority populations ranging from 11 to 22 percent; UK Census, 2001).

Minorities are generally spatially concentrated in large cities within industrial regions but that the overall size of the minority population and the scale of ethnic segregation are much greater in the US than in the UK. However, both countries are becoming increasingly ethnically diverse and fragmented. The growth of the Latino communities in the US and Asian and African communities in the UK are making previous discussion of race relations in terms of a 'black-white' dichotomy less relevant to the challenges facing both countries. The US is seeing rapid 'latinization' of cities, which will have fundamental consequences for public policy. Similarly, the growth of dual heritage communities and the arrival of new migrant groups, both as asylum seekers and refugees and migrant workers (e.g. from southern and eastern Europe in the UK), are posing challenges in terms of shifting cultures and identities.

In the US, African-American and Latino households have lower rates of home ownership, higher rates of poor housing and are more likely to live in overcrowded households than their white counterparts (Schill, 2004). These groups continue to be polarized by a concentration of poverty and race. For example, African-Americans accounted for over 50 percent of people in poor neighbourhoods between 1970 and 1990 (this was also the

period when the *actual* number of people living in poor neighbourhoods doubled) (Massey and Denton, 1993). The flight of whites from cities such as Detroit and Baltimore and the spiral of economic decline led to hyper-segregation (a term based on an index of segregation of sixteen indicators first coined by Massey and Denton, 1993), lower tax yields and problems with local governance. Discrimination continues to operate in the private sector, with minorities losing out through practices such as ‘racial steering’ in up to 25 percent of transactions in the housing market (Schill, 2004).

In the UK we can also see problems of racial polarization in cities, while resources have moved away from inner cities to suburbs and the wider region. ‘White flight’ from urban centres to the suburbs shows no signs of abating. This is despite the impact of urban renaissance and attempts to increase the attractiveness of city centre living, and leaves surrounding ‘inner ring’ areas unaffected in all but the most buoyant housing markets, which appeal to a relatively narrow band of young to middle-aged, professional people. These factors give rise to concentrations of poverty where mainly minority groups are trapped and disconnected from jobs, schools and decent housing, and communities fragment. Neighbourhood policies have done little to alleviate this cycle of decline which impacts disproportionately on minority communities.

Some believe that there is an alternative way to address racial and income polarization (see Katz, 2004). This is based on de-concentrating poverty and racial segregation by innovative lettings policies, demolishing concentrations of social housing and replacing them with mixed communities, connection of people to jobs and active intervention of the private sector to increase employee support programmes. The analytical lens must be at a regional and national level and the policy tools need to be driven by housing and economic mobility programmes. Though this type of diagnostic and solution has been forcefully proposed in the US it also finds an echo in public policy in the UK. The Home Office’s report into the disturbances in the north of England in 2001 (Home Office, 2002) argued as much in its conclusions on both housing association and especially local authority letting policies.

Importantly Karn and Wolman stressed the levels of racial segregation as key variants in the housing experience in the UK and US. Extreme levels of racial segregation, especially between blacks and whites, marked housing (and particularly public housing) in the US during the 1970s and 1980s (Karn and Wolman, 1992).

Segregation levels in the US continue to scar public policy debates on race, income and housing. For example, the average white person lives in a neighbourhood that is almost exclusively white, whereas the rates for African-Americans, Latinos and Asians is much higher in terms of contact with people from other minority groups (Briggs, 2005). Recently both

Government and its agencies in the UK have become concerned with patterns of racial segregation in some towns and cities. This view holds that increased immigration, growing diversity and fragmentation of communities masks deepening concentration and separation of communities that have been picked up by Government reports (Home Office, 2002). In September 2005, Trevor Phillips, the Chairman of the Commission for Racial Equality (CRE), in a speech to the Manchester Council for Community Relations, alarmingly stated that Britain was ‘sleepwalking to segregation’ (CRE, 2005). Phillips stated that America, in the aftermath of Hurricane Katrina, had persistent levels of racial segregation after years of equal opportunities legislation. This was manifest in schools, housing, politics and higher education. He concluded that America ‘is a segregated society, in which the one truth that is self-evident is that people cannot and never will be equal. That is why, for all of us that care about racial equality and integration, America is not our dream, but our nightmare’ (CRE, 2005, p. 8). Turning to the UK, Phillips stated that there was growing evidence that residential and educational segregation are nearing levels seen in US cities such as Chicago and Miami.

