Minimum City? The Deeper Impacts of the 'Super-Rich' on Urban Life

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Introduction

As is now well-known, London is one of the main, perhaps pre-eminent, locations of choice for the super-rich (Sunday Times 2015) and this raises inevitable questions about international social inequalities and their spatial expression in specific urban spaces. After the essential work of Piketty (2014) in profiling the dramatic expansion of fortunes at the apex of the wealth distribution, we may now ask, what have been the localised social and spatial ramifications of this increasing good fortune among the world's wealthy in particular cities? More specifically, in the context of an increasingly fractious urban politics around wealth and work (Standing 2011), housing opportunities and welfare (Parker 2010), we develop a series of arguments around the effects on London's urban, political and economic culture that appear to result from the inward migration and investments of the rich. Certainly, for commentators on the political right, the 'limitless' supply of capital potentially looking for a home in the city's property market is viewed as a mark of the city's stability and enduring popularity despite wider recognition that much of this is also due to the illicit investment in London homes as a means of laundering (de Simone & Barthropp 2015) and a sign of the value of the city's economic stability within global regional turbulence that has made London an enviable location to invest (Platt 2015). Critically, for the argument we develop in this chapter, these rounds of investment in the property market have generated the impression that the rich are essential to London's economy and continued vitality of the city at a time of government-sponsored austerity for the wider urban population (Atkinson et al. 2016).

In an era of sustained cuts to the public sphere and ongoing, politically focused *de facto* attacks on the poor and the marginal as a drag on national wealth, the wealthy have have directed changes in the physical fabric and political character of the city that have generated a city with a qualitatively different feel which, as we shall see, affects both high and low income residents in terms of their feeling of being in place. Little consideration or resourcing is now offered to the collective and essential social fabric of the city as the city's life is characterised by increasing gentrification, inequality, conspicuous wealth and what we have found to be a submissive market orientation by both national and local governments to the rich. Within such a context, the gains of a slender few contemporaneously exist alongside attacks on the value of and provisions for those inhabiting the city's wider social and municipal domain – of course the space of the absolute majority of citizens. A wider urban crisis is focused around forms of housing stress (Fenton 2015) and provision (Dorling 2014), the health system, city transport and education. In short, this context reveals a competition for public goods and the seizure of private assets by the wealthy as a defining characteristic of urban life in London and many other cities over the past decade and more. In narratives describing London's position, the city is often identified as a space to be filled with those who already have much and a hard shoulder to those with least, crying over the loss of public goods and services now being dismantled by the current national government (Atkinson et al. 2016). While it is important to understand how contests and protest have affected these changes, it is obvious that the general direction of travel is now towards logics of displacement, gentrification and symbolic appropriation of the city, alongside an increasingly denuded and privatised public realm that extends earlier analyses (such as that of Minton 2012). In this chapter, we describe this political conjunction of growing abundance and municipal decline.

Our empirical project, from which this chapter is derived, utilised commercial geodemographic classifications, census data, property sales transaction data and well over a hundred interviews with the wealthy, real estate operatives, investors and the wide range of service intermediaries that generate the life support system for the very wealthy. The project was conceived as a neighbourhood study, focusing on the areas and lives of the super-rich. The structure of the chapter is as follows. The chapter begins by offering a descriptive analysis of some of the key changes in the social geography of London in relation to the locales dominated by the very wealthy and their constituent sub-groups. We then illustrate these changes in more detail by considering the profound internationalisation of the central London property market now operating between distant national groups of personal and national investors, using case study investments from Hong Kong as a brief example. We then consider how wealthy residents of what are now super-wealthy districts in central London perceive their place and the changes affecting the city today. The final section connects these changes to the deeper politics and machinery of the city, operating as a kind of automaton in relation to capital and the cutting of costs associated with public investments and expenditures.

