

# 1 Housing today

*Markus Moos*

## 1.1 Introduction

This book is about housing. It aims to bring together cutting-edge research from a variety of perspectives. The book provides advanced students and scholars with an overview of the current state of knowledge on housing. Housing is not a discipline. As considered here it is an interdisciplinary field of studies in the social sciences. Therefore, the contributors range in background from geography, planning and urban studies to sociology, law, economics and international development, among others.

Housing is of broad interest because it is all at once shelter, an economic sector, an investment, a cultural artifact, a socially constructed ideal and last but not least a home. The concern of how to affordably, securely and sustainably house a growing and urbanizing population are front and center in public policy debates worldwide (Fields & Hodkinson, 2018).

I have tried to curate a collection that includes chapters covering issues from different parts of the world and from authors from diverse backgrounds. However, the book is by no means exhaustive in its geographic or topical coverage. Like with any book, length limits the number of topics that can be covered, as does the availability of potential authors. Although there are senior scholars represented, I also purposely reserved space for several emerging ones.

The book is also shaped by my own position as a scholar working in Canada, although I have tried to move beyond my network in the selection of authors where possible. Despite considering examples and cases from various parts of the world, contributions from the global North, and from English-speaking countries, still dominate.

Nonetheless, my hope is that the broad approach taken by the authors in this volume will leave the reader with a sense of the complexity of housing as a fruitful area for future research and an essential priority for public policy in various parts of the world. However, I also must admit to omissions, for instance there is no chapter explicitly on race or gender, although these issues certainly come up throughout the book.

Questions regarding housing are always questions about race, gender, social class, sexuality and age among other factors of social differentiation (Oswin, 2010; Elengold, 2015; Levy, Latendresse & Carle-Marsan, 2017). Housing is not some neutral quantity that we all only consume to maximize our utility – it is socially constructed and historically contingent. Ideas about what constitute a suitable and adequate home are products of societal and individual expectations and identities (Clapham, 2002; Richardson, 2018).

Structural constraints and exclusion in particular shape what housing we can access and afford (Wyly & Hammel, 2000). Thus, solutions to many housing issues are in fact not ‘housing solutions’ at all; they require resolutions to long-standing inequalities in the labor market and factors creating discrimination, for example, racism, xenophobia, sexism or homophobia (Wyly et al., 2012; Elengold, 2015).

We must thus always ask whether a problem that may manifest in the housing market indeed requires a housing solution. This point is not meant to render housing policy irrelevant. Instead the message is that housing problems are complex and inherently interconnected with other aspects of social and economic life. Housing is truly an interdisciplinary problem, and understanding and solving housing concerns requires research and solutions in different topical and policy arenas.

Below I reflect more on the contents of the book, first via an examination of how housing became to be a defining issue of our time, and second via a reflection on the theories informing housing research. I also discuss the research process and future prospects of housing research to inform evidence-based policy-making toward a more inclusive and environmentally friendly future. The chapter closes with an overview of the specific chapters contained in this volume.

## 1.2 Housing in the 2000s

There are currently about 7.2 billion people living on this planet. All of these people require shelter of some sort. Yet the provision of shelter varies widely in form, quality and tenure. About 1 out of 8 people live in slums, mostly concentrated in the countries of the global South (UN-Habitat, 2015). Housing conditions in slums are generally considered poor and a risk to human health and well-being.

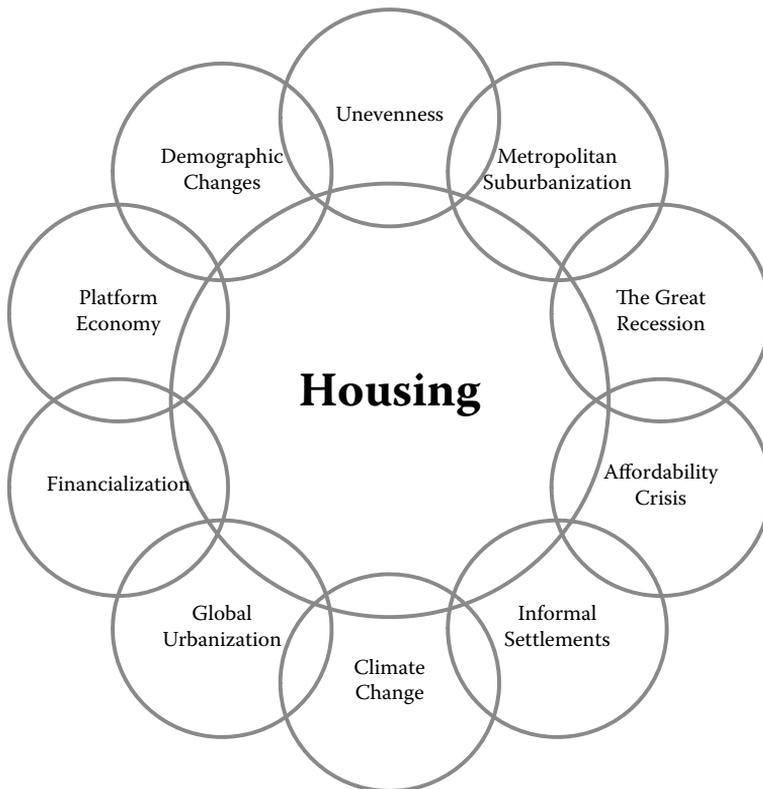
Even in the global North, there are people who remain inadequately housed or altogether homeless, although these generally constitute smaller shares of the overall population than in developing countries. Housing conditions have significantly improved over the past half-century but adequate and affordable housing remains an elusive goal to many (Herrle & Ley, 2016).