It is more accurate to state that the UK is not ‘sleepwalking into segregation’. The reverse appears to be the case. Using the Index of Segregation², Peach states that between 1991 and 2001 there was decreasing or stable levels of segregation in English cities. Compared to a US city, such as Chicago where African-Americans lived in neighbourhoods that were typically 78 percent black, only 22 percent of wards in the UK had a population that was more than 50 percent from black and minority ethnic groups (Peach, 2005). Additional research has found that the number of ethnically mixed wards increased during the same period from 864 to 1070 (Simpson, 2005).

As Phillips’ remarks in 2005 demonstrate, segregation has become more important in policy and political discourse even though the evidence has not substantiated it. Perhaps it is wiser to talk about ethnic enclaves rather than ‘ghettos’. In addition the picture is more complex because some groups, especially Indians and to a lesser extent African-Caribbeans in the UK, have access and reach to a wider choice of housing and neighbourhoods and are starting to disperse across cities (CURS, 2005). This is not the case for poorer minorities and new migrants. Pakistanis and Bangladeshis continue to suffer disproportionately from poor housing, high unemployment and low income (ODPM, 2003). Between 1991 and 2001 these groups demonstrated the highest levels of population growth which manifested

² Measures the percentage of a minority population, which would have to change its location to copy the rest of the population of a city. It ranges from 0 (indicating no segregation) to 100 (total segregation).

in deepening residential concentration as economically mobile whites and other groups fled the inner housing markets of cities. For example, recently completed research shows that the white population in some parts of Birmingham fell by over 30 percent during this period, as whites moved out and Pakistanis and Bangladeshis moved in, followed in the 1990s by new migrants from Africa, eastern Europe and the Middle East (Beider and Goodson, 2005).

Growing ethnic segregation in the UK is found in poor-quality private sector housing. It should be noted that some of the worst housing in the country is located in the private as opposed to the public sector. The private sector has some 2.2 million households (10 percent of the all the housing stock) with more than 43 percent of the housing built before 1919 (Mullins and Murie, 2006). So much concern has been expressed about the private sector that the government is introducing a mandatory licensing scheme for houses of multiple occupation (HMOs); that is, housing that has three or more storeys and five or more residents drawn from more than one household (ODPM, 2005).

Discrimination in local authority housing by race has been widely documented and demonstrated (Rex and Moore, 1967; Rex and Tomlinson, 1979; Henderson and Karn, 1987). Public sector housing was conceived as high specification and spacious dwellings for the 'deserving' low- and middle-income classes. Newly arrived migrants from the Caribbean and Indian subcontinent were neither seen as deserving nor indeed qualified in terms of length of residency for this type of housing. In addition, the residualization of local authority housing stock and parallel rise of home ownership meant that minorities, like most aspiring home dwellers, viewed public housing as being a last choice rather than something that they may do at some point in their housing careers. The stigma was not just in terms of the quality and location of stock. Low-income and residualized white estates became effectively 'no go' areas for minority communities. They were perceived as being areas where harassment and racist abuse were commonplace. Moreover, research has shown that in some places there was widespread verbal and physical harassment that was having devastating consequences for minority households (Chahal and Julienne, 1999; Beider and Goodson, 2005).

Minority housing preferences have traditionally been towards private tenure in neighbourhoods populated by established black and minority communities. Discrimination in public sector housing markets together with the need to be close to places of work and community networks combined to lead to patterns of residential segregation in some towns and cities across England. This area of housing careers and pathways is picked up in Chapters 2 and 5.

