THE ‘HAVEY’ AND THE ‘HAVE YACHTS’:
SOCIO-SPATIAL STRUGGLES IN LONDON BETWEEN THE ‘MERELY WEALTHY’ AND THE ‘SUPER-RICH’

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ABSTRACT

In the decade between 2007 and 2017 London changed fundamentally. This paper is about how the actions of the transnational über-wealthy - the ‘have yachts’ - impinged upon the life-worlds of the ‘merely wealthy’ - ‘the haves’. As we explore the conceptual utility of gentrification as a way of thinking about these seismic urban changes, we conclude that profound socio-spatial changes, and new intensities in the financialization of housing, neighborhood tensions and cultural dislocations are reshaping London as a plutocratic city and the lives of those who live there in historically unprecedented ways. The concept of ‘super-gentrification’, as we will argue, does not adequately frame these circumstances.

Keywords: London; urban geography; super-gentrification; plutocrats.
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INTRODUCTION

Over the last decade the social sciences have responded to the call of Beaverstock et al. (2004) to take the ‘super-rich’ more seriously. Now a robust corpus of material across the academy offers conceptual and empirical analyses of the über-wealthy.¹ This paper draws on this literature in order to interrogate a decade of change in the form and functioning of London; the global city most impacted by the actions of contemporary transnational wealth elites (Atkinson 2017; Atkinson et al. 2017; Minton 2017). The history of London has long been entwined with expansions of financial capital and the machinations of global plutocrats and their more proximate counterparts (Atkinson et al. 2017; Webber and Burrows 2016; Wilkins 2013). But what has happened in London in the decade since the global financial crisis is without precedent (Atkinson et al. 2017; Minton 2017).

Beginning our analysis on the 9th August 2007, when the first rumblings of the crisis began to emerge as the French bank BNP Paribas froze $2.55 billion worth of funds, the 14th June 2017 when over 70 people burnt to death in Grenfell Tower, a poorly maintained tower block in one of the most affluent districts of London (Atkinson 2017) offers a suitable end date. These two events bookend a decade in which the character of London changed fundamentally; a decade in which it became a city for global capital and not a city designed to meet the needs and aspirations of its residents (Atkinson 2017; Atkinson et al. 2017; Minton 2017). Our focus here is not on the impact of transnational über-wealth (the ‘have yachts’) on London in general – already scrutinized by Atkinson et al. (2016) and, especially, Minton (2017) – but on how their actions have impinged upon the life-worlds of ‘ordinary’ (Cunningham 2017) - ‘merely wealthy’ - London elites (‘the haves’). Neither gentrification nor the expanded term of ‘super-gentrification’, as we will
show, adequately frames these newly calibrated social relationship or the city-transformations of which they are a part.

**TRANSNATIONAL WEALTH ELITES**

Basic data on changing patterns of global wealth since 2007 provides a now familiar context. We could contest the quality of the data, and quibble over the appropriateness of different modes of operationalization, but the figures are so shockingly stark that even if they were, by a very significant magnitude, in error it would not alter the inescapable conclusion that since the beginning of the global financial crisis patterns of global inequality have not just widened, they have done so on such a scale that some commentators have come to view it as a symptom of a fundamental structural fault in neoliberal capitalism (Streek 2016).

Any number of measures generate similar conclusions. Oxfam’s reports2 from 2010 demonstrate alarming concentrations of wealth. Whereas in 2010 the wealthiest 1 per cent of the global population possessed 44 per cent of global wealth, by 2015, and for the first time in history, they possessed over 50 per cent; a figure that - at the time of writing – is likely now closer to 52 per cent. Second, whereas in 2010 it was calculated that it would take the combined wealth of the richest 388 people in the world to be equivalent to the combined wealth of the poorest 50 per cent, by 2013 it was 92, by 2015 it was 61, and by 2016 it was just 42.3 The richest 42 people in the world possess as much wealth as the poorest 3.7 billion. The financial services industry produce numerous reports all concerned with the distribution of global wealth, often couched in the language of the number of High Net Worth Individuals (HNWIs).4 The figures are telling. In 2008 there were estimated to be some 8.6 million such people distributed across the globe (Beaverstock and Hay 2016: 5) but by 2016 this figure had increased by
almost 92 per cent to 16.5 million. The geographical distribution of this population is highly concentrated: 4.795 million in the USA; 2.891 million in Japan; 1.280 million in Germany; 1.129 thousand in China; 579 thousand in France; and an estimated 568 thousand in the UK (compared to just 362 thousand in 2008) (Capgemini 2019). Some half-a-million of them live in and around London, in a set of tightly circumscribed neighbourhoods (Burrows et al. 2016). London has been, at least until recently, the city of choice for the global ‘super-rich’. The most recent ‘rich-list’ produced by *The Sunday Times Magazine* (2018: 7) reveals that London has greatest number of resident (sterling) billionaires, 93 in 2017, compared to New York with 66, San Francisco with 64, Hong Kong with 63 and Moscow with 55.