Changes in the Urban Political Economy of London

Two critical forces arguably fuel the excesses of London’s housing markets. On the one hand, predatory formations of capital investment by sovereign and personal wealth funds of various kinds are now part of a wider global circuit of forces implicated in new rounds of ‘unhousing’. As writers like Shaxson (2012) have suggested using forensic accounting, London is at the centre of a web of financial institutions and instruments that draw capital from offshore locations and international investors seeking stable and investable assets. The demolition of many public housing estates in London is now part of these processes as transnational investors look to access devalued public assets and evict existing tenants in favour of those paying market rents. Thus, gentrification, austerity politics, and international finance capital and wealthy prospective owners in the city have produced new rounds of displacement. The second crucial set of forces relates to the formation of a new ‘butler class’ of family offices, political elites and policymakers working to the logic of capital investment and for the wealthy themselves; often seen as the good citizens of a city that should welcome such cosmopolitanism. In this context, the rich are seen as motors of multiplier and trickle-down effects and as patricians to a city that many would prefer to be emptied of the poor, the deviant and the disorderly (Winlow et al. 2015).

The Geographies of London’s Super-Rich

The geography of wealth in London can be profiled using a range of techniques. Here we rely particularly on the sensitising framework offered by the *Mosaic* geodemographic system of residential neighbourhood classifications (Burrows et al. 2016). As Hay and Muller (2012) have argued, the social sciences have neglected charting these geographies, often because locating suitable data is difficult. In general terms, we know that London is a major global epicentre of personal wealth. For example, a recent report (Capgemini & RBC Wealth Management 2014) calculates some 13.7 million of what they term High Net Worth Individuals (HNWIs) – each with $1m or more of investable assets – were distributed around the globe in 2013. Of this group, just more than half a million (527,000) reside in the UK (an increase of 13.3 percent compared to 2012), with the great bulk of them living in London. The annual ‘rich-lists’ produced by *The Sunday Times* are also helpful in identifying individuals and families with huge amounts of wealth. The most recent of these (*Sunday Times Magazine*, 2015) reveals that as of 2014, there were 80 individuals with wealth of more than £1 billion ($1.5bn USD) resident in London, far and away the city with the greatest number in the world (compared to New York with 56, San Francisco with 49, Moscow with 45 and Hong Kong with 43).

Figure 13.1 identifies Alpha Territories in the Capital, based on the Experian Mosaic UK 2011 classification of localities. The Alpha Territory, one of 15 groups within the classification, identifies the wealthiest and most successful people in Britain who live in the most exclusive neighbourhoods. The group is sub-divided into four *types*: the 'Global power brokers', who are very wealthy individuals often living in prestige heritage housing in historic urban centres; 'Voices of authority', comprising the most influential figures of leadership within society; the 'Business class' have accumulated significant wealth through a lifetime in business; and the 'Serious money' are some of the most financially successful people in Britain.

'Voices of authority' are the most numerous of the Alpha Territory types. They are also the most geographically dispersed across the Capital, although located mostly in outer London boroughs, with concentrations in Barnet and Richmond upon Thames. Their areas are characterised by owner occupation, around average levels of private renting, and only a tiny amount of social renting. In contrast to the Global power brokers, Voices of authority areas are largely comprised of people from a UK White ethnic background, and most people in these areas hold a UK passport.

The 'Business class' were least dispersed of the Alpha Territory types, almost entirely located in outer London, with particular concentrations in the suburban outskirts of the Capital in areas like Barnet, Bromley, Croydon and Harrow. They live in areas overwhelmingly dominated by owner occupation, with little private renting and almost no social renting. The people from a White ethnic background in these areas are most commonly from the UK, rather than elsewhere.

'Serious money' are the least numerous Alpha type. Although their wide dispersion across both inner and outer London makes them thinly spread across the Capital, they have concentrated nodes in the boroughs of Barnet, Merton, Richmond upon Thames, and

Wandsworth. A relatively high proportion of people from a White ethnic background in this type of area is of a non-UK White origin. People living in serious money areas are relatively likely to have a second home and one that is as likely to be within or outside of the UK.

Fifteen percent of census output areas in Greater London contain addresses classified by *Mosaic* as *Alpha Territory*. The areas have varying densities of such residents and have been mapped according to the predominant Alpha Territory type. All of the Alpha Territory types are characterised by having high residential property prices, as recorded in Land Registry data. Across the period covered by the Land Registry data (1995 to 2014), average residential property transaction prices have increased in such areas by a larger amount than across the rest of London. On average, the Alpha Territory areas contain substantially lower levels of social rented housing than is found elsewhere in the Capital. Census data from 2011 indicate that all types of Alpha Territory contain more of the highest socio-economic classes relative to the rest of Greater London and also higher levels of upper management and professional occupations. Compared with the rest of Greater London, Alpha Territories usually contain a high level of people from a White ethnic background.

