

# Marginalized populations and property markets: analyzing experiences in Brazil and Canada

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*Resumo:* Este artigo examina tentativas de usar o processo de transformação do mercado por meio do qual a população marginalizada ganha acesso à terra e à habitação em três diferentes situações: favelas no Rio de Janeiro, terras indígenas no Canadá, e comunidades pobres em cidades no interior do Canadá. O estudo começa com a ligação da racionalização destas diferentes iniciativas políticas com o neoliberalismo. Então, o esboço destas políticas e as intervenções planejadas perseguem esta idéia, mostrando como as intervenções foram discutidas na literatura e nos documentos de política, relatando resultados chave ou antecipando-os. Este artigo discute isso com o propósito de proporcionar o florescimento da diversidade. Planejadores deveriam construir alternativas para a orientação do mercado contemporâneo e estar atentos para um número recente de propostas relacionadas a esta tarefa.

*Palavras-chave:* políticas de distribuição de terra e habitação; neoliberalismo e populações marginalizadas; diversidade; mercados imobiliários contemporâneos.

*Abstract:* This paper examines attempts to use markets transform the processes through which marginalized populations gain access to land and housing in three different settings: favelas in Rio de Janeiro; indigenous lands in Canada; and poor neighbourhoods in Canadian inner cities. It begins by linking the rationalization of these different policy initiatives to neoliberalism. Then it outlines policy and planning interventions pursuant to these ideas, showing how the interventions have been discussed in the literature and in policy documents, and reporting key results or anticipated outcomes. The paper argues that in order to enable diversity to flourish, planners should build alternatives to the contemporary market orientation and draws attention to a number of recent proposals for this task.

*Key words:* land and housing policies; neoliberalism and marginalized populations; diversity; contemporary property markets.

*Résumé:* Cet article examine comment les tentatives pour utiliser les marchés transforment les processus par lesquels des peuples marginalisés accèdent à des terrains et au logement dans trois contextes différents: les favelas de Rio de Janeiro, les terres autochtones du Canada et les quartiers pauvres des centres-villes du Canada. En premier lieu, un lien est fait entre la justification de ces politiques et le néo-libéralisme. Ensuite, les politiques et les interventions de planification qui conforment à ces idées sont décrites pour montrer comment ces interventions sont présentées dans la littérature et

dans les documents de politique, et dans les rapports de resultants-clés ou attendus. Cet article soutient que pour permettre une plus grande diversité, les planificateurs devraient trouver d'autres solutions à l'orientation contemporaine des marchés et révèle plusieurs propositions pour faciliter cette tâche.

*Mots-clés:* centre-ville; favelas; lodgement; marché fiduciaire; terrain; peuples marginalisés.

## Introduction: A Global Orientation to Property Reform

In markedly different contexts in Brazil and Canada, state initiatives have recently focused on altering the processes through which marginalized populations secure land and housing. This paper draws on three such experiences: in favelas in Rio de Janeiro, and in indigenous people's lands and poor neighbourhoods in urban Canada, to show a common neoliberal orientation to policy. While these initiatives represent a trend towards homogenization and the flattening of diversity, recent theoretical discussion points towards alternative arrangements for land and housing that may provide access to land and housing while enabling local peculiarities to flourish.

Abramo (2003a) highlights three forms of logic, which, he argues, account for how poor people gain access to land in Latin American cities. The logic of the state represents public power; the logic of the market institutionalizes norms and rules; and the logic of necessity, which may conflict with the other forms, represents collective action in the context of needs otherwise unmet. Readers of housing theorists such as John Turner and Colin Ward will recognize the tripartite approach (Vaidyanathan and Wismer, 2005). Linkages across the forms can take place: practices undertaken through necessity such as a land invasion, for example, may quickly become encoded in markets. Abramo distinguishes between formal and informal markets, drawing attention to the key role of the state, because this is what sanctions particular practices, and defines formality in markets. As Yiftachel and Yakobi (2004: 210) note, informality can be defined as "spatial dynamics that are not shaped, controlled, or sanctioned by the state".

