All That Is Solid, by Danny Dorling, review

A well-constructed argument exposes the chasm between owners and non-owners



By Ed Cumming

04 Mar 2014

The housing crisis in Britain has many complex aspects, but at its heart is a binary opposition: a long-running and only partly ideological divide between owners and non-owners. Owners continue to profit, particularly in the South, while life for non-owners becomes ever more difficult. As Danny Dorling's powerfully argued new book makes clear, the wider this chasm becomes, the harder it is for a government to bridge it: put crudely, what is good for one side is bad for the other. It is also clear that the need for serious action has never been greater.

Dorling is the Halford Mackinder Professor of Geography at Oxford and a prodigious writer of books. His métier is inequality and most of his 25-plus titles look at that subject through one prism or another. He has focused on mortality rates, a journey down the Central line and, in his most recent book, population. But his eye never strays far from his main theme: the gap between rich and poor, and how to reduce it.

All That Is Solid is no exception. Part overview, part polemic, it is not a formal history but instead takes the temperature of the problem. Rather than dwelling on the long-term historical reasons for Britain's unusual relationship with property, Dorling shows how bad it has become through a series of charts, tables and examples, as well as some bleak monochrome photographs from Sheffield.

Housing, he argues, is a social requirement, like health and education. The free market is not an effective distributor since individuals can neither opt out of it nor easily become well informed. In a survey he quotes, more than 85 per cent of British respondents supported the Government's responsibility for housing. As a nation we are broadly agreed that the state should have a hand in property provision. Since the Thatcher government's Right to Buy scheme, however, the British government's role has slipped to the point where it directly helps only the very poor – aid that comes with considerable stigma.

Property headlines tend to focus on the plutocrats and oligarchs buying luxurious flats around Harrods, but Dorling shows how smaller-scale landlords are also doing very well. There are some terrific nuggets: the son of Ian Gow, the minister who presided over Right to Buy, owns more than 40 ex-council properties on one estate alone. Relatively unregulated and motivated by rising house prices, landlords in the South East charge as much rent as possible.

Buyers in some parts of the country – particularly London – put such a premium on owning that rents are rising more slowly than prices. But the value of one's house is a theoretical number, which need not affect your day-to-day existence – rent comes out of your salary each month. The victims of this are the non-owners. At its best, All That Is Solid conveys the self-reinforcing consensus among parties with vested interests at the centre of the property conundrum.

Dorling recounts talking to a group of analysts and journalists about interest rates: "A large group thought those rates would not rise at all, or, if they did, by just a fraction in the coming years. Almost all were middle aged. Almost all lived in London. And almost all had many years of mortgage payments ahead."

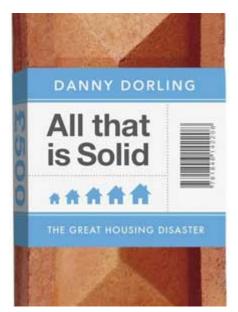
Dorling suggests 10 measures we could take to make things better. Unlike many commentators, he is not an advocate of a massive programme of house building, on the green belt or elsewhere. We have more bedrooms than ever before, he argues, they are just not efficiently distributed. He proposes an expansion of council tax

towards a national land and property tax, rent controls and much greater regulation of the rental market. Whether you agree with him on the specifics, it is hard not to share his view that property in the UK is an undertaxed asset.

Dorling's social agenda will frustrate some readers, and sometimes blurs his focus. London, in particular, sometimes seems to throw him slightly. As he argues, new technologies ought to mean that we can work from home and that living in cities becomes less important. Sheffield, he points out, has green spaces, good schools and cheap houses: things that people are supposed to want.

But the capital is more in demand than ever, and not just from foreign millionaires who treat houses like a currency. From lawyers to technology entrepreneurs to Pret A Manger workers, people from all over the world of every age continue to pack themselves into the city. Improved public transport and schools, along with falling crime rates and pollution, have led to a regentrification of areas that were once thought shabby.

It makes sense to try to curb the excesses of the speculative property market and create good-quality homes for all. Some kind of rebalancing is needed, particularly to protect renters, and it will be more painful the longer it is delayed. But ultimately the attempt to separate property from wealth will always run up against the laws of supply and demand. People will tolerate poor conditions, and pay surprisingly high prices, to live where they want to live. Location, location, location, as they say.



All That Is Solid: the Great Housing Disaster by Danny Dorling 400pp, Allen Lane, t £18 (PLUS £1.35 p&p) 0844 871 1515 (RRP £20, ebook £11.99)