

Housing as a Human Right

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Abstract:

Housing is a fundamental human right for dignity, health, and well-being. Rooted in international law, this right remains elusive for millions, as unaffordability, insecurity, and poor living conditions persist globally. This paper explores the complexities of addressing housing crises, particularly the challenges posed by the financialization of housing. In this process, housing is treated as a commodity rather than a social good. Case studies from Scotland, France, South Africa, and the United States highlight the difficulties in implementing housing as a right, even in nations with legal frameworks in place.

The financialization of housing, exemplified by companies like Blackstone Group and platforms like Airbnb, worsens global housing crises by driving up rents and reducing affordability. The New York City crackdown on Airbnb illustrates potential regulatory approaches, yet broader systemic changes are needed. Adequate housing must meet criteria such as affordability, habitability, and cultural adequacy. However, effective regulation remains a challenge, requiring balanced policies that ensure both market stability and the protection of housing as a human right. This abstract underscores the need for comprehensive strategies to realize the universal right to adequate housing.

Introduction

Housing is a fundamental human right for human dignity, physical and mental health, and overall well-being. Housing as a human right is deeply rooted in international human rights law, recognizing that everyone deserves a safe, stable, and affordable place to call home. However, the reality is that millions of people worldwide lack access to adequate housing, facing challenges such as unaffordability, insecurity, and poor living conditions. This response delves into the complexities of addressing housing crises, the financialization of housing, and the challenges of regulating the housing sector while treating housing as a right.

Housing as a Human Right: International Recognition

The Universal Declaration of Human Rights (1948) first recognized housing as a human right, stating that "everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing, and medical care." This recognition has since been reaffirmed in numerous international treaties, resolutions, and declarations, including the International Covenant on Economic, Social and Cultural Rights (1966) and the Habitat Agenda (1996). However, despite this international recognition, implementing housing as a human right remains a significant challenge.

Examples from across the globe show the complexity of addressing housing crises, even when housing is declared a human right. (Ex: Scotland, South Africa and France)

- (i) Scotland has incorporated this commitment into its legislation and budget, including homelessness prevention legislation and means-tested benefits that help meet housing costs. Between 1987 and 2003, Scotland passed a series of acts that framed housing as a right, which made local governments responsible for the provision of housing for people unintentionally experiencing homelessness within 90 days and which allowed people to sue if their right to housing was not respected. Yet, despite the focus on human rights, Scotland has struggled with housing access in the wake of recent economic downturns.
- (ii) In 2007, France adopted the Droit au Logement Opposable, which prioritizes vulnerable groups for social housing and allows them to take legal action if they have not received accommodation. Yet, DALO has been unable to meet its goals due, in part, to a lack of adequate resources and awareness.
- (iii) South Africa's constitution was amended to guarantee the right to adequate housing, yet seventeen years later, this has not met its goals.

Framing housing as a human right may be an important first step to solving housing challenges. Still, the evidence base suggests that simply naming housing as a human right in isolation is likely insufficient to achieve affordable and accessible housing for all. Rather, this framing must be paired with adequate funding, timelines for progress, and pathways to compel compliance.

State of the Housing Crisis

According to the United Nations, 1.6 billion people worldwide lack adequate housing and access to basic services, with projections suggesting this could rise to 3 billion by 2030. Additionally, 100 million people are homeless, and over 40% of households in the United States are rent-burdened, spending more than 30% of their income on rent. The housing crisis is a global issue, affecting both developed and developing countries, and requires a comprehensive and multifaceted approach to address.

Problems in the Housing Market

The housing market faces numerous challenges, including:

- (i) Affordability: Housing prices and rents have increased significantly, making it difficult for low- and moderate-income households to access affordable housing.
- (ii) Availability: The shortage of affordable housing units, particularly in urban areas, has led to increased competition and higher prices.
- (iii) Quality of housing: Many housing units lack basic amenities, such as safe drinking water, sanitation, and energy for cooking, heating, and lighting.
- (iv) Segregation: Housing segregation perpetuates social and economic inequalities, limiting access to opportunities and resources.
- (v) Disinvestment/Vacancy: Disinvestment in housing and neighborhood decline can lead to vacancy, abandonment, and decreased property values.
- (vi) Right to Home (Housing as a Human Right): The lack of recognition and implementation of housing as a human right perpetuates the housing crisis.