**SUPER- GENTRIFICATION?**

Contemporary London is a very different city to the one that Ruth Glass and her colleagues analyzed in the 1960s (Glass 1964), and although her concept of gentrification has, in subsequent years, been discussed *ad infinitum,* it remains difficult to explore the empirical materials we want to introduce without a brief reiteration of this concept.

The conceptual functioning of this term was explicit in Glass's original formulation:

‘One by one, many of the working class quarters of London have been invaded by the middle classes - upper and lower. Shabby, modest mews and cottages...have been taken over, when their leases have expired, and have become elegant, expensive residences. Larger Victorian houses, downgraded in an earlier or recent periods - which were used as lodging houses or were otherwise in multiple occupation - have been upgraded once again...Once this process of “gentrification” starts in a district, it goes on rapidly until all or most of the original working class occupiers are displaced, and the whole social character of the district is changed’ (Glass 1964: xviii, our emphasis).

Glass described the geographies of gentrification in London in the early 1960s as follows:
'There is very little left of the poorer enclaves of Hampstead and Chelsea: in those boroughs, the upper-middle class take-over was consolidated some time ago. The invasion has since spread to Islington, Paddington, North Kensington – even to the “shady” parts of Notting Hill – to Battersea, and to several districts, north and south of the river’ (Glass 1964: xix).

The subsequent histories of gentrification’s conceptual and operational complexities have been critically curated by Lees et al. (2010, 2013). The controversies, debates and issues that this concept has invoked over the last half-century are so central to ongoing debates in urban studies, that its continued analytic utility has been both forcefully defended (Butler 2007) and, controversially, extended to ‘global’ and ‘planetary’ scales (Lees et al. 2015; 2016). However, it is undoubtedly the case that many of the predictions Glass made about London have come true:

‘Any district in or near London, however dingy or unfashionable before, is likely to become expensive; and London may quite soon be a city which illustrates the principal of the survival of the fittest – the financially fittest, who can still afford to work and live there…Thus London, always a “unique city”, may acquire a rare complaint…London may soon be faced with an *embarrass de riches* in her central area – and this will prove to be a problem, too’ (Glass 1964: xx).

Previously ‘dingy or unfashionable’ neighbourhoods of the East End – with Dalston (Davison et al. 2012) as perhaps the paradigmatic instance - have been reshaped through gentrification, alongside other hitherto unlikely neighbourhoods south of the Thames (Jackson and Benson 2014). Research detailing continuing displacement of working class communities by those with more resources continues. There is no doubt that gentrification - as traditionally understood - continues in London in a form that Glass would recognize. But much else has changed. Glass was writing at the apogee of the Keynesian welfare state and would likely find some of the new state-led tactics of class displacement bewildering and brutal (Atkinson et al. 2016; Glucksberg 2016; Minton 2017). She wrote in the context of a rarely articulated assumption that urban development was governed by the ‘Kuznets curve’; which held that as an economy grew
economic and social inequality would decrease. This broadly held in Britain until around 1979. However, as Piketty (2014) has so powerfully demonstrated, this association began to disappear when confronted with the combined onslaught of global marketization, deregulation, privatization, individualisation and neoliberal cognitive capture. As patterns of global wealth inequalities took on a shape that was closer to the 1900s than the 1960s, so they have inevitably influenced the form and functioning of urban life: patterns of socio-spatial inequality in London today are very different to those of the early 1960s (Atkinson et al. 2017; Burrows et al. 2016).

The influx of global wealth has impacted upon London’s skyline, its subterranean world, its ambiance and its political economy (Atkinson et al. 2017). A detailed geodemographic mapping of the parts of London that most appeal to the über-wealthy (Burrows et al. 2016) reveals few surprises: Chelsea in the south, South Kensington, Knightsbridge, Belgravia, Mayfair, Notting Hill and Holland Park in the west, and Hampstead, Highgate and St John’s Wood in the north, plus a few non-contiguous outposts. Some of these areas have always been domains of long-term locally based wealthy elites; others are more recent additions, incorporated through first wave gentrification. However, it is our contention that most of them are now in the early stages of profound socio-spatial changes. Whether these changes can be incorporated within the framework of gentrification is a moot point (DeVerteuil and Manley 2017; Fernandez et al. 2016; Glucksberg 2016), which we intend to explore.

Early indications that some of the most affluent neighbourhoods in London were changing came from one of the original frontiers of gentrification: Islington. A few years before the financial crash of 2008 Butler and Lees (2007) claimed to be able to identify
what they termed, ‘super-gentrification’ in Barnsbury, part of the prestigious N1 postcode within Islington in North London.  

