

## The Future of the Home<sup>1</sup> by William Shepherd

### The Need for Homes

Are any more homes needed? How many? Where? Who for? What would happen if 'New House Construction' were to stop for fifty years? What would a 'Homes Programme' look like if the goal were to provide every family with their own home 'free and clear' from the existing (but improved) housing stock by the end of the century?



### Looking after Homes

Who should control the maintenance and improvement of family homes? The home is the woman's domain; so should she not be vested with complete local authority within the bounds of the home and garden? What is the legitimacy for institutions such as banks and building societies commandeering effective access to the home by control of the finance mechanism? Should not G.K. Chesterton's notion of 'Private Houses for The Woman' and 'Public Houses for The Man' be taken seriously as the way towards a Gendered Society?

### The Vendibility of Homes

Why are homes vendible? Should not homes become 'commons' just as air is and land has sometimes been? As Aristotle was very careful to explain, 'price' measures 'demand' and is no indicator of 'value', so what factors are determining 'the price of a home'? According to what principles of justice? Why not fix the 'price' of a decent family home at one day's work per week or a thousand days per family? Should homes be sold to 'strangers' on the death of the last remaining resident? Why should the 'thousand days of created wealth' go to this person rather than that person, or this institution (national government, bank-operated trust, etc.) rather than that institution (village homes council, catholic church, etc.)? Does not Tom Paine's proposals in *Agrarian Justice* bear closer scrutiny for the inheritance of homes?



### The Ownership of Homes

How sound is the modern idea of one all-embracing notion of 'home ownership' (howbeit that there are related 'minority rights' accorded to mortgage holders, local bye-laws, etc.)? How real is the difference between 'Owner' and 'Renter' when there are users requiring 12% per annum over much of the owner's lifetime with the result that three quarters of his 'home-work' goes to usury and only one quarter to 'owning'? Why does there continue to be so much interest in Henry George's 19th century classic *Progress & Poverty* with its idea of a two-fold distinction between 'land value' and 'use value'? What will be the consequence of a generation brought up on E.F. Schumacher's *Small is Beautiful* realising that he was working on a three-fold discrimination between 'vendibility value', 'use value' and 'development value' for ownership at the time of his sudden death (a notion that implies three classes of share ownership with different rights and responsibilities)?

<sup>1</sup> *The Future of The Home* by William Shepherd was first published in 1988 in *Fourth World Review* Number 27.

## Towns for Free by William Shepherd<sup>2</sup>

By the end of the 21st century *Village States* will have learned how to protect them and theirs from *Commercial, Administrative* and *Personal Interests*. They must also learn to differentiate between personal possessions, private property and common wealth. This is where *Civic Wisdom* starts.

R.H.Tawney sought to persuade the *Labour Party* to adopt the idea of *Improperty*. He almost succeeded. The *Attlee* and *Wilson* governments discriminated between *Earned* and *Unearned Income*...squeezing the latter until the pips squeaked. But they never took onboard the theories of Henry George that lay behind Tawney's thinking.



*Real Property* escaped and no *liens* were laid against the profits derived from public licensing of development...and the unearned windfall profits...and local corruption...that followed in its wake. But the concept of *Improperty* is crucial in dealing with *Personal Outsiders*.

The retired desk officer from what John le Carré refers to as the *Espioracy* or the *Merchant Banker* day-trading in government-commissioned lethal weaponry from their homes in *Islington* or *Chelsea* might like a second home in a quaint historic country town but why should they be allowed to let it stand empty?

Tawney discriminated between *Working Capital* and *Idle Capital*. Ownership of a second home involves the legalised theft of a *Village State's* housing stock from the *Common Wealth* of local families.

It is a problem the world over and getting worse as the fat cats lap up the cream so that real property in prime locations becomes the speculation of choice for the rich...and the collateral desired by the bankers in their never-ending quest for risk-free placements of their credit creating commercial banking mechanism.

In fact this is part of a much broader mechanism that sanctions the theft of personally managed *Common Wealth* by means of the maldistribution of money and credit. But locality has the means to fight back against this legally-sanctioned looting by *Outside Interests*.