More work needs to be done to map the housing and neighbourhood trajectories of minority communities in the UK and US. Whilst it is generally the case that minority communities continue to live in economically disadvantaged and concentrated communities, the pattern is by no means consistent for all minority ethnic groups. Indians and some African-Caribbean communities in the UK and Asian-Americans (used in the US context to describe people descended from the Far East) and Latinos in the US are slowly moving out of inner-city housing markets for a new life in contiguous areas. This appears to be driven by increased educational achievements, higher incomes and labour mobility. However, it is not always associated with dispersal of minority communities into wider society; some higher-income minority communities will choose to live a partially segregated life. For example, Chinese communities in the US continue to regard established areas of settlement as providing different types of support including social, financial and human capital. Moreover, these enclaves provide an essential 'stopping point' for movement to more suburban locations (Zhou and Lin, 2005). There are other minority groups such as Pakistanis and Bangladeshis (UK) and African-Americans (US) who remain locked in static or declining housing markets and have consequently experienced very little spatial mobility. It could be argued that these communities experience the greatest levels of social disadvantage and educational under-achievement, reducing their choices regarding housing, employment and neighbourhoods of residence.

Within the UK, dispersal is particularly evident among Indian communities (the largest ethnic group in the UK), which show signs of movement from neighbourhoods in London and the west Midlands towards settlement in the south-east and south-west. Between 1991 and 2001 the growth nodes for Indian communities were towards the south-east and areas contiguous to major conurbations and London. More than 40 percent of local authorities showed an above average increase in the Indian population. Most were located in the line between Bristol and the Wash (i.e. the area of southern England commonly associated with being the economic engine of the British economy) (see Chapter 2).

Taking this further, the areas seeing the most dramatic growth rates in minority communities in the UK were rural and semi-rural local authorities, such as North Dorset, Malvern Hills, North Shropshire and Ryedale, all of which experienced increases of between 100 and 300 percent in their minority populations, apparently reflecting both the dispersal of established communities and official migrant dispersal programmes. However, all were growing from a very low base and, whilst these figures may not point to a significant outward migration of minority communities from traditional areas of settlement, a pattern of change is nevertheless discernible (see Chapter 2). The housing and race equality challenges in

the future may be located in towns and cities of secondary migration that have had little previous experience of meeting the needs of minority communities.

Policy makers have picked up the changing nature of immigration and settlement (Spencer, 2005). 'New' communities are people who have migrated to the UK since the 1990s. These groups are drawn from a diverse range of countries. Some groups have come from places that have seen significant conflict, such as Somalia, Afghanistan, Iraq, Congo and the Balkans. Political reasons are often just as important as economic reasons for coming to the UK. Following the establishment of the National Asylum Support Service (NASS), the past 5 years have seen significant numbers of asylum seekers and new communities arriving into major cities but also dispersed to towns and regions that have had little experience of immigration. Other groups have come from the European Union seeking better wages and employment. There has been significant immigration from the new Accession countries³; workers have been recruited by employers again located in areas where there has been very little experience of supporting migration, such as East Anglia and the south-west of England (Spencer, 2005).

The lessons about minority sprawl are mixed in the US. Similar patterns to the UK are slowly emerging. Latino and Asian-Americans – the two fastest growing minority groups – are moving into diverse neighbourhoods located in the suburbs, as are some middle-income African-Americans. The story is by no means consistent across the nation. For example, the geographical 'sprawl' of people is moving much faster in sunbelt cities located in the west than in the rustbelt cities of the east. Racial segregation and polarization remain uncomfortable features for far too many Americans (Briggs, 2005).

Segregation only becomes a problem when communities have a lack of choice and realistic options in employment and key public policy areas such as housing and education. Indeed it functions to support essential day-to-day activities, such as social interaction, shopping for specific goods and services as well as providing access to places of worship. There is a need for researchers to consider the importance of social capital allied to housing and neighbourhood choice in so-called segregated communities. They are not necessarily 'problem' areas but neighbourhoods that help people and cities to function (Beider, 2005).

These trends of movement of minority communities in the US and UK will have profound consequences for our understanding of delivering

³ The Accession countries joined the European Union on 1 May 2004. They are the Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

public services, racial tolerance and the move towards a political acceptance of the importance of diversity.

Home ownership for some?