Confluence of Factors

Five key factors contribute to the housing crisis:

- (i) Financialization of Housing: Treating housing as a commodity rather than a social good has led to increased speculation, gentrification, and unaffordability.
- (ii) Logistics: Building and managing housing is complicated, involving multiple stakeholders, regulations, and financing mechanisms.
- (iii) Geography: Buildings are immobile, and land varies greatly in terms of location, zoning, and environmental factors.
- (iv) Racialization: Wealth disparities between white and black communities perpetuate housing segregation and limit access to opportunities.
- (v) Socialization: The American Dream and single-family home ownership perpetuate a culture of individualism, contributing to the commodification of housing.

Financialization of housing:

:I believe there's a huge difference between housing as a commodity and gold as a commodity. Gold is not a human right, housing is."

- Special Rapporteur Leilani Farha, in documentary PUSH.

The financialization of housing refers to the increasing tendency for owners and investors to value housing as a financial asset, like stocks or bonds, rather than as a place for people to live or as a social good. This process has unfolded over several decades and is driven by financial deregulation, tax policy, and inequality. It has led to housing scarcity, reduced transparency, and increased housing instability.

The financialization of housing is not just a local issue, but a global phenomenon that requires a comprehensive approach. It involves the integration of financial markets with real estate markets, making housing subject to the imperatives and rationalities of finance.

To address the financialization of housing, we need to increase regulation, transparency, and affordability. This can be achieved through rental registries, rent control, and good cause

eviction. We also need to reorient policy and collective action away from privatization and austerity and towards public and democratic control of public money, land, and housing.

Ultimately, the financialization of housing is a political problem that requires a political response. It demands an empowered constituency of people and communities working collaboratively to realize a common goal of decent and affordable housing for everyone. This requires policies that facilitate tenants' right to organize and wield their collective power to strike and decide their housing conditions.

Case Study: Blackstone Group:

The financialization of housing is exemplified by companies like Blackstone Group, which has bought up billions of dollars' worth of single-family homes and multi-family rentals globally. This has led to increased rents, decreased affordability, and perpetuated the housing crisis.

The Private Equity Stakeholder Project and Alliance of Californians for Community Empowerment released a report highlighting Blackstone's aggressive rent hikes and evictions in San Diego County. Blackstone, the largest landlord in the US, purchased 5,600 affordable housing units in 2021 and has since raised rents by 43-64% in some units, exceeding California's 10% annual cap. This has contributed to San Diego's affordability crisis, pushing more families into homelessness. Key points from the report include:

- (i) Blackstone owns and manages over 300,000 rental housing units in the US.
- (ii) In the last two years, Blackstone has expanded its portfolio by over 200,000 units through aggressive buying.
- (iii) Blackstone has initiated a wave of evictions since ending its voluntary moratorium in August 2022, filing over 350 evictions in Florida between August and November 2022.
- (iv) The company may impose large rent hikes, with its head of Americas real estate estimating 20% increases.
- (v) Blackstone has spent millions fighting against rent control in California, donating over \$14 million to oppose statewide ballot initiatives.

The report highlights Blackstone's role in worsening the affordable housing shortage and pushing families into homelessness. By rapidly increasing rents and evictions, Blackstone prioritizes profits over people, underscoring the need for stronger regulations and rent control measures to protect tenants.