[INSERT FIGURE 13.1 HERE]

Figure 13.1: Alpha Territory Neighbourhoods

Of the four Alpha Territory types, the Global power brokers are the most spatially concentrated. They are located primarily in central London, mostly within the boroughs of Kensington & Chelsea, Westminster and to a lesser extent, Camden. Global power brokers live in neighbourhoods with some of the highest property prices in London, and these are also areas with some of the largest property value increases. These areas, however, are characterised by a high level of private renting. According to the censuses of population, the proportion of households renting privately in this area type increased from 35 percent in 2001 to 43 percent in 2011, which is a much higher level than found in the other types of Alpha

Territory. It is also notably higher than across Greater London as a whole (17 percent increasing to 26 percent in 2011), itself the region of England in which private renting is most common. The high level of private renting suggests a relatively transient population (Rugg & Rhodes 2008), requiring quick and easy access to housing for those who can afford to live in these areas. Other characteristics of the area type suggest a fluidity including a comparatively high level of people from non-UK, White ethnic backgrounds; a lower than average level of people holding a UK passport compared with the other Alpha Territory area types or Greater London as a whole; and a high level of people with a second address, particularly one located outside of the UK.

The Political Economy of an Internationalised Housing Market

The internationalisation of the London housing market has been a gradual, accelerating process over the last two decades with dramatic rises in overseas buyers from 2007, so that 2011 saw upwards of £5 billion ($7.5bn USD) invested in the London property market from overseas (Haywood 2012:30). Yet these are not simply abstract processes and forces from which London has benefitted without intervention and non-interference by central and local governments in the city. The most striking example of this has been the billions of pounds of untraceable assets in the London housing market by international investors using international company addresses to conduct these without interference. As Transparency International have argued (de Simone & Barthropp 2015), government inaction and disinterest has helped to facilitate these transactions and added additional pressure to a property market that was already, according to many commentators, largely dysfunctional.

Of course not all transactions are criminal or illicit in nature and yet the wider flows of international transactions have also yielded concerns about the rise of vacant or ‘ghost’ neighbourhoods which are unoccupied for much of the year, price displacement pressures emanating from the wealthiest areas and huge amounts of buy-to-let property being snappedup off-plan by international investors. Again, these are not abstract processes and despite requiring significant planning and government intervention have been discursively constructed as vital elements of a land economy that would otherwise have collapsed following the global financial crisis in 2008. In such a context rich clients, landlords and buyers have generally been considered valuable customers and courted by an entrepreneurial political class (Harvey 1989) that sees London as vying for capital investment over other international locations.

London and New York – important centres in global financial accumulation – hold first and second place in the most recent survey of ultra high net worth individuals (UHNWIs) city investment preferences (Knight Frank Wealth Report 2014). Between June 2012 and 2013, 49 percent of all £1 million plus residential property sales were to international buyers; 28 percent of them were non-resident (Knight Frank 2014). There are a number of reasons for this, but the lack of regulation of property transactions in London is important in directing transfers of foreign capital from a variety of countries, contributing to a lack of affordable housing in London and overriding the link between housing prices and (local) wages. While Russians and other national groups who buy prime (between £2 and £5 million (£3m and $7.5m USD)) and super-prime (£5+ million (£7.5m USD)) properties in central London and leave them unoccupied ('buy to leave') have hit the headlines in the popular press, many wealthy citizens from many countries treat London residential properties as investment vehicles. This trend is particularly acute for those from nation states where there is little protection for private property and where political conditions support summary seizure of private assets. Mainland China, Russia and parts of the Middle East particularly fit this profile. Because the local factors supporting capital flight to safer havens vary enormously in this section we focus on one particular conduit of transnational capital transfer to London, that from Hong Kong. In fact, the combined total wealth held by UHNWIs in

Asia is now greater than that of North America. Within the Asia Pacific region, Hong Kong is now the most important city in terms of condensed wealth, in part because of its close links to Mainland China. In this section, we draw on empirical data collected online, from Hong Kong published printed media, and from interviews with various actors in the global real estate industries in order to unpack the thinking behind capital transfer from Hong Kong into London's residential real estate market. We also draw on detailed interview data with long-term residents of West London, which we subsequently utilise to capture the kind of neighbourhood-level responses to international buyers now in evidence.

