

PROGRESSIVE POLICIES ARE GOOD FOR THE ECONOMY: HOUSING FOR ALL

THURSDAY APRIL 29TH, 2021

During the Great Recession, our government learned the hard way that we should spend more—not less—in times of crisis. The response to the Great Recession was too small and ended too soon, especially for the Black and brown families that never recovered, and our economy was made less resilient as a result. The government can boost our economy right now by helping struggling families and investing in all of us. Investing in people will benefit everyone, with new jobs, higher wages, and a stronger economy overall. One way to support communities is by recognizing and delivering on the right to quality housing.

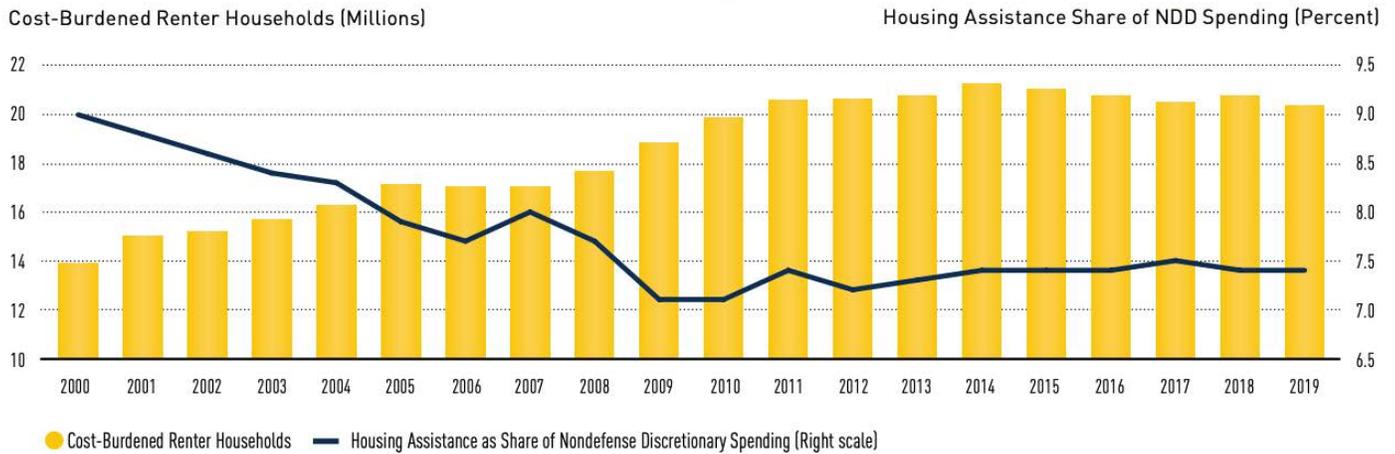
Having a safe place to live is a critical human need. A home is an anchor for a person's health and well-being; their and their family's connection to work, school, and community; and their capacity to plan for a secure future. **Stable housing supports human thriving, which in turn drives a strong economy – we cannot say our economy is working when millions of people are unhoused or one financial emergency away from losing their homes.** The COVID-19 public health crisis undoubtedly exacerbated this extreme vulnerability in our housing system and the disparities in safe housing access across [race](#) and [ethnicity](#), [gender](#), [class](#), and [\(dis\)ability](#), but it is far from responsible for it.

American housing policy has [consistently prioritized the needs of mostly white, mostly middle-class homeowners](#) and has left lower-income renters to fend for themselves. A new housing market that [recognizes quality housing as a basic right](#) for all – not a commodity for the fortunate few – would reinvest in our public housing, pursue social housing models and other housing stock outside the private market, expand and strengthen protections for tenants, and more. **Only by guaranteeing housing can our government proactively address the centuries of racist housing and land policies structured around the exploitation of and extraction from Black and brown communities.**

Investing in a federal housing guarantee is good for the economy:

- **Major investments to tackle housing costs would enable tens of millions of people to take care of their needs and save for the future:** [37.1 million households](#) spent 30 percent or more of their income on housing in 2019 – of those, 17.6 million spent half or more of their income on housing. Renters have been especially vulnerable to housing cost increases: while renter incomes grew by 0.5 percent from 2001 to 2018, [rents increased by 13 percent](#). The number of renters who spend more than one-third of their income on rent and utilities each month increased by 6 million between 2001 and 2018, to [20.8 million households](#). As these households spend an increasingly large share of their income on housing costs, they have less and less of a financial cushion.
- **Eliminating housing disparities is essential to addressing economic inequality:** [Soaring rents over the last two decades](#) have swallowed what modest income gains people have managed to achieve in the labor market, and [corporate landlords](#) have largely reaped the benefit. During the pandemic, the [divergence in rent costs](#) between low and higher-income tenants has only worsened. Black and brown families are particularly vulnerable to the extreme instability renters face as they are [twice as likely](#) as white families to rent (rather than own) their homes. [Most of our government's total spending on housing](#) has been allocated toward subsidizing homeowners through tax deductions – [the vast majority of benefits from this "entitlement" go to the wealthiest of households](#), and most Black and brown families are excluded entirely.

The Number of Cost-Burdened Renters Has Grown as Housing Assistance Has Become a Lower Budget Priority



- Investments in public and social housing can sustain communities and boost local economies, making our whole economy stronger:** If publicly supported housing were available to all eligible households, consumer spending and personal savings would increase by [\\$48 billion](#); if all necessary capital repairs were made to existing public housing stock, local economies would gain \$80 billion in spending.
- Reshaping and rebuilding our housing system is critical to achieving climate resiliency and will create well-paying jobs in the process:** [Residential decarbonization and weatherization](#) are monumental parts of climate change mitigation. Retrofitting all of the United States' public housing would create [over 240,000 jobs per year](#) while improving the living conditions for millions of public housing residents; building 12 million new social housing units by 2030 would generate [over 1 million jobs each year](#) and create [safer, more comfortable, and energy-efficient](#) dedicated housing stock. Without such investments, lower-income people will [increasingly be forced to live](#) in areas with dangerous climate risks, compounding environmental racism.

Here's who will benefit from a federal guarantee of stable, affordable, and sustainable housing:

- People, not the real estate industry:** [At a minimum, hundreds of thousands of people who are unhoused](#) and [millions more who have precarious housing](#) – [disproportionately Black and brown](#) – would have their right to shelter realized. Policymakers' continued insistence on funneling tax credits and vouchers to real estate developers and landlords has [enriched corporations and wealthy individuals](#) at the expense of the millions who continue to be priced out or [stuck on waiting lists for assistance](#), especially those with [the lowest incomes, who are disproportionately Black](#) – a testament to the fact that the lack of political will to fully fund housing assistance is precisely due to who would stand to gain from it.