Case study: New York is breaking free of Airbnb's clutches. This is how the rest of the world can follow suit:

New York City has enforced a crackdown on Airbnb, described as a "de facto ban," to address the city's housing crisis. The restrictions aim to bring back thousands of rental properties to the market for city residents. Politicians worldwide watch This move closely, as many believe Airbnb's growth is a key factor in soaring property prices and rents. Research shows that Airbnb's image of individual hosts renting out spare rooms is outdated, with bookings increasingly concentrated on professional landlords. Studies have found that short-

term lets through Airbnb directly impact rents, with a report finding that Airbnb's expansion in New York may have raised average rents by nearly \$400 annually.

Residents in cities across the US and Europe have complained about Airbnb's negative impact on communities, including noise, rubbish, and poor security. New York's law requires hosts to register and prove they will live in the home they are renting out, with fines of up to \$5,000 for violations. Other cities, such as Edinburgh and Berlin, have also introduced regulations, but compliance is often not strictly monitored. The article argues that controlling Airbnb's growth is only part of a broader debate on solving the housing crisis, driven by the financialization of housing and monetary policy. The main causes of the crisis cannot be solved by simply regulating Airbnb; rather, a comprehensive approach must be required to address the root causes of unaffordable rents and housing exclusion.

Case study: NYC local law 18:

- (i) Passed in 2023, the law mandates that all short-term rentals are registered with the City to ensure enforcement of existing laws
- (ii) Legal short-term rentals are any properties where no more than two people are hosted, the host resides in the dwelling unit, and where guests have access to all parts of the dwelling unit – \$5,000 fine for violating
- (iii) Designed to bring back thousands of properties to the rental market for city residents – cracking down on AirBnB (now valued at over \$100 billion)
- (iv) AirBnb is traditionally viewed as individuals renting their spaces, but research shows that bookings are increasingly concentrated on a small number of professional landlords who act like “miniature hotel companies”
- (v) Not just NYC – European cities are attempting to reign in AirBnB with varying success .

Minimum criteria for adequate housing:

Adequate housing must provide more than four walls and a roof. A number of conditions must be met before particular forms of shelter can be considered to constitute “adequate housing.” These elements are just as fundamental as the basic supply and availability of housing. For housing to be adequate, it must, at a minimum, meet the following criteria:

- (i) **Security of tenure:** Housing is not adequate if its occupants do not have a degree of tenure security which guarantees legal protection against forced evictions, harassment and other threats.
- (ii) **Availability of services, materials, facilities and infrastructure:** Housing is not adequate if its occupants do not have safe drinking water, adequate sanitation, energy for cooking, heating, lighting, food storage or refuse disposal.
- (iii) **Affordability:** Housing is not adequate if its cost threatens or compromises the occupants’ enjoyment of other human rights.
- (iv) **Habitability:** Housing is not adequate if it does not guarantee physical safety or provide adequate space, as well as protection against the cold, damp, heat, rain, wind, other threats to health and structural hazards.

- (v) **Accessibility:** Housing is not adequate if the specific needs of disadvantaged and marginalized groups are not taken into account.
- (vi) **Location:** Housing is not adequate if it is cut off from employment opportunities, health-care services, schools, childcare centres and other social facilities, or if located in polluted or dangerous areas.
- (vii) **Cultural adequacy:** Housing is not adequate if it does not respect and take into account the expression of cultural identity.

Challenges in regulating the housing sector:

Regulating the housing sector while treating housing as a right involves several significant challenges:

- (i) Governments must find ways to fund affordable housing initiatives, which can strain public budgets, especially during economic downturns. Is the Government's will for affordable housing be sustainable and congruent with the budget available?
- (ii) Ensuring adequate housing for all, particularly in growing urban areas, requires careful planning to balance housing supply with demand. Factors like land scarcity, zoning regulations, and the need for infrastructure development can complicate this. Can adequate legislation be made to withstand the pressure from the influential 'Blackstones'?
- (iii) Regulations such as rent controls, while intended to make housing more affordable, can sometimes lead to unintended consequences like reduced incentives for landlords to maintain or improve properties, or for developers to build new housing, potentially worsening housing shortages.

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