For them this concept denoted:

‘a further process of gentrification…occurring since the mid-1990s…that includes a significant step change in social class composition and evidence of social replacement (rather than displacement) with a significant transformation in community relations…that involves a higher financial or economic investment…than previous waves…and thus requires a qualitatively different level of economic resource’ (Butler and Lees 2007: 469).

Butler and Lees (2007: 475) connected super-gentrification with post-deregulation developments in the City of London and the emergence of a new elite cadre of highly paid, often Oxbridge or US Ivy League educated, financers and lawyers and who needed easy access to the City and the West End. This particular fraction of the wealthy were, Butler and Lees (2007: 470) argued, different

‘…from both the traditional banking and stockbroking elites that live in areas such as Chelsea, St John’s Wood and more recently Notting Hill…the super wealthy international bourgeoisie living in Mayfair, Park Lane and much of Kensington…[and]…the global managers restlessly roaming the world…’

Their data show that more affluent professionals from the financial sector were replacing ‘traditional gentrifiers’. But unlike the working classes of earlier decades who rented these properties, when in a more dilapidated state, they were not being forced to move. Most could take huge amounts of equity out of their properties when they sold them to the new ‘super-gentrifying cohort’ of ‘upwardly mobile foreigners’ (Butler and Lees 2007: 476). They could move to neighbourhoods more attuned to their sensibilities and, we might assume, create new displacements.

We interpret this as cultural dislocation, with established residents expressing concern that with arrival en masse of ever more wealthy incomers – with ‘a big increase in foreign
accents’ – the area was not what it once was. As Butler and Lees (2007: 476) point out ‘the new super-gentrifiers were talked about in very similar ways to those displaced by an earlier generation of gentrification.’ One respondent argues, for example, that the new arrivals ‘want to change things straight away regardless of what’s already there’. She finds them ‘[v]ery arrogant’ and ‘[n]ot friendly or community minded’ and argues that ‘they put nothing into the fabric of the community, only money into the commercial infrastructure rather than their personalities or talents’ (Butler and Lees: 2007: 476): infrastructures of consociation and consumption change and new tensions surface in the neighborhood.

In neighbourhoods across London similarly complex socio-spatial shifts are intrinsic to continuous processes of urban reproduction, as more established middle-class residents who embody a habitus at odds with emergent local cultural fields express similar concerns. But is it appropriate to label this ‘super-gentrification’? Any response to this demands a rehearsal of debates concerning a core aspect of gentrification theory – class.

In all analyses of social class the issues turn out to be more complex than they appear. In its original formulation by Glass, the concept of gentrification was about the spatial displacement of the working class consequent upon territorial invasion by the middle classes - upper and lower. This is clearly what happened in Barnsbury’s first wave of gentrification; but equally clearly not what began a decade ago when Butler and Lees were researching the area. The reason why the concept of gentrification (‘super-’ or otherwise) is still applicable can only be because it is no longer just about the spatial manifestations of struggles between the working and the middle classes. Instead, struggles between more subtle and granular social classes hold sway. Butler (2007: 166) emphasizes this when he quotes Clark (2005: 258):
Gentrification is a process involving a change in the population of land-users such that the new users are of a higher socio-economic status than the previous users, together with an associated change in the built environment through a reinvestment in fixed capital. The greater the difference in socio-economic status, the more noticeable the process, not least because the more powerful the new users are, the more marked will be the concomitant change in the built environment. It does not matter where, it does not matter when. Any process of change fitting this description is, to my understanding, gentrification.

This statement makes clear why we can refer to ‘super-gentrification’. Gentrification is no longer (just) about the working and the middle classes, but any form of displacement involving hierarchical differences in ‘socio-economic status’. Butler and Lees (2007) replace ‘big classes’ with conceptions derived from commercial geodemographics – the Mosaic classification - that allows for more nuanced spatial ‘micro class’ analysis (Webber and Burrows 2018).

Mosaic allocates every residential address in Britain to a set of mutually exclusive and exhaustive ‘groups’ and ‘types’ based on approximately 400 spatially referenced pieces of data from commercial and official sources. The version of Mosaic used by Butler and Lees (2007) was constructed in 2003 and classifies each of the 1.78 million postcodes in the UK to one of 61 different ‘types’ nested within 11 different ‘groups’.\(^9\) In their Barnsbury sample of 73 respondents they were able to assign 69 Mosaic types: 36 were classified as *Global Connections*; 11 as *Cultural Leadership*; 7 as *Counter Cultural Mix*; 2 as *City Adventurers*; 11 as *New Urban Colonists*; and 2 were other types. In comparison to the other areas of ‘gentrification’ in London for which they also had Mosaic data, a far higher proportion of Barnsbury respondents lived in addresses classified as *Global Connections* or *Cultural Leadership* – both nested within the most affluent *Symbols of Success* group. In contrast, the majority in the other types formed the less affluent *Urban Intelligence* group. This designation referenced a collection of postcodes that had hitherto functioned as Mosaic’s proxy for neighbourhoods at different stages of gentrification. ‘Super-
gentrification’ is thus only apparent then when we utilize a more nuanced set of socio-spatial cultural class categories or ‘micro-classes’ (Weeden and Grusky 2012).