Given its centrality in these discussions, the state is the focus for the remainder of this introduction. We recognize the influence of considerations shaping urban realities beyond the three realms identified, for example, processes of social marginalization based in differences such as gender, racialization, ability and so on, and return to these towards the end of the paper.

Actions of the state in attempts to control unsanctioned social action may involve the application of force, although as Rose argues, “property regimes cannot bear very many or frequent uses of force” (cited in Blomley, 2003: 123) because it is a sign of weakness. The comment is not globally applicable because Rose refers to the western democracies, but in this light the instances of militaristic opposition to the state in favelas and in indigenous people’s lands in Canada raise questions about the legitimacy of the regime in these settings. Nevertheless, actions of the state are often directed towards incorporating, transforming and regularizing activities taken through other forms of logic.

State responses in both the southern and the western democratic parts of the world take ideological guidance from neoliberalism, which has shaped social policy in a number of ways (see Jessop, 2002). Here we draw attention to a limited number of issues: the assertion of faith in market mechanisms as reliable forces for achieving social changes; the rejection of the state as the central producer or organizer of social goods and services; the promotion of imagery of individualism; and the characterization of social issues as consequences of individual failures rather than of collective risks.

Gilbert (2004: 59) argues that “attempting to link housing trends to liberalization is extremely difficult”, when one is referring to measurable outcomes and clear causal linkages. Nevertheless, influences of neoliberalism can be identified in documents that describe and critique policies. As it is widely accepted in planning studies (Healey, 2006), narratives such as these, in turn, help shape the ways in which issues and processes are understood and constructed. For example, in 1993 the World Bank published *Housing: Enabling markets to work* arguing that

governments in the global south must stop intervening, and thereby allow markets to attain efficiency. The document consolidated a decade or so of the winding down of direct state responsibility for and provision of housing for marginalized populations in favour of its role as an ‘enabler’, and it argued for a shift in thinking from housing as a social sector to housing as an economic sector (Mukhija, 2001; see also Pugh, 1997; Harris and Arku, 2006). Markets were actively promoted as the effective, neutral and reasonable vehicle for housing delivery, and special powers have been ascribed to them. In the influential proposals of Hernando de Soto, for example, the incorporation of informal processes of production, circulation and consumption as formal markets would lead to widespread enrichment of marginalized populations through the creation of capital. The perspective has been widely criticised (Bromley, 2004). Roy (2005: 152) argues that, far from neutral, “formal property systems can [...] be rife with patriarchal and class power”. Nevertheless it has underlain policy in many different settings.

In western democratic countries, neoliberal state responses received considerable support from the Thatcher–Reagan governments, and that of Mulroney in Canada, claiming to slash public expenditures, facing down organized labour and replacing state welfare with market oriented provision systems. We recall the catchword of Thatcher’s apologists in these early days: TINA, used quite successfully to stonewall opposition, standing for “there is no alternative.” Under the leadership of these heads of state, as examples of the neoliberal project, social housing was sold off in large numbers in the United Kingdom (Spink, 2005); federal transfers to social housing were decimated in the USA (Goetz, 1993); and social housing provision was frozen in Canada (Skelton, 1998).

## Neoliberal Influences in Three Areas of Policy and Practice

With this brief background we move to examine recent policy and practice in favelas in Rio de Janeiro, and indigenous

people's lands and inner cities in Canada. We focus on state activity in relation to marginalized populations some decades after the early neoliberal initiatives that took root in the late 1990s. While the actions described are local, there is a clear similarity in the broad trends that can be discerned in the analysis.

### *The Favela-Bairro Program in Rio de Janeiro*

Favelas are informal settlements where many of the poor people in the large cities of Brazil live. Estimates indicate that there are over 600 favelas in Rio de Janeiro (Perlman, 2003), with more than 1.5 million residents (Soares and Soares, 2005), or approximately 19% of the city's population of 6 million. In these areas, often situated on land disused because of slope, drainage or other circumstances, housing is produced, circulated and consumed outside of formal markets. The existence of such large populations, and their social marginalization and reproduction beyond state sanctioned realms of activity have led to a number of issues, including such traditional planning concerns as health, safety, urban functioning and service provision, as well as governance.