Three key factors help to explain why buying properties in London is an attractive proposition for 'Hongkongers'. First, Hong Kong is a prosperous state where much of the wealth has been created in both the financial and real estate sectors. Hongkongers in general know a great deal about investment, especially when it comes to properties. As savings accounts yield almost zero percent interest, putting large sums of money in Hong Kong banks is unlikely to outgrow inflation and maintain value. In contrast, gross rental yield from a London residential property can be between 4 and 6 percent, in addition to its growth in value.

Secondly, Hongkongers trust Britain's robust legal and financial infrastructure. They are not concerned that there is any risk involved in buying a property in the UK, even though they are geographically distant from it. Developers also provide property management services: these include finding tenants, drawing up tenancy agreements, maintaining the property and collecting rents. These services help to bridge the distance between tenant and landlord. Moreover, most Hongkongers often understand English, the language in which their transactions are conducted.

Finally, since Hong Kong is a former British colony, many citizens have connections to London as well as other parts of the UK. Some of the investors have previously studied in the UK and therefore know a great deal about the country. Wealthy parents may also choose to have their children educated in the UK. Moreover, having property gives parents the freedom (or excuse) to visit their children during holidays.

Buying properties in London is a streamlined process that usually doesn't require buyers to travel to the UK. Instead, they attend property fairs at five-star hotel conference rooms in the Central area of Hong Kong with property developers, estate agents and solicitors work closely together to push the sales through at these events.

Our observations at these fairs suggests that while some visitors look for a property for their children, on rare occasions, they buy for self-use. The majority of visitors tend to buy for investment purposes, and they are mostly interested in the ROI (return on investment). Quite often, these properties are sold 'off-plan', as developers need access to capital to fund the construction. A typical residential development may have tens of apartments for visitors to choose from. Potential buyers are presented with scaled models and computer generated images. Apartments priced between £300,000 and £600,000 (£450-900,000 USD) are popular for investment purposes. However, properties marketed at around £1 million are also sought after by a group of niche clients who may wish to make a quick profit through speculation or simply need access to London on a regular basis.

In recent years, much media attention has been paid to wealthy buyers from Russia and the Middle East who purchase luxury residential properties in prime London locations for a few months of use during the year. Critics argue that the unoccupied properties contribute to the inefficient use of housing and create 'lights-out' neighbourhoods in London. In contrast, empirical findings suggest that the buy-to-let Hong Kong investors are keen on maximising rental income; hence, they rarely leave their properties unoccupied. A representative from a central London local authority argued:

> "... because what we don't want to see is 'buy to leave', and so the alternative... these people have such deep pockets they can afford to purchase a property which they only live in some of the time a year. Our preference is, particularly to do with the investors in Hong Kong and Singapore which is for the most part the returns on your investment isn't just your capital growth, it's also the income stream from your rentals, and so for us it's less important about the citizenship or nationality of the purchaser, what we're most concerned about is that the housing unit is being occupied, and even if that is by staff throughout the year at least somebody is living there rather than it just being if you like ... the real One Hyde Park that you hear all the time which is it's purchased just before its capital appreciation. What they don't want is people living in it because they will mess up the soft furnishing, and that's what we really don't... because that is a complete opportunity lost."

Those who buy apartments for their children commented that their spare rooms are rented out to their university friends, providing contributions towards tuition fees and living expenses. Since 1997 Hong Kong has much strong links with Mainland China and Mainland investors generally behave differently as a result of the pressures they face in securing accumulated wealth. Recent commercial data shows that the London real estate market has witnessed a small but growing number of wealthy buyers from Mainland China who invest in the super-prime property market. So the point to make here is that while many Hong Kong investors are wealthy, they are not super-rich and yet remain part of the broader play of international capital flows to London which are having significant effects on the local property market. Many developers are now building for these relatively wealthy international investors, rather than local households seeking to buy their own home but who are compelled to rent because of the prohibitive costs of accessing a home. Similarly the almost total absence of public housing building programmes and the toothlessness of many local authorities in the face of many of these larger developers has seen almost no challenge to the projections of builders that these sites would be unviable were affordable housing to be produced as part of their package. These are yet further examples of the ways in which the political economy of housing in the city has operated to conceal the possibilities for agency and to challenge the ways in which money is re-shaping the property market and social outcomes in the city.