Since Butler and Lees’s (2006) research, wealth inequalities in London have accelerated dramatically. Does this mean that processes similar to those they describe have extended to neighbourhoods even more affluent than Barnsbury? One area we examined with this in mind, and reported on elsewhere (Webber and Burrows 2016), is Highgate ‘Village’ in north London. Highgate has long been very affluent. It now contains a complex mix of affluent households, including celebrities, cultural commentators, politicians and billionaires. Despite its wealth, Highgate has long displayed a ‘liberal’ or ‘radical’ edge, in the past attracting the wealthy with this sensibility. But recent changes in patterns of global wealth have profoundly impacted Highgate’s social dynamics.

Two decades ago its Victorian or Edwardian terraced houses were occupied by what the Mosaic classification at the time described as, ‘younger, high-achieving professionals, enjoying a cosmopolitan lifestyle’. Many of them worked at the upper end of public service pay scales as civil servants, academics, surgeons, or in legal, accountancy or architectural practices. With increased house prices this population is being replaced by those employed in international finance capital: senior employees of large-scale professional and advisory businesses in management consultancies, legal services, accountancy, risk management and investment advice. As Clark (2005: 258) predicts, this displacement manifests itself in a shift in the dominant architectural aesthetic. Previously, most new owners would scour architectural salvage yards to restore ‘period features’, make limited improvements, upgrade kitchens and bathrooms, install central heating, or create larger living rooms by removing dividing walls. The new owners of these period
properties commission high-end designers to undertake often-brutal structural changes, converting older properties into contemporary ‘state-of-the art’ living spaces.

Owners of successful family businesses occupy Highgate’s larger nineteenth-century detached houses, located further from the village core. But as these houses come onto the market, people who have acquired capital through the sale of tradable financial assets are the most likely to replace them. The locational decisions of this group of über-wealthy are driven by narrower set of considerations than those they replace. Not attracted to Highgate for its ‘community-feel’ but as a location with properties that can be adapted to meet their requirements, in some cases ‘tear down and rebuild’. The growing disparity between the resources of the über-wealthy and the ‘merely wealthy’ established Highgate elite is reflected in territorial displacement and wider cultural conflicts. This is especially evident in planning disputes where clashes between the values of the incoming global elites and more established residents are starkly revealed (Webber and Burrows 2016: 3149-51).

Highgate is certainly affluent, but perhaps closer to Barnsbury in its house prices and in the social status of its residents, than it is to neighbourhoods where the gentry have traditionally resided. Perhaps we should explore longer established ‘super-prime’ London (Wilkins 2013)? A postcode district that has always been unambiguously dominated by the gentry might provide a better test case: London W8 is such a place (Burrows et al. 2016).

**LONDON W8: THE HEART OF THE ALPHAS TERRITORIES**
Notting Hill Gate bounds W8 to the north, Holland Park to the west, Knightsbridge to the east, and Cromwell Road to the south. Kensington High Street, which transects it, forms its main commercial artery. In 2014 we interviewed 27 people who lived and or/ worked in and around the area – 16 of them established residents - as part of a broader qualitative study of, what we called, London’s Alpha Territories.10

The area now post coded W8 is primarily a Victorian creation. Developed on land occupied by the great country houses – Holland House, the Phillimore Estate and the Estate of Lord Kensington – Kensington was part of the fashionable world gathered around the court of William and Mary at Kensington Palace in the late seventeenth century; at that time some distance from the city. Transformed by Victorian builders, developers like James Freak who built Onslow Square and urban designers like Thomas Wood, it was intended for ‘persons of good worth and quality’ (Walker and Jackson 1987: 17). Kensington architecture declared the benefits of arts and sciences with a mid nineteenth century imperialist confidence. Nearby on the Serpentine stood the original Crystal Palace (1851) exhibiting the best in raw materials, decorative arts, machinery and jewelry in the Great Exhibition. Extending this display, the Victoria and Albert Museum opened nearby (1852); as did the Royal Albert Hall (1871), joining the Royal Geographical Society (1830), which disseminated the benefits of the explorations on which the British Empire was founded. From the 1840s the canals and railways connecting it to London ended its status as a fashionable suburb and hastened W8’s development. The extension of the underground railway to South Kensington and Kensington High Street (1865-9) and the emergence of the department stores such as Harrods (1861) and Harvey Nichols (1850s) and a cluster lining Kensington High Street made it what it is today. A smattering of Victorian creatives (architects, artists, sculptors and so on), higher government officials, lawyers and well placed City financial types lived
there, so that by 1902 Booth’s *Life and Labour of the People of London* revealed it to be a predominantly wealthy area, with pockets of the poor being ‘eased’ into North Kensington and Earl’s Court.