Dating from the 19<sup>th</sup> century, favelas have been the subject of state activity, and the following quote from a letter from one police bureaucrat to another in 1900 characterises its historical tenor:

[...] the most practical way to make the aforementioned hill completely clean is to have the Public Health Directorate order the demolition of all the hovels that in such place are found, since they are built without the respective municipal licence and the appropriate hygienic conditions. (Zaluar, 2004: 9; translation by the authors)

Over a protracted time “expulsion” (as reflected in the quotation) was a major theme in state responses to favelas, particularly during the period of dictatorship. The program Favela-Bairro emerged amidst the democratic opening following military rule, the Constitution of 1988 and Rio's

*Plano Diretor* of 1992. (For the chronology of policy and action in relation to favelas see Burgos, 2004; Cabral, 2005; Pamuk and Cavalleiri, 1998; Rio de Janeiro, 2003.) By the 1980s practices had shifted from expulsion to “urbanization”, involving a concentration on infrastructure, relocation of residents only when technically necessary (due to slope, for example), accessibility, internal circulation, and social leisure facilities within the favela (Cardoso, 2002).

Introduced in 1993, the internationally acclaimed program Favela-Bairro consolidated recent initiatives of urbanization and extended them. Its general aim has been to integrate the *cidade informal* into the *cidade asfalt*, to use imagery associated with the program, and the main provisions are listed on the city’s web site (<http://www.rio.rj.gov.br/habitacao/>). In terms of traditional planning concerns the program can address: opening and paving of streets; development of water, sewer and drainage networks; construction of daycares, squares, and sports and leisure facilities; canalization of streams; re-housing of families living in high-risk areas; and retention and reforestation of slopes. Activities falling under governance include: containment: setting limits to prevent expansion; naming of streets; and identification of postal codes.

The municipality and the InterAmerican Development Bank jointly fund the program. The latter had gained experience in slum upgrading and the development of housing markets under the military dictatorship in Chile (Rio de Janeiro, 2003). As the program was moving into a third, multi-year phase the evaluation of the first phase claimed considerable success in the areas of traditional planning (Rio de Janeiro, 2004) and the scale of the program has been staggering. As of February 2006, 2.28 million square metres of asphalt had been laid, equivalent to five Rio-Niteroi bridges. As much as 636,000 square meters of leisure facilities had been built, equivalent to 90 stadiums the size of Maracanã. Greater than the distance Rio-São Paulo, 731 kilometres of sewers had been installed, and the impressive figures go on (Rio de Janeiro, 2006). It has been recognized that social services lagged behind hard services in the early period of the program (Cabral, 2005; Soares and Soares, 2005).

Not to diminish the accomplishments on the traditional planning side, for our purposes here the governance issues are of greater interest, because this is where the linkages with neo-liberalism are more overt. This is where the data on the success of the first phase evaluation is less convincing, yet from the text of the evaluation it would appear that this side of the program remains important. It boasts:

[...] these numbers make Favela-Bairro an unmatched program of social inclusion – with better health conditions through basic sanitation; with guaranteed citizenship through the inclusion of buildings in the formal map of the city, that is, every resident is a citizen with a certain address, which makes possible access to credit and public services [...] (Rio de Janeiro, 2004: 10; translation by the authors)

Readers may doubt that provision of a postal identity is sufficient for citizenship rights – a bad address is widely recognized as such. In almost half of the 19 areas included in the evaluation a majority of respondents in interviews felt that their area had not yet transformed from a favela to a bairro; that is, had not become integrated.

The attempt to incorporate favelas into the asphalt city also includes the development of formal markets for land. Houses circulate in market-like institutions that Abramo (2003b) interprets as similar in many ways to formal markets, but the absence of legal title to land disrupts the similarity, preventing integration into formal markets and contributing to residents' vulnerability to expulsion. One criterion that must be met for a favela to qualify for the program is participation in a process for regularizing land ownership. While relatively few properties have become legally registered (Cardoso, 2002), this requirement is prominent in the program web site.