Housing tenure also shows some similar trends across the US and UK with home ownership a common aspiration among minorities as well as the wider population. The home ownership rate in the US reached 69 percent in 2003. This is the highest it has ever been and confirms the perception that this is a nation of homeowners and aspiring homeowners (US Commerce Department, 2004). However, the high rates mask disparities by race. For whites, home ownership is the tenure of choice of 75.1 percent, but it is significantly lower for African-Americans, at 48.4 percent. The fastest growing segment is Latinos but, at 47.4 percent, they still have amongst the lowest rates of ownership of all ethnic groups in the US. Overall, however, African-Americans and Latino groups have recently shown a surge in owner occupation that has outpaced even whites. Between 1993 and 2003 their respective rates increased by 6 percent and 7 percent compared to 5 percent for whites (Schill, 2004).

What are the key drivers for increasing numbers of minority groups opting for home ownership? First we can point to rising prosperity amongst some minority families allowing access to better quality housing. This is reinforced by statistics drawn from the 2000 US Census showing dispersal of African-American and Latino communities. Second is the opening up of mainstream lending to minority groups. Increasingly banks, pushed by US Government legislation such as the 1977 Community Investment Act, regard minority groups as an untapped and lucrative market rather than a bad risk. Third, and linked to the second point, is the growth of what has been called 'risk-based underwriting' from some financial institutions to low-income communities. However, the rise of home ownership amongst minorities in the US should not hide the fact that racial concentration and poverty have been features of American life for several decades.

The position in the UK is not dissimilar. Nearly 72 percent of the population is homeowners. Between 1971 and 2002 there was a 20 percent increase in home ownership with most of the surge associated with changes in the 1980s. This followed the Right to Buy legislation introduced by the Conservative government, which enabled tenants to buy their council houses from the local authority at discounted rates. Correspondingly the number of council tenants declined from 34 percent in 1981 to 14 percent in 2002 (ODPM, 2003). Apart from making it easier for tenants to become homeowners, the decline can also be linked to stigma surrounding council housing, and its perceived associations with high rates of crime, drugs and poverty. The residualization of council housing stock

made it appear to be the housing of last resort. Financially home ownership was more advantageous because it provided opportunities to increase capital as well as use equity to improve living standards.

This has not always been the case for black and minority ethnic communities in the UK. Many immigrants arriving from the new Commonwealth in the 1950s and 1960s experienced various forms of financial exclusion that restricted their pathways into home ownership (Henderson and Karn, 1987). Institutional racism in lending policies and practices within the formal financial sector during this period is often referred to as one of the main barriers preventing many immigrant households from breaking into home ownership in Britain. In response many of these 'new' communities made use of self-help strategies and social networks to counter unresponsive financial lending markets. For example within the African-Caribbean communities there was widespread use of rotating savings and credit associations (Roscas) or 'pardners'. These informal savings and lending schemes enabled financially excluded communities to pool resources to raise sufficient funds for a deposit to secure their first house purchase (Senior, 1991; Joseph, 2006).

Problems of quality and affordability

One of the key drivers of housing change in Britain is the 2010 Decent Homes Standard. Recognizing that a significant proportion of public sector housing requires investment, the government has stated that social landlords need to review, repair or demolish housing units to meet this new standard. It is estimated that there are 1.6 million unfit homes in the UK. This equates to one in fifteen homes in the country falling below the standard (Leather and Morrison, 1997). As noted earlier in this chapter most unfit housing is located in the private sector but the DHS is weaker here than in the public sector.

It has been argued that minority communities are the least likely to be satisfied with their housing choices as well as tending to be over-represented in some of the worst housing conditions, both in the private sector and in social housing (Madood et al., 1997). Of the longstanding minority communities, African-Caribbean and Bangladeshi communities are the most concentrated in local authority housing and have therefore been disproportionately affected by the backlog of disrepair in the council housing sector. Patterns of housing disadvantage also affect new migrants who are now well represented on some low-demand local authority estates as a result of the government's dispersal policy. Poor housing in the private sector compounds the situation. A recent report found that one out of six dwellings visited, and housing asylum seekers, was unfit for human habitation (Garvie, 2001). Problems surrounding status and tenure together with