The *Norwegian Parliament* has responded to their second home problem by applying the *Tawney Criteria*. In tiny fishing villages along the Norwegian coast from *Bergen* to *Tromsø* good tenants are like gold dust to the property owning class hundreds of miles away in *Oslo*...and local rents are extremely reasonable. The reason? Second homes are forfeited if they are not occupied. An empty house represents *Idle Capital*.

The French have taken another tack. They start with the facts. The *French National Estate Agents Federation* estimates that there are 75 000 second homes owned by Brits in France. These account for a third of all foreign-owned second homes. A statesman asks what would happen if everyone was allowed to do this. In 2005 the *French Parliament* asked just that and passed a law to stop absentee landlords from leaving their second homes empty.

Many of these second homes are part of pyramid property financing schemes fed by mortgages and equity release loans at historically low (and hence unsustainable) interest rates by the British commercial banks operating as agents for the *Bank of England Company* with its special monopoly privileges in minting money, creating credit and ratcheting up debt.

So owners who thought they could enjoy their dream property in Paris for a few weeks a year had a nasty shock when the new 2005 law hit the statute book. The crux of the new law was that all rentals must be offered with a minimum one-year lease. The law applied to properties all across France...with implementation at the discretion of local councils. To the surprise of local estate agents...perhaps with their connivance...the new law was not applied. This was just as well because the only way around the law is to reclassify the second home as commercial property. But this is a rather complicated process and invariably ends in failure...especially for foreigners.

But this is France and France looks after the French. So it was too good to last...at least for the Brits. It is online advertising that has changed the ground rules. Short-term rents in Paris have been spiralling. A furnished two-

<sup>2</sup> The beginning and end of the next two pages were published in the *Shepherd Chronicles* on Wednesday 28th June 2006. The middle section, from 'The French have taken another tack' to 'collapsing house prices', was added on Sunday 11<sup>th</sup> July 2010. URL [http://williamshepherd.blog.co.uk/2006/06/29/wednesday\\_28th\\_june-920293/](http://williamshepherd.blog.co.uk/2006/06/29/wednesday_28th_june-920293/).

bedroom property in a desirable tourist arrondissement now rents for £2000 a week...four times the going rate on a one-year lease. *Paris Socialist Council* has been keeping a watchful eye on developments and in June 2010 it made its move and began prosecuting under the 2005 law and handing out fines of £20 000 a time.

Housing stock is very scarce in central Paris. The French have decided they want homes to be lived in. Furthermore, given a choice, they would prefer the residents to be French citizens at best...with French-residence and French speaking the minimum requirement. What the French do not look kindly upon is foreign landlords removing homes from local people to make short-term profits which they take out of the country.

Most French councils share the sentiment of their Parisian brothers and Parisienne sisters. The sentiment is, after all, universal. Soon similar approaches will be adopted outside the metropolis. The law is there waiting to be used and when it is applied, local and regional residential property prices will reflect the shift in policy. Regions like Brittany with a heavy overhang of increasingly impoverished absentee British second home owners will soon start to feel the heat. Who then will slink out of the woodwork to provide the counter-party to collapsing house prices?

By its nature the common wealth of a *Village State* is unlikely to sit idle. But it has problems of its own. Over the years philosophers and radicals have remarked on the problem of the *Competent Receiver*. It is the same problem for the trustees of the *Church Commissioners* and the *National Trust* as it is for a political party intent on reclaiming private property for *We The People*. Eventually the *Labour Party* settled for the *British National State* as the *Competent Receiver* for the *Common Wealth of the United Kingdom*. It came to be known as *Nationalisation*.

This solution might have been suitable for the dying days of empire. But there is little reason to assume it is right for all times. Future generations might choose to legislate for a *Programme of Localisation*. Some day there might be

sound arguments for *King Charles III* to instruct the *National Trust*, the *Church Commissioners* and the *Ministry of Defence* to settle their property on *Local Village Trusts*. Each generation makes its own choices. There were some within the *Labour Movement* who agreed with Francis Bacon that 'wealth be like manure...best if it be spread'.

*Internationalists* believe that power should be drained away from *Nation States* into some world governing body. *Trade Unionists* want the power nexus to be in a place where it can do battle with the *Money Power*. *Anarchists* seek for power to return to individual citizens. *Syndicalists* want individual power held in common. *Party Politicians* in *Westminster* and *Central Bankers* in *Threadneedle Street* have the quaint belief that the power nexus resides with them and wish for this power to continue to accrue to them and theirs...with flows to rival centres be stopped up.