A sub theme in the definition of citizenship through the development of formal markets is the existence of *poderes paralelos*, or parallel power, in favelas. The control exerted by drug distribution networks is widely recognized (Leeds, 2004; Perlman, 2006) and has been the subject of explosive confrontations. Acioly and colleagues explain:

An underlying, but not often explicitly articulated, objective of the Favela Bairro Programme has been to neutralise the influence of organised crime in the favelas of Rio and to bring back the presence of the State to these areas, reinstate governance and restore municipal authority, along with its laws, norms and values after decades of neglect. (Cited in Acioly, 2001: 517.)

To the extent that this works, the presence of the state is felt in part through social services, though as noted above, these have been an under-developed aspect of the program. The state is also present as the regulator of formal markets through which residents pay property taxes and charges for services like electricity, sewerage and water. As these markets emerge prices rise, leading to displacement of residents through “white expulsion” to use Cardoso’s term (2002).

In summary, neo-liberalism clearly underlies Favela-Bairro and its market orientation, and regardless of the considerable improvements made through the program, there is a risk that the extent of its success will be the extent of the hardship it brings to marginalized populations through the logic of the formal market.

### *First Nations in Canada*

The indigenous population of Canada is in the order of 1,000,000 people, comprising about 3.3% of the total population (Canada, 2004). It includes legally registered First Nations people, the Inuit in the far north, and Métis people of mixed indigenous and European ancestry. The term ‘First Nations’ also refers to reserves, which were assigned by England during the European occupation, or by Canada when treaties were negotiated later, where the majority of First Nations people reside. The land base is crucial for the nurturing of indigenous cultures and identities, particularly after centuries of cultural genocide on the part of Europeans. Many of the 610 First Nations are located in the northern periphery, although a number are near urban centres. Reflecting the colonial legacy,



living conditions on many First Nations are atrocious, and they have been denounced internationally (McIlroy, 2002; UNESCO, 2004). A little more than one half of the houses are in adequate condition, and many have dire problems such as inadequate insulation, plumbing and electricity, overcrowding and toxic mould. The backlog of houses needed, estimated at 20,000 to 35,000 units, is growing at about 2,200 units per year (Canada, 2005a).

First Nations are governed by local Chiefs and Councils, and are organized regionally and nationally for political representation, negotiation and so on. They receive transfer payments from the national capital for a large proportion of their spending. In terms of their standing with the rest of Canada, First Nations consider themselves to be founding peoples, along with France and England. They seek a nation-to-nation, and government-to-government relationship with Ottawa (AFN, 2005). Reminiscent of the arguments about parallel power, Ottawa has generally set this claim aside at the negotiating table. Reminiscent of containment in Favela-Bairro, Ottawa has insisted that no new reserves can be designated (although a limited amount of non-residential urban land has been added to existing reserves over recent years).

Land on First Nations cannot be sold or mortgaged to non-Indians under the Indian Act, the principal legislation of the Canadian Parliament relating to First Nations. Band leadership has traditionally allocated housing, a key role and responsibility that Ottawa has attempted to undermine. It replaced hereditary Chiefs with elected Chiefs and Councils, and then, discontented with the operation of its reformed Band administrations, it introduced an On-Reserve Housing Policy in 1996, with funding incentives fostering the development of housing authorities separate from Chiefs and Councils. In 2003-2004 further funding to “depoliticize” housing on First Nations was issued (Canada, 2004).