Since 2014, an increasing number of Mainland Chinese are buying properties in London for over £10 million (£15m USD). Mainland Chinese investors believe that their assets are insecure and must be transferred to safe havens like the UK. Many of these investors are also eligible to be granted Tier One investor visas, which give them the right to reside in the UK. Unlike Hong Kong investors, who tend to maximise their rental profits, wealthy Mainland Chinese behave similarly to the Russians, who may also leave their properties unoccupied for some months of the year. Some real estate agents in London have also spotted a change in buyers' behaviour. Previously, buyers had a maximum budget, but with Mainland Chinese investors, only a minimum budget is set. The recent political crisis in Russia may have slowed down the number of Russians coming to London. In contrast, wealthy Mainland Chinese students, entrepreneurs and professionals are set to move to London in greater numbers. This is reflected in the growing number of London-based specialist law firms, banking divisions and accountancies who know how to conduct business with people from China and who have warmly received the recent flight of Hong Kong investors following the protests under the umbrella movement.

Unsettling Narratives of Place: The Established and New Wealth in Super-Rich Neighbourhoods

We now move to focus on a case study of local (UK) residents of Kensington (W8), one of the 'signature' wealthy neighbourhoods in our study. Although this neighbourhood has a longstanding cosmopolitan reputation, the housing market in Kensington is being internationalised in new, accelerating ways via the infusion of capital transfers from Hong Kong and other national sources due to its pre-eminent status within the city. The increasing volume of foreign capital investment in this area has had impacts on these neighbourhoods and galvanised residents into protesting at many of the physical and social changes that have resulted that echoes the themes of preceding community studies of social change (Elias & Scotson 1965). Kensington is highly organized: one of its residents' associations has representatives in every street. These groups scrutinize planning applications for the changes they will bring to the neighbourhood, holding to a firm line on disruptions to its mid-nineteenth century architecture including the raft of basement conversions and dig-outs taking place across the borough. Their stance is not against the internationalization of the neighbourhood as such. In general, they think this is a good idea; rather, they are working against the kinds of physical reconstruction and disruptions to daily life this brings to basement digs, parking restrictions, and to absent owners who diminish the vitality of the neighbourhood.

W8 is constituted in the terrains of entitlement: indeed, royalty live in one end of the neighbourhood. One of our study participants, Jane, has lived in more than one part of Kensington and in other, similarly affluent parts of London. Jane is relocating along a flight-path West, potentially to more suburban areas like Barnes and Putney. Her complaints are familiar:

> 'I started life in Hampstead, …I moved into Kensington, that was about 1975 ….I lived just off Onslow Square and I moved to Lexham Gardens… everything was fine… it was affluent but it wasn't crazily affluent… there was one very affluent man who was very nice, who became typical of what the rest of the area became …he had homes all over the world, spent about 2 weeks in London a year… These new people

moved in and basically they were at war about what needed to be done … the builders came in, in the space of about 6 months they'd cut off my water about three times… the builders, I couldn't get them to put dust sheets down…Its a beautiful square garden. Could I find anybody who spoke English who was remotely interested in saying hello? … My beautiful square, never used to be like that, was … absolutely littered because … "I'm too rich to bend". And it became very very alien, very strange. … I mean Kensington used to be full of reasonably affluent families with their nannies all going to private school it was that kind of thing. Well they all left'.

Another of our participants, Harriet, had lived all over Kensington: as a debutante, she was presented at court. But new money is pouring in, the neighbourhood is changing, and she is in the process of 'cashing-in' her property and moving. These are particular narratives of social displacement that we might connect to traditional impressions of gentrification in lower income areas of the city. Harriet says that houses on her street have sold for £11 million and has sold the bottom sections of her house and moved to the top because she 'needed the money'. This gives her options, she says: *I can pretty much go anywhere I like --- in London'.* Those who complain, but are in a position to benefit from the impact of overseas investment in London real estate markets, are in a privileged position with regards to their future housing circumstances yet point to a social hollowing-out of the city as a result of the changes in their areas - they have been given a stake in the city's unaffordability, even though they don't like the changes it brings to their neighbourhoods. The irony of this internationalisation of London's central neighbourhood housing markets is that, even at the social 'top' of the city, the apparent benefits of these social, physical and investment changes appear almost illusory or distinctly problematic. The courting of wealth in policy discourse and inaction that we have described earlier also does little for these areas, despite appearing to contain the constituents of those in power, which are seen to have been socially emptied and made increasingly vulgar and characterless. These changes mark a new wave of investment and social changes that London has not historically seen and appear emblematic of the kinds of internationalised flows of finance and personal capital being deployed via the housing market in central London. We now consider the broader ramifications of these changes.