Victorian (and earlier) versions of what much later became W8 linger in the biographies of its long-term residents. Harriet, who first moved into the neighbourhood in 1952, was presented as a debutante at court; she ‘did the season’, the royal enclosure at Ascot, the rounds of dinners, balls, luncheons, and coffee mornings young women did at that time. She remembers the old department stores on Kensington High Street. For several years now she has been selling off the lower floors of her house and moving upwards until she now lives on the floor below the attic in which she stores the contents of her parents’ house. She notes that similar houses on her street sell for £11 million (in 2014), which she, a beneficiary of rising real estate values, thinks ‘an insane amount of money’. However, Harriet is planning to move ‘because it has become so expensive’. It may be, but she already lives there and this has brought her financial benefit. What does she mean? Her story pinpoints a type of dislocation we want to unravel. These can be gathered under two connected headings: *shifting social environments* and *feeling out of place*. These two dimensions offer a description of neighbourhood cultural change and a sense of recent transformation and displacement from the vantage point of elite longer-term residents.

Shifting social environments result from gradual processes in which longer-term residents leave the neighbourhood and wealthier people arrive. A number of the informants in our study provided detailed descriptions of the changes they were living through. Jane describes these changes and their impact on social relationships in her garden square:
I had lovely flat…with its own very pretty garden, right on the square, perfect for grandchildren… I was very happy there and was absolutely convinced I would never move… my house had always been pretty socially varied but when I moved there…it was affluent but it wasn't crazily affluent. So then what began to happen is…there was one very affluent man who was very nice, who became typical of what the rest of the area became, he was gay... he had homes all over the world, spent about 2 weeks in London a year… So [in 1992] it was beginning to have a kind of sprinkling of wealthy Europeans who used it as a kind of pied a terre... Meanwhile, the flat above me was always occupied by someone I knew very well… Then… [it] got sold… to a developer. The guy who [then] bought the top flat… was mega-wealthy; he was worth billions… both the neighbour above me and the neighbour beside me changed, and they all… started to work on their flats… what was very different [from previous neighbours] was that they obviously didn’t care less about the people in the rest of the house…'

These shifts are about large-scale differences in wealth and the impact of this on neighbourhood relationships. Harriet unfolds the street in which she lives in an almost forensic way, providing glimpses of who lives there, from the vantage point of her detached assessment of their foibles and (lack of) neighbourly conviviality; indicating that she doesn’t feel displaced as much as detached from new arrivals. She knows that the banks dominate the neighbourhood; they rent properties for their executives, often Americans, or French families wanting to be close to the Lycee. The problem as she sees it, is not that many of them are foreigners, but that they are much richer.

‘Most of the people in this terrace, I would say at least 50 per cent of them are from somewhere else. Not English… I mean we’ve got Italians and French and Americans and Germans… Iraqis, they're all charming and delightful people, they're all great, but it's just that they all work for big banks… and they're all really high up and high flyers… So I guess that's why they're expensive.’

The cast of characters she sets before us includes a roster of the displaced as well as newcomers: a ‘Bernardo’s Boy’ enriched by his casual long-term property speculation living with a woman who dislikes him; a Middle Eastern couple who have lived there since the 1980s, initially as students; a Swiss-American couple; a smattering of Japanese, including a family in the basement with a boy who plays the piano; a Jewish New Yorker who moved away; a talented woman potter; an old lady at number 7, who ‘may still be
alive'; a Canadian couple, one of whom has a job in Brussels. Harriet strikes the pose of an interested onlooker rather than as someone who is, as she used to be, involved in the neighbourhood. This enables her to think about moving: the problem is, to where? She turns over the options: the locations of family and friends will guide her.

From Jane’s analysis we see that the neighbourhood has become more cosmopolitan as well as wealthier. It houses ‘foreigners’ who don’t participate in the social relationships of the neighbourhood and who display what she considers unacceptable behavior: she means littering and overlooking conventions of greeting, oversights that cause friction.

‘My street - my beautiful square, never used to be like that - was absolutely littered because everybody put rubbish out whenever they wanted. No one went down to the dustbins, they couldn't be bothered, or it was their cleaner...Somebody else picks things up, and in my building nobody ever picked up the junk mail...you couldn't open the door but no one would actually bend down, because somebody else does that...I'm too rich to bend'. And it became very, very alien, very strange. You go to the shops and it's full of French people and different people but no English people, and it was as if the pied piper had been.'