Over the mid years of this decade efforts to promote markets for land on the First Nations were consolidated as part of a consultative process involving roundtables and policy retreats focused on education, housing, economic opportunities

and health. The overall purpose was to close the gap (this imagery was used in the UN document cited above) between indigenous people and people in the rest of Canada in terms of “living conditions” as put by the former (AFN, 2005: 4) and “quality of life” as put by the federal government (Canada, 2005b: 2). Here we use background documentation for the consultative process and for a First Ministers and First Nations Leaders Meeting in Kelowna, British Columbia, in November 2005 to portray the positions of indigenous groups and the federal government. The Assembly of First Nations documents are used because they are accessible, though the Congress of Aboriginal People, the Métis National Council, the Native Women’s Association of Canada and the Tapiriit Kanatami (ITK, representing Innu) were also part of the process. We stress that the government documents are briefing papers, not official policy statements and they do not represent what the federal government has done or officially intends to do. In fact, Jim Prentice, the Minister of Indian Affairs when in the Conservative government was elected in 2006, denied the existence of the accord that his predecessors say was struck at the Kelowna meeting. Nevertheless, the public documents do suggest the lines of thinking within the government and we use them to analyze these general directions.

The Assembly of First Nations criticises Ottawa for shifting housing provision on reserves from a “Social Housing model”, signifying public subsidy under treaty rights, to an “ownership, mortgage fuelled model, with little or no consultation from First Nations” (AFN, 2005: 2). Nevertheless, AFN has accepted that market dynamics will be part of the solution, having calculated that the private market can satisfy 30% of unmet housing needs in First Nations (Canada, 2005a: 14). They also argue for a mix of housing situations, such as owner occupation, private rentals, social housing and transitional housing. While calling for examination of “investment pools and other market driven options leading to real estate transaction” (AFN, 2005: 18) they demonstrate awareness of the risks which these options bring, so they also seek mechanisms that will “ensure that collectively owned land is not lost by the

community” (2005: 17). With some misgivings, the First Nations have clearly bought into the market approaches.

The federal government documents exhibit less caution about the loss of land to First Nations. Key recommendations in a memorandum to Cabinet include:

- Promoting market-based approaches to housing where appropriate;
- Increasing investment in assisted housing and further move towards needs-based allocation;
- Expanding the program toolkit to enhance access to home ownership for indigenous people living in urban, rural and northern areas (Canada, 2005a: 2).

The first recommendation seeks to introduce markets and displace existing housing allocation practices. The second builds on this by introducing a significant shift in entitlements. As the memorandum to Cabinet explains:

[...] funding will offer a means of breaking away from the conventional understanding that housing, particularly on-reserve, is a treaty right. Moving from a rights-based to a needs-based distribution of housing funds will force those who can afford it, into market-based housing (i.e., rental, ownership) (Canada, 2005a: 5).

It would do even more than force indigenous people to pay for what has traditionally been a right. The move away from treaty rights challenges an important element of social organization – the role of Chiefs and Councils in allocating housing – and threatens to replace contemporary social practices with markets. The document opportunistically goes on:

This will free up existing units and incremental investments that can be targeted to helping those most in need, such as people with low-incomes, the elderly, single mothers and the disabled (Canada, 2005a: 5).

The government rationalizes promotion of the market in terms de Soto would use:

Property laws and secure titles can effectively transform land assets into the capital needed to fuel further growth (Canada, 2005a: 4).

The measures proposed by the federal government to reform governance are profound. Their announcement planning included the following:

The federal government will describe its proposals as “monumental”, “transformative”, “historic”. The result will be changes in structure, institutional arrangements, process, *but little change in housing supply* (Canada, no date: 1; emphasis added).

The federal government refers to changes in “financial regulations and current government policies” and to “new institutional arrangements” (Canada, 2005c). In more detail, it elaborates its view that a “paradigm shift” is needed on First Nations because of the inability of First Nations people to handle housing:

Creating appropriate market conditions hinges on more than the ready availability of capital. Appropriate conditions must be put into place to prepare reserves investors [sic] to induce wealth creation (Canada, 2005a: 4).

One “appropriate condition” is the creation of capacity in housing development, despite the fact that Bands have been developing and managing housing on reserves for generations. Critics generally point to under-funding rather than human resources in accounting for housing conditions. Bands have not, however, produced housing under market conditions suggesting that the capacity enhancement is to be focussed on developing a business mentality, again touching Band solidarity and the role of the Chiefs and Councils.

