

Amsterdam Metropolitan Area has no place on Mipim

The Mipim is celebrating its 25th birthday this year. As all previous years, a lot of Dutch companies and local governments will be present, the latter also paying € 1600,- for an entrance fee probably paid for from our taxes. One of the local Dutch authorities present for the Mipim festivities, that really should have stayed at home to work on solving the serious housing shortages in its area, is the Amsterdam Metropolitan Area.

Despite the continuing Dutch policies promoting home-ownership, in Amsterdam alone 270.000 people are searching for an affordable house to rent. They cannot afford or are not interested in buying a house. Nor can they rent on the liberalised (expensive) rental housing market in Amsterdam where prices have become extremely high, as one of the results of the home-ownership promotion policies.

Out of the 270.000 people looking for a rental house in the Amsterdam area, at the moment 70.000 of them are in urgent need of housing. But the social housing stock in the Netherlands, and especially in Amsterdam, has been seriously reduced by privatisation, demolition and many urban renewal and gentrification programs. When a tenant leaves a social rental house in Amsterdam nowadays, there is a chance of 25% that it will be sold and 25% that it will be liberalised. Even though the demand for social houses is increasing.

The availability of social rental housing is with no more than 6.500 a year, painfully insufficient. In Amsterdam the average waiting time for a social rental house is more than 10 years. The only way policymakers and even social housing corporations respond to this housing shortage, is by increasing rents and the price of real estate. Especially in the wake of the economic crisis, their efforts have been to lure investors into building more expensive houses and other expensive real estate, mainly officebuildings.

With 6 million square meters enough to house 100.000 people, and a vacancyrate of 17%, the vacancy of officebuildings in Amsterdam is the highest of the Netherlands already and one of the highest of Europe. Yet it is very likely that the policymakers of the Amsterdam Metropolitan Area today have come to Cannes to make more deals for building offices and other real estate that have no real demand from the public or companies. Certainly they have no use to solving the affordable housing shortage.

The real estate deals negotiated in Mipim are of great influence on housing and living conditions in Amsterdam. Yet Amsterdam citizens haven't any say in them at all. In fact, the Mipim's lack of transparency (or even: secrecy) is a direct violation on democratic decisionmaking and enhancing corruption and criminal activities.

In Amsterdam we have a lot of experience with this. In 2007 a major fraud was discovered within the biggest Dutch real estate funds consisting of public money. Many millions of euros were stolen from pensioners by money laundering deals. The perpetrators were regular Mipim guests. One of the board members of the Amsterdam Metropolitan Area, a prominent politician from the liberal party was convicted for corruption. His appearance on the Mipim played an important role in his conviction. It was mentioned extensively by the judge in his verdict.

The Amsterdam Metropolitan Area has no place on the Mipim. Instead of being involved in dodgy real estate deals. Problems at home should be solved first.