Wealthier residents from other countries are, as she understands it, making the neighbourhood a different kind of place, a place in which longer-term residents either no longer feel at home, or more emphatically feel out of place.

This is exacerbated by incomers’ material relationship with their own homes. Rolling programmes of refurbishment, extension and improvement disrupt neighbours’ lives. Jenny, herself a gentrifier from the 1960s, describes a ‘tidal wave of misery’ destroying her family's ‘peaceful life':

‘But it's not a case of people buying houses and just redecorating them anymore, it's a whole new culture of get the space as cheap as you can, and let's expand it, let's do basements, let's do side extensions, let's do loft extensions...first of all there's a lot of foreign bankers coming in, so you'd have maybe single people or a young family, and that was okay because people like that you get to meet and you get to meet their kids, they become part of the community. Now it's buy the
property, rip it out literally, even if it’s just been redone, rip it out, strip it out, glass walls, take the features out, develop it within an inch of its life, put in a basement, never mind it takes six to nine months, and it’s upsetting everybody each side… most people don’t talk to their neighbours about what they want to do they just go ahead and do it … the builders moved in, and a demolition notice went up in our hallway, hard hat area… from February until July or June they literally tore the building apart. They took up floors, they took every wall down, they took every floor and ceiling out, right up into the roof, without a care to us, …they just treated us like shit basically.’

Others also complained about the impact of basement digs on the fabric of their house and their lives. Planning regulations control period properties. Unable to build up or out, wealthy house owners must build down. Basement digs, sometimes including indoor-pools, games rooms and staff quarters, can take up to 2 years to complete. So extensive are some of these digs that mining engineers oversee them. The building of this new subterranean London for the super-rich has been the subject of much comment but, until recently, little systematic investigation (McCarthy and Kilgour 2011). Recent research we have carried out suggests that such developments are emblematic of how London is changing; along with residential hi-rise luxury towers – ‘luxified skies’ - sprouting up across the city (Graham 2015) we are also witnessing an epidemic of ‘luxified troglodytism.’

Extracting data from planning portals for the seven London Boroughs of Camden, Hammersmith and Fulham, Harringay, Islington, Kensington and Chelsea, Wandsworth and Westminster – all localities that cover core ‘super-prime’ London – between 2008 and the end of 2017, we discovered 4,650 basement developments granted planning permission. Hammersmith and Fulham has the greatest number – 1,147 over the decade – followed by Kensington and Chelsea with 1,022 and then Westminster with 678. The great majority – 80.7 percent (3,753) - of the basements we would classify as ‘standard’ one storey deep excavations, but 16.9 percent (785) were ‘large’ two-storey (or
the equivalent in volume) constructions and 2.4 percent (112) could only be described as ‘mega’-basements – 3 storeys or more deep (or the equivalent in volume). However, this distribution varies significantly across the boroughs. In Kensington and Chelsea 6.6 percent, and in Westminster 5 percent, are mega. No mega basement development is found in Haringey, Islington or Wandsworth and only 3 instances are found in Hammersmith & Fulham.

In Kensington and Chelsea, where W8 is located, basement developments have spread across the whole borough. The cluster of roads close to Roland Gardens, Roland Way and Drayton Gardens have a significant number of excavations but the majority of these are ‘standard’ developments. Tregunter Road, Harcourt Terrace, The Little Boltons and Cathcart Road are home to a significant number of ‘large’ developments. These roads in particular have seen a notable increase in excavations with swimming pools. Indeed, our data suggests that Tregunter Road (in SW10 but close to W8) is likely the road with the greatest number of excavations granted permission in the last decade; a full 21 basements (3 of them ‘mega’) have been constructed, or are in the process of being built. To the east of Kensington Palace, the roads of Kensington Palace Gardens, Palace Garden Mews and Brunswick Gardens possess a high concentration of ‘mega’ developments. By way of illustration, here are some summary details of just three of the developments in W8 or close by to it

- Creation of new 2-storey basement under entire property, 1st storey - 2 staff flats, catering kitchen, games room, shower-room, WC. 2nd storey - spa, sauna, steam room, server room, wine cellar, storeroom, cinema, shower room, changing room, swimming pool. Detached House.
- Creation of a 2-story basement, under whole house and part of garden, swimming pool, plant, steam room, sauna, summer clothes store, void, changing room, winter clothes store, gym, cinema room. Detached house.
- Creation of new 3 storey basement under entire property and part of rear garden, 1 storey-staff kitchen, WC, gym, media-room, WC, 2nd storey-staff bedroom, 3 WCs, family room, family kitchen, guest bedroom, guest kitchen, bathroom,
3rd storey-laundry room, drying room, sauna, steam room, 2 shower rooms, WC, jacuzzi, plunge pool, pantry, beach, swimming pool. Semi-Detached house.