The Poverty of an Affluent City: London as a Minimum City

In the context of growing worries among London's affluent residents regarding the internationalisation and social thinning of their neighbourhoods, a wider set of issues emerges. The elephant in the room when discussing London's super-rich concerns the city's inequalities and declining capacity to provide common resources and basic welfare systems for those at its margins. Of course, these 'margins' are often located in wealthy areas; pockets of public housing provide a foothold in some of the most expensive property market areas globally. Data on the Alpha Territory areas for London combined with census data show that London's prime areas contain 4.1 percent of households in social housing while the wider area of London accommodates 33.2 percent social housing, highlighting the stark contrasts between these spaces.

Housing is one of the key battlegrounds of the social politics of London in recent years and emblematic of the broader turn away from welfare orientations by government of the left and right. Certainly the crisis in housing, whether measured as affordability, homelessness or overcrowding, has begun to take-in increasingly higher income groups. The wider context of these changes has been an evolving social geography in the city. Butler and Robson (2003) noted in the late 1990s a city which had returned to being a middle-class, Victorian-era city, but it is now possible to see a playground for the wealthy and extremely wealthy and an increasing suburbanisation and ex-urbanisation of the city's poor (Fenton 2011). Among other things, these changes create taxonomic challenges – what kind of a city should we call this? To what extent does the presence of wealth help us to explain the position of the poor in the city? Alongside the rise of London's super rich have arisen deep questions about the city's capacity to provide for those less well-off. In an early empirical treatment of these issues, Fenton's (2011) working paper on the geography of deprivation hinted at an increasing suburbanisation of poverty in the city. Recently, data revealed that around 50,000 families have been exported from the city via their local authority's attempts at rehousing them. No doubt under financial strain, the downward pressure of central, city and local government, in tandem with weak planning gains and controls, have continued to generate a housing system that privileges the privileged (and absent investor landlords). In more immediate terms, the destruction of existing social housing defines a discourse of social value attached to social diversity that arguably has been a cover for creating more affluent localities; such localities, it is often argued, are required to generate private investment capital to launch these projects. Between 2001 and 2011, social renting in London shrank by 8 percent and owner occupation by 12 percent. Private renting now dominates the poorest areas, and around fifty public housing estates have been demolished and remodelled. These changes hint at what many now identify as a process of 'social cleansing' in the capital, which, while certainly affecting those on low incomes in the harshest way possible, also touches and strains the pockets and ambitions of the city's higher income residents.

Many of the critical changes seen in London have been fuelled by predatory formations of investment capital that, combined with a retreat from welfare provisions, have created an environment that is all about money and little about urban society and deeper social vitality. The core argument here is that mediating governance systems have failed to challenge this conjunction of interests by a) capturing a share of these capital flows and b) softening or preventing the worst kinds of resulting social outcomes. In this setting the state is cast as ineffectual and at the whims of global finance and the needs of the wealthy who are seen as the saviours of this urban economy. These denials of responsibility and power ultimately ring hollow with the state acting to produce the means (austerity and welfare reform), instruments (a tax on bedrooms for those ‘under-occupying’ their social housing) and programmes (demolition, defunding social housing and allowing local authorities to dictate new-build housing programmes that are hopelessly out of sync with social needs) that enable the deeper hollowing-out of the city to take place. The net effect of these market orientations is to cast the city as a site open to the needs of capital, somehow generating a few crumbs of affordable housing while state planned austerity programmes further exacerbate a sense of crisis in the city.

London is now a kind of social-sorting machine. Whether wealthy new entrants occupy or leave, their assets grow in value. Yet the poorest are expelled from forms of mutual provision and social existence, emblematically in cases like the ‘E15 women’[1] who now fight against forced displacement from their social networks and support systems. London has the feel of a minimum city - advantaging the already advantaged and, in doing so, offering little either to its public realm or the wider majority of its residents who may also believe that little can be done. These points might reasonably be cast in the language of the 99 percent and the 1 percent, but it is more likely that only a tiny fraction of the 1 percent itself are able to enjoy or relax in a city now so extensively being rebuilt for the needs of capital rather than those of human necessities and aspirations. The contradictions of this situation are not hard to identify – a city whose physical and social infrastructure is straining at the seams while its finance industry burgeons and politicians claim the great benefits of bringing the wealthy to the city. Such a minimum city continues to expel its poorest while scarifying, if not entirely destroying, the hard-won social projects that mark Piketty’s analysis of the post-war settlement.