In recent years debate about the *Nexus of Power* has been stifled. Attempts to discuss derivative subjects like *Secession* and *Cantonisation*, *Property* and *Money* or *Livingry* and *Killingry* have been sidetracked and trivialised by the private agendas of *Commercial*, *Administrative* or *Personal Interests* seeking to control the power flow. So *Feminism* is deployed to thwart a new generation's attempt to fight for *Global Justice*. So a *War on Terror* is created and *Global Warming* invented to remove the threat to *Piped Energy* of a pipe-free energy infrastructure. So it goes.

Structure determines behaviour and power flows only one way at a time. The structure of power relationships determines the direction of the power flow within an organisation. The struggle to control power has obscured the purpose of wielding that power and the effects of the scale and pace of the power flow on an organism.

One day subjects like *Social Morphology* and *Structural Sociology* will be on the agendas of *Curriculum Committees*. Conferences about *Making Local Government Local* will be reported in the media. Books will be published on *Village Democracy* and *The Wealth of Villagers*. Scale and pace will take centre stage as academics and politicians deconstruct such long-abandoned orthodoxies as *Big is Best...for Capital...and Small is Beautiful...for People*. Better policies and recipes will emerge from the structural rearrangement of human affairs.

But until then *Real Progress* will splutter to a halt and the *Adventure of Civilisation* will be subverted by the forces of *Death* and *Destruction*.

In truth and justice will we live  
With hope and honour in our breast  
Out out damn mystics let us be  
Farms for people towns for free<sup>3</sup>

<sup>3</sup> See *Ode to the Common Man* by William Shepherd at <http://cesc.net/passagen/democracy/ode.html>

## Money for Homes

What is the relationship between homes and money? What is the cause of this development and will it always be so? How was the relationship seventy five years ago when mortgages were seven years and interest rates two per cent and ninety pence in the pound went to pay for the goods and services that went into building a house as compared to the ninety pence in the pound that nowadays goes to the usurer? Why are homes paid for many times over the lifetime of a building which, without the one in a thousand event of a fire, can be seen to be indefinitely? Where does the money that users pay for a home after it is once constructed actually go? Who gets the benefit of it? Why not those who built it or those who use it? Are not most landlords no more than unpaid tax collectors for what Illich refers to as 'The Megamachine'?



## The Economic Dynamics of Homes

What happens when the effective interest rates become less than zero, with the owners of spare money paying a 'stewardship fee' to those who provide a means of preserving its value? How likely are these developments on the downside of the economic long wave? What has previously happened to the economics of homes and houses when the grain in the granaries was eaten by mice instead of the cows in the field giving birth to calves? What happens during the transition from a scarce commodity to a plentiful commodity? Is this desirable? Are there feasible and desirable ways to manage the transition? Were these ideas adopted by the Roman Catholic Church in Europe in The Middle Ages or by the Roman Caesars in Ancient Rome when their civilizations based on similar debt/usury financial mechanisms began to shift from Scarcity to Plenty? What are the lessons of history?



## Decolonising the Business of Homes

What strategic moves can be expected from the financial institutions involved in the Homes Business? What political policies on homes are likely to emerge from the various English, Scottish, Welsh and Irish traditions and how will these be incorporated into traditional Catholic, Puritan and Calvinist theologies on work, family and money? How clear are the British political and philosophical traditions as incorporated into the ideologies of catholic conservatism, liberalism, Fabian socialism and aristocratic neo-feudalism? How will the 'fascist/oligarchic/aristocratic' factions manoeuvre in attempting to outwit a resurgence of the 'enlightenment/republican/populist' ideas of two acres and a pig or (as in the State of Virginia in Jeffersonian times) fifty acres of land for each working household when these become incorporated into political programmes (as Rev. Jesse Jackson is doing for the 1988 US Presidential Elections) declaring 'A Home for Every Family'? How will the traditional house institutions such as builders, housing associations, building societies and, increasingly, insurance companies and banks, react to a populist pension fund movement which seeks to link individual (old) Lloyds-style syndicates directly with specific rental homes and quality properties without institutional 'money-middling'?