



## **Interview with Geoffrey Payne**

By Lucía Wright

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Geoffrey Payne is a housing and urban development consultant specialising in land tenure, land management, housing policy and regulatory frameworks in rapidly developing countries. He has worked as an academic, consultant and researcher in all regions of the world during a career spanning more than four decades. He established Geoffrey Payne and Associates in 1995 and has undertaken assignments for the World Bank, Inter-American Development Bank, DFID, UNDP, UN-Habitat and other organisations as well as contributing to training and lecturing programmes in several European countries. He has published widely and is a trustee of the Social Housing and Building Foundation.

What was this turning point in your life which got you into the areas you are working in now?

Just reflecting on that, there are two very key moments. One was that I was always keen—my first passion was flying, and I wanted to get into the air force and so on, but I failed the medical because of my eye-sight—but I was always very involved in gliding. So I suppose the first moment was that I took out a trained architect to fly, at which point he went off and bought himself and aircraft, and had a nice house, and everything. And I thought, well actually, that sounds a really good profession, it is both creative and practical, and gets you enough money to buy your own aircraft. So I must admit that there was a rather sort-of selfish motive for that. But having got into architecture, I was always much more interested in the social and the economic aspects of design, rather than the technical. I was always okay at design, but I failed math every year but they allowed me to continue. And for my thesis, I actually worked on a project in a run-down industrial town in the middle of the UK, where there was a lot of unemployment and housing problems were quite strong. And that got me thinking about how architecture and professionals can actually be useful to society. So rather than just designing attractive buildings, what is it that makes us socially productive, useful? And my professor, fortunately, was also the president of the British Institute of Architects and of Town-Planners, at the same time. Quite an outstanding, unusual person. And he was always travelling the world. He came back from one trip and asked if I would like to go to India on an exchange—and of course I jumped at the chance. But it never happened for various reasons, so I applied, after I qualified for a Commonwealth research scholarship. I didn't want to go to India for three years, initially, just in case it didn't work out. It took so long to apply, and negotiate for a one-year visit, that I wrote a letter to the scholarship committee saying, maybe you would like to give it to somebody else as I was working in the UK as an architect.

What so often happens in life is that the biggest things, biggest decisions, hang on the most slender of threads. After eighteen months, the Indian government wrote a letter which arrived the same day as my letter offering to cancel the scholarship, agreeing to me going for one year. Now the guy could have thrown that in the bin, because I had offered to relinquish the award. Instead of that, he had the wits to phone me up and ask me if I wanted to change my mind. And so I went to India.

I have always maintained that, whilst I did my training in the UK, I had my real education in India. I spent most of my time over a period of a year working in two slum settlements in New Delhi asking myself: how do people survive? How do they manage? What can they contribute? And I was asked by a very senior person over lunch one day, what I was doing? And I told him I am working in the slums. And he said, what do you think needs to be done? And I said, well the people tell me that what they want is basic security, basic services, and to be left alone. And that wasn't obviously what they wanted to hear. They wanted to hear, how do we get rid of these problems, these people? And that's when I realized it was actually, ultimately, a political issue.

Why do people migrate from the villages to the cities, leaving decent housing and living in a slum? If there is a universal answer, is because people want something better for their children. And that, I suppose, is the main reason that got me into all of these issues. Land, of course, is a key aspect, and in my view, has never been more important. It is of course, an issue of urban inequality, of a failure of market management. And that is what became clear to me in 1970. And that is really my reference point to the work that I have been doing in the last forty five years. The funny thing is my wife, who is a journalist and deals with ten

subjects in ten minutes, doesn't understand how I can spend forty five years on the same subject!

**As satisfying the needs of the poor may also be very political, what would you recommend to professionals in this field? How did you deal with this?**

I think I am in a very privileged position, especially when I am working for the World Bank, or the UN, and I talk to politicians, policy makers, technicians... and what I find is that in many, many cases their view of the world is based on their experience and their training. And that, in some cases, isolates them from the reality of the people they are affecting. How you address that emotional, cultural, social gap, I think is a major issue, because it isn't necessarily that officials and policy-makers are hostile to the needs of the poor, but they assume that what they regard as the solution is the best answer, because they have had professional training, they have had education, they have succeeded in life, and what worked for them should be applicable to everybody else. So even when they are benign and well-meaning, there is an enormous difference in what they regard as appropriate to what the majority of the poor regard as appropriate. And I always find myself coming back to what that person said in Delhi in 1970-71. They want to be left alone to get on with their lives. They don't want to have more barriers than what already exists. They will take bits of land nobody else wants. They will make something out of nothing.

