

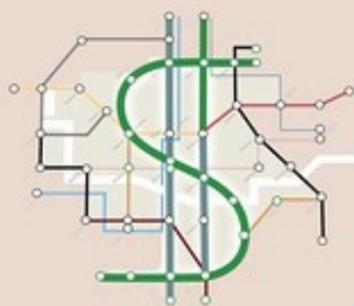
June 14, 2013 6:49 pm

Priced out of Paris



By Simon Kuper

Our great, global cities are turning into vast gated citadels where the elite reproduces itself



Two mournful friends dropped by our flat in Paris last Sunday. They are a well-paid couple from the caste known in Paris as “bobos”: people with bourgeois incomes and bohemian tastes. In the popular narrative, bobos have invaded Paris, driving out pure bohemians and the working class. But my bobo friends had a new story: they themselves were being driven out of Paris. To get enough space for their kids, they were leaving for the suburbs. When they’d told the headmaster at the children’s school, he had looked sad and said: “Everyone is leaving.” Paris is pricing out even the upper middle-class.

There is a wider story here. The great global cities – notably New York, London, Singapore, Hong Kong and Paris – are unprecedentedly desirable. At last week’s fascinating New Cities Summit in São Paulo, the architect Daniel Libeskind said: “We live in a time of renaissance ... cities are coming back to life, after a long neglect.” Edward Luce chronicled the urban revival in last Saturday’s FT Magazine. However, there’s an iron law of 21st-century life: when something is desirable, the “one per cent” grabs it. The great cities are becoming elite citadels. This is terrifying for everyone else.

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At the New Cities Summit I had a coffee with Saskia Sassen of Columbia University, leading thinker on cities. That took some doing: Sassen arrived from Bogotá that morning, and was flying to Zurich hours later. “Cities were poor,” she told me, in between. “In the 1970s London was broke, New York was broke, Tokyo was broke, Paris was much poorer than now. And the built environment was a bit run down.”

But from the 1980s, these cities recovered. An increasingly complex financial sector needed more sophisticated networks of lawyers and accountants. Corporate mergers and takeovers meant global headquarters got concentrated in fewer places. Crime declined, making cities less scary. And so great cities grew richer. Fancy architects put up lovely buildings. House prices rose.

First, the working classes and bohemians were priced out. Nowadays the only ribald proletarian banter you hear inside Paris is from the market sellers, who don’t live there anymore.

That was gentrification. Now comes plutocratisation: the middle classes and small companies are falling victim to class-cleansing. Global cities are becoming patrician ghettos. In 2009, says Sassen, the top 1 per cent of New York City’s earners got 44 per cent of the compensation paid to its workers. The “super-prime housing market” keeps rising even when the national economy collapses. After Manhattan, New York’s upper-middle classes are being priced out of Brooklyn. Sassen diagnoses “gradual destruction”.

Global cities are turning into vast gated communities where the one per cent reproduces itself. Elite members don’t live there for their jobs. They work virtually anyway. Rather, global cities are where they network with each other, and put their kids through their country’s best schools. The elite talks about its cities in ostensibly innocent language, says Sassen: “a good education for my child,” “my neighbourhood and its shops”. But the truth is exclusion.

When one-per-centers travel, they meet peers from other global cities. A triangular elite circuit now links London, Paris and Brussels, notes Michael Keith, anthropology professor at Oxford. Elite New Yorkers visit London, not Buffalo.

Sassen says: “These new geographies of centrality cut across many older divides – north-south, east-west, democracies versus dictator regimes. So top-level corporate and professional sectors of São Paulo begin to have more in common with peers in Paris, Hong Kong et

eterna than with the rest of their own societies.”

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All through history, bright young people migrated to metropolises: think of Dick Whittington, the semi-mythical medieval English country boy who ended up mayor of London. But today Dick wouldn't be able to afford a bedsit in London. He'd have to turn down an internship. To buy in these cities now, you must either earn a fortune or inherit a house there – and often the same people do both. Outsiders who reach the city late rarely have the education and contacts to succeed.

Inevitably, the one per cent in the global city shapes national policies. Sassen mentions core features of the “neoliberal project”, such as deregulating finance or privileging control of inflation over job growth. “The work was done in Wall Street, the City of London,” she says. Elite opinion-formers, who live in global cities alongside financiers (albeit in smaller flats), assured the little people that these policies would help everyone.

Sassen sighs: “The capture by a very small number of cities of a lot of the excitement and wealth produced by the system – this is a problem.” Outside these hubs, things are less desirable. Most western cities have lost manufacturing. Market towns struggle as small-scale agriculture fades. A few secondary cities (Lyon, Denver, Bristol) thrive. Most don't. Even cities as prominent as São Paulo, Moscow or Johannesburg may prove too violent or congested to succeed. “You also have cities that simply die – Detroit,” adds Sassen. But if they're out in the sticks, nobody powerful will hear them scream.

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