Conclusion

At the risk of pushing poetic licence, we seek to chart the trajectories if not yet the full realisation of the city as a space for capital and the wealthy, driven by a political machine implicitly linked to creating a space stripped of its pollution by the poor, working or not. This minimum city is thus a space in which investments targeted at providing forms of social insurance, collective provision, a vital public realm, and social democracy and inclusion are apparently shunned both by those who see either no alternative or by those directly signed-up or who were co-opted by the rhythms and designs of international capital investment.

For some years now, studies of London's social changes have focused on how the city's housing system has mediated processes of class and wealth change. These analyses, perhaps somewhat locked into frameworks focused around processes of gentrification and displacement, have begun to consider a much deeper set of class, tenurial and state transformations. These begin with the story of the numerical growth of individuals commanding historically unprecedented gains, from industry, share holdings, and the accumulation of entire industry sectors as well as illicit gains from a global criminal economy. Yet of course, these changes have had distinct spatial impacts, and it is now clear that London is one of many world cities distinct for the ways in which the very wealthy have found homes there. In this chapter, we have sought to analyse these changes and to speculate about what kinds of city these become via the symbolic, physical and social changes that have arisen alongside the ambivalent presence of the super-rich. We say 'ambivalent' because of the multiple and complex relationships between investment capital, time spent in these new residences and relative engagement/withdrawal to or from civic and political institutions. Rendering a simple story of these changes is by no means possible, and a more nuanced approach beyond talk of ghost neighbourhoods, buy-to-let, buy-to-leave and millionaire boy-racers is required. Such stereotypes and popular stories have a kernel of truth to them that assists in their relaying in the city's mediascape. Yet in a place of such profound material inequality, strains on social infrastructure and a politics of enmity directed at the working poor and socially vulnerable, it might seem that all of the ingredients are in place for a much wider political conflagration.

The impact of London's expanded very wealthy class has indeed had an impact on the city in both direct and indirect ways. We have argued here that the more obvious changes in the form of unprecedented house prices, new levels of conspicuous consumption and a physical remaking of the city (skyscrapers, basements and monster mansions) belie a deeper set of cognitive and political changes. These include an expanding sense of alienation and displacement by the city's working classes and upper income groups and a politics of triumphalism attached to gross wealth and the distinctive predominance of the City of London as a global financial centre and contributor to the wider economy. Our narrative here attends to the question of the effects of the super-rich that goes beyond an analysis of their particular, personal place in the city and to one that encompasses the broader scope of players and parts in this story. To do so is to force some acknowledgement of the city's re-forging to allow conduits of capital permitting further wealth in the city and attempting to cut away the social and fiscal overhead that the poor and wider population appear to represent. In this sense, the plan engineers a system that might enable the pristine wealth of the few to outbid and displace the polluting presence of those in social housing or who work to service the city's needs.

The idea of the minimum city is an attempt to capture the essentially revanchist and class-based attack on the city's capacity to collectively support and provide for the wider urban population. Instead, the city and others like it globally seek to out-bid each other in offering unfettered conditions of residence and access that include preferential fiscal arrangements alongside the benefits associated with a weak currency position and relatively low property transaction fees. Drawing on the work of recent contributors to these political debates, we have argued that the migrations of capital and the rich themselves to London's central and suburban neighbourhoods is part of a wider story in which the logic of capital and growth become detached from the core need to maintain the city as a space for provision, inclusion and participation. Thus, the minimum city is in reality one which does very well, but only for an increasingly limited group who are immune from the externalities of a politics and housing market that have combined to produce a fiercely competitive housing system, the erosion of affordable models and the continued assault on the collective under the name of austerity and fiscal rectitude. In the final analysis, the resulting form of urbanism is something altogether less socially just and more sterile, despite its outward gloss and the shiny, awe-inspiring view of the rich and the new palaces they now inhabit.

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Endnotes

[1] See http://www.theguardian.com/commentisfree/2014/oct/05/focus-e15-mums-fight-for-right-to-home