Like the film Slumdog Millionaire showed, people are amazingly resilient and resourceful. They are not asking for massive subsidies to conform to a world view of the officials, which is what I find I am dealing with in many, many countries, including my own. The UK is offering subsidies to people to get the sort of housing the government thinks is best for them, even if that's not what young professionals want. You know, if you are young you want mobility, you want to be able to follow your career options, rather than to be tied to a mortgage. So, home ownership, which has been the market-based approach globally, in all countries, rich and poor, has major in-built limitations. I'm not against it. But all my work shows that the young, the old and poor want short-term security and flexibility and mobility. And those, in my experience are representing at least a third of the population in any country. If you get home ownership levels higher than for two thirds of the population, the chances are you are investing in property for the wrong reason and you are going to create a property bubble which destabilizes national and global economies, as we found in 2007 and 2008. And this is what we currently have in London, and also in China. So I think it comes down to macroeconomics, it comes down to politics, and it comes down to how we regard the way we organize society. In my experience, housing and land have never been more important indicators of all these issues. Which makes it most frightening, in a way, if we get it wrong, but also very exciting for professionals working in the field, to make sure we get it right.

**Thanks, you are passing a challenge to us now!**

While I have benefited from this mismanagement from my generation, I do feel a great sense of guilt—it's probably no consolation for you, but our daughter, who is forty is still living with us because even renting in London is just prohibitive. And that is a sign of mismanagement at a massive scale; that her generation in London cannot afford rent, let alone buying. This is why I think we need a new form of politics. And I do see signs of it happening, both in the US and in the UK. The public sector in any country has a massive potential impact on the distribution of benefits because, for example, if you apply to change the use of your land from agricultural to urban, the state is what gives you that right to develop that land for housing, commercial, industrial, or whatever. By giving you that right, the value of your land

can change five, then, twenty, fifty times as a result of state action. In my view, the state is therefore morally and practically entitled to claim a percentage of that increment. So what we need to do is move towards what I would call social capitalism, where we manage markets in the public interests rather than society being servile towards markets themselves—which are unaccountable, unelected and behaving like teenagers. They party, party, party, without thinking of the long-term or wider consequences. And I think collectively we need international agreements which inhibit the ability of multinationals to operate without taxes in the countries where they make their money because that undermines opportunities to local businesses. We need international agreements on that. We need massive changes of attitude in terms of how land and housing markets work to the benefit of society in the longer term. So I study housing and land as encapsulating a much wider interest than just designing nice houses.

At the moment in the UK we have had the worst floods in the North West because of climate change. This was overcoming defenses intended to last one-hundred years, but which actually only lasted six years. We've seen floods, massive floods, in Chennai, in India, last week, in a country which has just designated Chennai as one of a hundred smart cities in India. You know, we need to get the basics right before we start thinking about smart cities and technological solutions to social problems. These are all tools but we need to get the relationships between those in power and those needed basic services sorted first before technology is going to solve all our problems.

I think that over forty years I have become more and more aware that the political economy issues are the key ones. There is a massive range of examples of innovation, practical problems solving available to policy makers. I am a trustee of the Building and Social-Housing Function, and we sponsor the World Habitat Awards every year. Over the last 25 years we have sponsored a vast number of really, really, imaginative, practical solutions. So the question I ask myself is, if they are so good, why have they not been widely adopted and replicated? What I can conclude is that intense inequality has created a coalition of interests between the political, the commercial, and the administrative elite who are benefiting enough from the status quo to feel that they don't need to change. This presents the professional community with a major challenge to finding better ways of persuading them that change is in their own interests as well in the interests of society in the longer term. And if we can't manage to persuade them, we need to be looking at alternative sources of support.

Could you describe your work in different contexts around the world, for example through your missions with the World Bank?

I got involved in land aspects on a professional basis in 1989 when the World Bank invited me to write a paper. I said look, I am not an economist, and I am not a lawyer, why are you asking me to write about land? And they said, well, I had already published a review of informal settlements and that showed that I could write in a way that was intelligible to non-specialists, such as policy makers. Because I am the world's worst linguist, I understand the problems that people have reading English, so I try to explain things as clearly as I can, specially of course, being married to a journalist. And so they said, that's why we want you. And you are independent, you don't have any prejudices and so on. So I thought, well I am being paid to be a student, effectively, which is great! So they sent me about 130 documents, papers, journals, and so on. And the more I read about land, the more obvious it became that it is a very, very, sensitive subject—very complex; culturally, historically, politically, institutionally, legally. There are different legal systems around the world, some of

them imposed on other indigenous systems and so on. So, my conclusion was rather uncontroversial, that you have to be very careful, find out what works and build on it. That was my conclusion. I never thought that was controversial. But the Bank rejected my paper, said that I was being ideological, and basically refused to publish it. They did pay me, though, which was nice.