Another “appropriate condition” is the withdrawal of First Nations lands from the provisions of the Indian Act that maintain land rights. This is intended to enhance “governance capacity” (Canada, 2005a: 4):

Participating First Nations will have the legal capacity to borrow, expend and invest money for any purpose related to their land (Canada, 2005a: 4).

Both the AFN and the federal government argue that the institutional barriers preventing the development of land markets in First Nations restrict development by preventing the inflow of capital. However, the willingness to forsake treaty rights in favour of markets requires the bracketing of innumerable instances where the intersection of social powers vested in treaty rights and the economic power of markets has caused hardship for indigenous people. Details of recent instances in Oka, Québec, Ipperwash, Ontario, and Caledonia, Ontario can be found at [www.cbc.ca/news](http://www.cbc.ca/news).

Development of land markets on First Nations would alter the means through which land and housing are allocated, which in turn would arguably alter mechanisms of governance and social cohesion, and could expose land to ownership from outside the communities.

### *Canadian Inner Cities*

One central component of inner city revitalization strategies in Canada is the construction of new housing and renovation of deteriorated stock as social housing projects. Programming for social housing in Canada has experienced two main periods: a centralized public housing program operated over the mid to late 1960s until the early 1970s; and a series of decentralized programs operated through community organizations from the early 1970s to the early 1990s. Programs in these two periods defined social housing and gave distinctive shape to its provision. Funding was frozen from the early 1990s to 2002, and since then a new period has been emerging.

The public housing program produced housing for subsidized rentals, and the housing stock remained in the public realm. During the build out of the program, public discourse on housing included sentiments of 'housing for all' and 'housing as a social right'. The goals of these catchwords were never

realized but they are representative of the discourse that supported the expansion of the welfare state in Canada. The period can be characterized with the comment that access to low-cost housing under the program was mediated by the state. Currently, about 200,000 units of public housing remain nationally.

The community based programs emerged as a political compromise forged by the Trudeau Liberal government, facing pressure against welfare provision from the political right and demands for its enhancement from the left. Ecumenical organizations and trade unions had demonstrated the feasibility of developing social housing on a decentralized basis and from 1973 subsidies for development and operating costs were made available to non-profit and cooperative organizations. By the early 1990s when expansion of the program was eliminated in a budget line, about a quarter of a million units had been produced.

The community based programs were widely commended (Dreier and Hulchanski, 1993) and they supported the creation of innovative residential environments for many social groups (Skelton, 2002). The detail of the programs was transformed a number of times during their period, but a continuity was that local organizations developed housing for particular constituencies, such as residents of a neighbourhood, ethnic groups, retired union members and others. Public discourse of housing for all was maintained, but it was adjoined with discourse on the role of caring communities as agents in the production of social housing, and contrasted with discourse on an insensitive and alienating state. We can make the generalization that under these programs access to low-cost housing was mediated by membership in local communities. The programs depended on financial resources from governments but access to them depended on the applicant's acceptance by a providing organization.

Over the period from 1993 to 2002 Canada was the only OECD country with no national support for the expansion of social housing. A few organizations were able to cobble together funding to produce a few units, but times were

considerably more lean than those lamented by Koebel (1998), for example, in the USA. By early in the millennium deteriorating housing conditions, the prevalence of homelessness and agitation by the social housing sector led to the development of federal programs. The National Homelessness Initiative operated through the Supporting Communities Partnership Initiative to create temporary shelters and support services for homeless people. The usefulness of the program in addressing housing issues in certain contexts has been sharply criticised (Leo and August, 2006) because it does not contribute to the expansion of the permanent supply of low-cost housing. Another program, the Affordable Housing Initiative, provides one-time capital contributions for rental and owner occupied housing. Rent restrictions and maximum income levels apply though there are indications that the housing produced does not reach very poor people (Skelton et al., 2006).

In the absence of continuing operating subsidies, many community based housing providers utilized the AHI ownership provisions. Clearly the resources have contributed to upgrading housing and run-down neighbourhoods, but four problematic outcomes have been documented. First, targeting resources to medium-income purchasers rather than low-income renters has led to population change in certain neighbourhoods, initially as multiple unit buildings are converted to single units, then subsequently (and reminiscent of white expulsion), as the residential real estate market recovers and prices rise (Anderson et al., 2005).