The main features of the shifting social environment described by the longer term residents we interviewed include the arrival of much wealthier residents with different social habits, many of them from overseas; shifts in the character of neighbourhood social relationship and fragile, difficult, connections between neighbours. Refurbishment and extension projects; the intensities and extent of housing refurbishments, extensions, basement digs and other aspect of renewal and upgrading, cause particular tensions because of their impact on neighbourhood living conditions. In combination these conditions make long-term residents feel that their neighbourhood is no longer a place intended for them.

Our interview data suggests this is about the differences between their lives and the lives of incomers, who, in being vastly wealthier, live rather differently in their-state-of-the-art multiple-homes in this, and other neighbourhoods and countries. Many of our interviewees expressed these social differences as a breakdown in ‘community’, by which they mean long term attachment to the area and to people they consider to be like them. As another resident, Kate, puts it, invoking common interest and emotional investment in neighbourhood, a ‘community of chums in the [swimming] pool’. From Kate and Jenny’s comments it seems that the ‘community’ they helped create forty years ago as early gentrifiers, is very different from the one they live in today. Kate, now retired, once worked for the BBC and has lived in the area since the 1980s. Her comments stress the importance of public infrastructures like swimming pools in supporting casual neighbourhood connection and social mixing.

‘I swam with my friend next door but one…and I got used to all the people in the swimming pool…and we met all sorts of people…we got a community of chums in the pool. … I made friends with several people who owned stalls in the
market, I know all sorts of people round here which I wouldn't... It was an incredible social asset, the swimming pool. [But] they closed it... In the meantime we're going... to the Jubilee pool where you're meeting another group of chums and some of the old chums from here, and the rest of the people are going to another swimming pool but we're all split, but you don't even know you're making friends and then suddenly you know all sorts of ladies... who live in the area... all different backgrounds... but then they said we're closing it to build...flats and an academy... It's a really valuable asset that pool. But of course they said 'oh no we're redeveloping you can get lost' type of stuff.'

Rising land values and the pressure this places on spaces that can be further financialized by building expensive apartments, swallows public infrastructures and neighbourhood connections. Many of the people in our study lamented the loss of corner shops where they could buy ‘ordinary provisions’, and pubs where they could connect with neighbours. In place of these ordinary spaces, art dealers, estate agents, upscale restaurants and other enterprises able to match rising land values with high rents co-compose the neighbourhood. Expensive apartments and luxury retail operations change the character of the neighbourhood.

Another dimension of dislocation concerns the outward appearance of neighbourhood properties. New wealthy residents bring signs of a more affluent standard of habitation. Their properties are highly groomed; their landscape gardening conforms to an aesthetic using particular planters, trees and shrubs: bay trees clipped into shape; window boxes and front door colours tastefully toned. Windows reveal glimpses of carefully designed interiors. Large disposable incomes and the expertise they secure, maintain these aesthetics. Jenny's sense of dislocation is about not having the money to fit in with the changes brought by plutocratic capital to the neighbourhood. Her dislocation is about the humiliation of living in a flat that is visibly not maintained to these standards, announcing her modest circumstances to the street.
Shifting neighbourhood social and physical environments, the sense of displacement and the feeling of being out of place this engenders, repeats tropes from the gentrification literature already discussed. But taking a closer look at these dislocations, it becomes clear that what is happening in W8 is more intensive with the invasion of plutocratic capital. Here we note the intensification in turning residential property into a financial asset (Fernandez et al. 2016). Every square inch has value. Basements increase square footage and maximize house owners’ investment. Homes become financial assets alongside others like shares and art collections. Housing in W8 is a repository of accumulated wealth, a major site of consumption of décor and home reconstruction, and an asset for future generations. As in the 18th and 19th centuries, houses ground dynastic ambition. Record sums are spent developing new housing and refurbishing older stock. Howard, as an architect specializing in refurbishing period properties in W8, comments on changes in his practice over 30 years:

‘I suppose the money people spend, it’s changed hugely in the time I’ve been doing it. Originally you were improving the houses, maybe rewiring, putting an extension…it sounds the same, but just the actual quality of what’s happened and I suppose the expense, and the quality of finishes, and as people become more prosperous and whole type of new people have come into the borough, some of them foreign. Most of our clients actually I still say the majority are British…people [who] have done very well in life or whatever…It’s…doing up houses to the nines, down to every detail, air conditioning, we dig down, put media rooms in the basement…maybe £2/£3/£4 million on a single house, and a lot of them are listed buildings, which has its own constraints and problems and interest. One thing that’s changed dramatically I think in the last 10 to 15 years, and it’s been a big change, is how properties are sold…on the American system of selling properties by the square foot rather than by the number of bedrooms or bathrooms…therefore every square inch you can gain in terms of space adds to the value of the property…

