

## UNITED STATES

proper value of their properties. In recent years, California's legislators have diluted restrictions governing how much private landlords may legally charge tenants. Illinois, together with several other states, has banned local governments from imposing rent control. Even in New York, where rent control is sacred in certain parts of the city, lawmakers came close last year to ending the regulated rents of millions of tenants.

In Massachusetts, rent control lasted for nearly 30 years in Boston, Cambridge and the nearby suburb of Brookline. But the frustrations of landlords, together with scandalous stories of well-heeled public servants living in cheap flats, eventually took their toll. Voters eliminated rent control by referendum in November 1994, and lingering protections for disabled, elderly and low-income tenants finally expired last year.

There were dire predictions of hardship when rent control was abolished. Some of them came to pass. Cambridge (home of Harvard University), which had roughly 16,000 rental units under the strictest regulations in the state, recently reported that nearly 40% of tenants in regulated flats moved out after rent control ended. From a modest survey of 1,000 households, city officials concluded that decontrolled rents overall jumped by more than 50% between 1994 and 1997 (from an average of \$504 a month to \$775), outpacing market rates. Over the same period, complaints of eviction also rose by 33%.

Amy Fripp, an unemployed 42-year-old, had to leave the Cambridge house in which her family had lived since the 1960s when her landlord put up the rent by \$250 a month. Another woman, who is elderly, faced eviction from her home after 50 years. "Rent control may be over, but its effects are far from over," says Ellen Shachter, a lawyer with Cambridge and Somerville Legal Services, which last year represented 100 residents of formerly regulated properties. "It's clearly contributing to making Cambridge a city of rich and poor."

It is true that Cambridge, once renowned for its economic and racial diversity, is on its way to becoming not only wealthier, but also more transient. New households there are now less likely to include families and elderly people with incomes of less than \$40,000, and more likely to include multiple room-mates and full-time college or graduate students.

Yet the Cambridge study also showed that, when rent control ended, investment in housing and repairs went up. It showed, too, that although many people left, most stayed put, and that the number of non-white tenants in formerly regulated units has actually doubled. Nor is the end of rent control the only reason for turmoil in the housing market. Turnover in communities with large amounts of rented housing is always high, especially among young people, and cities naturally "change their shape over time," notes Henry Pollakowski, a housing economist at the Massachusetts Institute of Technology Centre for Real Estate. Harvard Square, for instance, where chain stores like The Gap are thriving and rents climbing, may have lost much of its distinctiveness but remains as vibrant as ever. The strong economy, with a booming property market, may also have contributed to higher rents and higher eviction rates.

### Rent control

## The morning after

BOSTON

ALL across America, rent control is dying out. Not before time, some would say. What began as an emergency measure, to address housing shortages during the second world war, now looks mostly like a way to prevent landlords realising the