A second problematic outcome of market ownership approaches has been the development of divisions within neighbourhoods rather than the fostering of cohesion. The projects target people who are relatively privileged – after all, they can afford to buy the houses while others cannot. As they move from renting into ownership they are provided with the material benefits of subsidized renovation and purchase prices. The experience tends to focus social cleavages along tenure lines (Skelton et al., 2006). Differences of class and racialization, for example, which may appear abstract to people,

or which for reasons of social acceptance may not be something that people can talk out loud about, take on the very tangible nature of differences between owners – solid citizens; and renters – not.

Third, the marginalization of renters spills beyond the neighbourhood level, as Kemeny (1995) has argued, because as market ownership is extended to increasingly poor groups, those remaining as renters are constructed as individual failures. As a consequence, social spending becomes an instrument that undermines its own legitimacy.

The experience of many activists creating social housing during previous periods told them that the market ownership programs would not work for the poor and under-housed groups with whom they had been involved before. However, the advent of program money that would enable them to return to the task of arresting the decline of the neighbourhoods where they worked let many set that experience aside (Skelton et al., 2006) and they became firmly involved with market ownership. The fourth unfavourable outcome is that under the climate of neoliberalism, the apparent absence of an alternative fostered political support for market ownership in several sections of the activist communities.

## Planning, property markets and marginalized populations

We have described different contexts in Brazil and Canada where markets have become vehicles for social programming. The portrayal of markets as neutral instruments that can enable individuals to satisfy their needs sets aside the experience that processes of marginalization based on social differences have led to impoverishment and disadvantage for many social groups. It optimistically hopes that the social relations that become encoded in markets can be overcome with corrections to market failures. Using disparate examples, we have argued that this may be very problematic. Despite the dedication in housing and land policy to market ownership, it is



not the only alternative.

Allmendinger advocates reconceptualising markets through a political economy of institutionalism that considers a market “as a social construct” (2006: 12), contextually specific and stamped by social relations. The perspective opens the possibility of a fluidity of market forms though it maintains a basic acceptance of markets. Recent work informed by social constructionism builds on an increasing recognition of the essentialist and reductionist underpinnings that accept markets as the only vehicle for social action. Smith and colleagues, for example, remind us of the important role of intermediaries in shaping housing outcomes explored in the 1970s – the gatekeepers studies. They argue that this work trailed off under neoliberalism as it appeared that there was no alternative for human agency but to step back and let the markets do their work. Their interviews with market intermediaries in Edinburgh highlight a separation between the idea of the market as a “separate, self-contained economic entity” (Smith et al., 2006: 86) and their “more social selves” (87) that in fact “performed” the markets, to use their terminology. Smith et al. noticed that when intermediaries adopted roles that strictly adhered to market concepts, rather than relying on their ability to take action outside these idealized scripts, then the markets ceased to function, opening a way towards developing perspectives that “provide a fuller account of what markets are and inspire a normative debate engaged with what they might, one day, become” (95).

The analysis of markets as social conventions begins to give us license to conceptualize arrangements differently. A first step in this, and where we diverge from some of the literature we have discussed, is to discontinue the primacy surrendered to the terminology of markets, in favour of elaborating different priorities, deliberately selected. This would ensure that axes of marginalization such as gender and racialization are not encoded in institutions mediating access to land and housing; which is necessary given the capacity of market imagery to portray oppression and marginalization as fairness and rationality. Practices in community economic

development with non-economic priorities such as cooperative decision-making, public health, environmental issues, affirmative action and so on suggest the possibility.

We have seen, on one side, the perils of accepting markets as the primary vehicles through which marginalized communities access land and housing. We have seen, on the other, that there are strong theoretical grounds for reworking the market orientation. The project of fostering diversity must reject the nihilism of TINA, and work to elaborate inclusive alternatives.

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