When I went independent in 1995, I went to the UK government and said, I have done the research on land tenure and only need a small grant to update it for publication. And then the World Bank published their 1993 sector paper and I realized then why they didn't want me associated; because that paper was called "Housing; enabling market to work". And that made me very angry, because I had been involved with people like John Turner who was talking about enabling *people*, enabling *communities*. And for the Bank to hijack that term and that concept, and deploy it in the service of *markets* made me very, very cross. So, I wrote this other review and did a lot of research on land after that—I got funding from the UK government, which was very generous in those days, in funding small practices and individuals. I did more research, and the more research I did, the more I became aware that the Bank was being very ideological in pushing a market agenda, a neoliberal agenda. And to their credit I remember, after I had made a presentation at one of the Bank's annual land policy conferences, a senior bank staff telling me that they had now realized that they had "over-egged the omelet", was the way he put it, that they needed to be more pragmatic, more context-sensitive. And that, coincidentally, is when I started getting involved with the Bank. I have been very proud to be involved in the last eight years or so, maybe more, working with the World Bank, mainly in Asia, on land-related issues.

I have been impressed that the Bank now does not impose a neoliberal agenda. It wants markets to work, but it wants them to work in the public interest. So we have been promoting—I have been working recently with the Bank in India, China, Mongolia, Solomon Islands, Vanuatu, Vietnam, Indonesia... So a wide-range of countries, from the smallest to the biggest. Throughout that time, we have been trying to find ways in which people can get access to land and housing, in ways which are appropriate to their needs, and affordable within the economic resources available. We have been trying, I have to say, without much success so far. But then again, sometimes I get an email that says, something you proposed four years ago has just been approved. So sometimes the gestation period for an idea, or a proposal, can take some time and can often succeed for reasons totally different than the ones you expected. So one has to ride the waves of the tide in an out and row as hard as you can all the time, in the direction you want to go.

I suppose the most significant moment in my whole career was an event with the World Bank, when I had been doing research in Cambodia—not funded by the Bank—but I had been doing research, and there had been a problem with a Bank-funded project, which had also been funded by other donors. And some people living on the edge of a lake in the capital, Phnom Penh, had been evicted because the land tenure had been changed from public to private, for a very strong commercial interest. These people were being evicted and an NGO applied to the Bank saying this was not acceptable, the Bank had failed to protect them. I was appointed as the technical expert on an Inspection Panel investigation. What was very interesting is that we found, although some of them probably had no real claim to be where they were, the appeal was upheld because they had been denied due-process. They had been denied the right to have their appeal and need for protection heard. And the Bank accepted responsibility. The other three donors didn't. I was at the board meeting of the World Bank—as part of the panel session—and the Bank actually cancelled all loans to Cambodia as a result of that session until a resolution was made. So, you become aware,

that there are principles involved, and I was very impressed by the President of the Bank, who I think was Republican; who actually said that if the World Bank doesn't stand up to protect the poor, why does it exist? That for me was a very, very impressive viewpoint. So I have been very happy working with the Bank since. It is under increasing pressure, because of increasing competition from other sources of funding, but is generally doing a very good job.

The whole world in which we are working is changing so fast, both within the Bank, of course, and also within other donor agencies—China's involvement in other developing countries, particularly in Africa, is raising questions of conditionality, of ethical use of resources, and so on, and how you balance national interests with wider interests. I think the world that we are living in now is changing so fast that we do need to be working globally through the UN, the World Bank, the European Union; all of these organizations have to be trying to create a much more level playing field in terms investment opportunities and so on. And we need the public sector nationally to be stronger in making sure that these are carried out and that the poor are not suffering more than they have to.

There is one more thing I would like to say. At this stage of my career, the greatest satisfaction I get is working with the younger generation. I have been very, very happy and privileged, in the last few years to have interns from all over the world studying at places like Darmstadt, Munich, HIS in Rotterdam and UK universities, working with me. Because it keeps me sharp, it means I can take on things that otherwise I couldn't take on, and hopefully it is a mutual benefit that I can pass on what I have learned in ways that are useful to people starting their careers, at a time where it is actually quite difficult for young professionals to get their first few steps on the ladder—so I get as much pleasure from that as I do from anything else.