CONCLUSION

What we have described in W8 are voluntary displacements in which long-term residents – the ‘haves’ in our title – have the option of releasing equity ramped up by the ‘have
yachts’ – the plutocrats moving into the area. Although they complain about displacement, they substantially benefit from it financially if not culturally, making these dislocations distinctively different from those Glass and others write about. As Jane says: ‘I woke up one morning and thought well actually I could move… I sold it in three days…for a lovely price’. The real losers in these neighbourhood transformations are those without an equity stake: private renters and social housing tenants. These micro-housing-classes are being relocated outside of London’s most affluent neighbourhoods, and, in some cases, out of the city entirely (Atkinson et al 2016; Glucksberg 2016; Minton 2017), driven by a tidal wave of plutocratic capital. This unprecedented homogenization of the city, driven by concentrations of wealth, has made London less socially diverse, as the poor are driven out and the gap between middle class wages and house prices widens, producing radically new housing geographies.

The processes we describe are only forms of gentrification if we accept Butler and Lee’s definition of it as displacements involving hierarchies generative of ‘micro-class’ distinctions. But, as we have shown, these displacements are of a particular kind. They involve intensified development of homes and neighbourhoods through large volumes of capital; they entail a quality and scale of refurbishment and a financialization of domestic space, which is vastly accelerated, if not entirely new, in scope and scale; and they create particular kinds of tensions between neighbours that are about differences in wealth, cultures, consumption and lifestyle. These changes are producing a new kind of city; the city symbolized in the burned out carcass of Grenfell Tower and its displaced former residents, abutting the luxury mansions of the plutocrats we have described, with whom they share a neighbourhood of parallel universes. The crucial question here concern urban sustainability and social inequalities – is this really the kind of city in which we
want to live? And what moves could be made to undo these developments and their social consequences?

NOTES IN THE TEXT

1 Noteworthy are the essays collected together by Hay (2013) and Hay and Beaverstock (2016), which summarize what is now a large literature. However, it is probably the more recent collection of essays by Forrest et al. (2017) that provides the most accessible route into this literature for those primarily interested in matters that are explicitly concerned with urban questions, as is the case here.


3 Originally this figure had been calculated to be just 8. However, Oxfam revised the figure as new data became available in January 2018. The details of these revisions can be found here: https://www.theguardian.com/inequality/2018/jan/22/inequality-gap-widens-as-42-people-hold-same-wealth-as-37bn-poorest.

4 HNWIs are usually defined as people holding investable financial assets with a value greater than $1 million. Ultra high net worth individuals (UHNWI) are people with investable assets of at least $30 million.

5 At the time of writing, in May 2018, Google Scholar returns over 109 thousand items and Google itself 1.87 million.

6 For example, in the 1960s Notting Hill was a neighbourhood that epitomized many of the worst aspects of urban poverty (Pahl 1975). An excellent account of the changing fortunes of the area is provided in the BBC2 TV series The Secret History of Our Streets available here: https://youtu.be/yyUhMIEZh0I.

7 A term originally deployed by Lees (2003) to describe what was happening in Brooklyn Heights, New York.

8 Barnsbury stretches from Upper Street in the east, north towards Holloway Road, westwards to York Way and Caledonian Road and south to Angel. Grand terraces and squares were built in the area from 1820 onwards. However, with the extension of the railways, Barnsbury’s population of prosperous tradesmen and professionals moved out. After 1945 whole streets were demolished, many replaced with council estates. From the 1960s onwards Barnsbury experienced the first wave of ‘classic’ gentrification of the surviving, terraces and squares as described by Glass (1964).

9 See Webber and Burrows (2018, Chapter 5) for a discussion, and tables showing this classification.
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All interviewees have been assigned appropriate pseudonyms.

See, for example the 2015 BBC documentary on Millionaire Basement Wars available at: https://youtu.be/sLJ0zZQb9x0.

It sometimes seems as if the ‘super-rich’ cannot bear to be on the same ‘ground’ as the rest of us: if they are not in their penthouses atop the luxified skies looking down, they are even higher up still - in their private jets, helicopters (Budd 2016) or, now, even in their own spaceships (Seife 2014); or else they are far out at sea – beyond most jurisdictions - in their ‘super yachts’ (Spence 2017), on their private islands (Urry 2013) or, now, their very own ‘seasteads’ (Steinberg et al. 2012); or, of course, and our focus here, they are ‘going underground’ – living in deep subterranean spaces, but still not in the same ‘plane’ as the rest of us. Thanks are due to Will Davies for this insight.

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