Housing since the turn of the millennium reflects the sharper societal divisions that have characterized income growth over the past few decades, globalization

and marketization, and the continuing uneven development occurring within and among countries (Soederberg, 2018a).

Every era has its defining characteristics. During the now almost 20 years since the turn of the millennium is when affordability in cities became a more global concern, when more than half of the world's population began living in cities, when financialization of various parts of the economy proliferated, when a major global financial crisis took place, when the platform economy spread and when impacts of climate change started to become more widespread.

Housing is impacted by most if not all of these characteristics, and they come up implicitly and explicitly in various parts of the book. Yet rather than just simply a reflection of current societal trends, I will go so far as to say that housing has been front and center of contemporary events over the past two decades. Housing has come to define the 2000s (Figure 1.1).



**Note:** Housing is at the core of several intersecting trends that have characterized the decades following the turn of the millennium.

**Figure 1.1** Societal trends shaping housing since the turn of the millennium

Take affordability, for instance. Although long an issue for many, particularly more vulnerable populations, it was in the past decades that concerns about the affordability of housing reached a crescendo (Gurran, 2008; Wetzstein, 2017; Fields & Hodkinson, 2018). Perhaps for the first time since the 1950s when Keynesian-inspired welfare policies still contributed to the affordability of housing in many parts of the world, the inability to afford housing now has also become more of a middle- and even upper-class concern.

Globalization has created specialized centers of commerce, finance and increasingly tech and science, which channel growth into several competing global cities. It is especially in these cities where housing has become a major concern for a broader segment of the population, leading some to speak of a global affordability crisis (Ley, 2017; Wetzstein, 2017).

Part of the reason for inflating housing markets is their increasing financialization, such as the use of real estate as investment vehicles (Aalbers, 2015). Although long having played the dual role of shelter and investment in many parts of the world, it was in the 2000s that investors started to park their profits in the real estate markets of global cities in larger numbers (Beswick et al., 2016). Although this contributed to growing housing stock in some cities, the supply increases have generally not been enough to stem steep rises in price. This is because the price increases are associated with reduced government intervention and growing demand from investors as well as current and new residents who see job opportunities and economic prospects as being highest in the world's major cities where most growth occurs (Moos & Skaburskis, 2010).

Because global growth has become predominantly urban, most growth in housing supply is occurring in major metropolitan areas. Within these metropolitan areas, housing is being added in the centers through infill and at the suburban fringes. Particularly in the global North, demographic changes have contributed to a growth in smaller households, which has fueled the redevelopment of the urban cores of cities, often in the form of high-rises (Siedentop, Zakrzewski & Stroms, 2018). However, most new housing, whatever form it takes in different contexts, such as single-detached or high-rises, is indeed suburban (Keil, 2017). Most new housing is being built in areas of the global South, often through massive, master-planned communities but also commonly self-built in informal settlements.

The last decade has also seen dramatic shifts in the housing landscape through the proliferation of a platform economy such as Airbnb. The facilitation of short-term rentals through on-line platforms has raised significant concerns regarding its impact on long-term renters and affordability in general (Jiao & Wegmann, 2017).

Yet even before Airbnb spread, it was the 2008 sub-prime mortgage-induced major recession that thrust discussion of housing, and its financing, into the mainstream (Wyly et al., 2009). It made visible the deep connections between the health of our housing sector and the broader economy. Originating in the USA, the large share

of mortgage defaults sent stock markets tumbling globally, followed eventually by significant job losses. Although regulatory changes ensued, it is not entirely clear that the world has insulated itself from another potential housing crisis-induced economic recession as mortgage debts as a share of incomes continue to grow (Walks, 2013).

Finally, it is housing markets where issues regarding climate change are materializing. This occurs in part through the implementation of green technologies and/or the retrofitting of homes to reduce energy use, and therefore help stem carbon emissions (Parker & Rowlands, 2007; Pombo et al., 2016; Hoicka & Parker, 2018). Housing, and specifically its location, is also intimately linked to our transportation patterns, which influence carbon emissions greatly (Newman, 2002). Urban planning in particular has emphasized the need to build housing at higher densities to facilitate non-automobile-based travel (Ewing, Bartholomew, Winkelmann, Walters, & Chen, 2009). Housing is also where major risks arising from climate change play out, through the impacts of the greater occurrence and severity of natural disasters such as flooding and forest fires (Feltmate & Thistlethwaite, 2013).

### 1.3 Perspectives on housing

The trends in housing markets have been studied from several different perspectives, in part reflecting the large diversity of researchers who study housing (Clapham, 2002). Broadly speaking, researchers often approach housing from a structuralist (or neo-Marxist), feminist, cultural or neo-classical economic perspective. The perspectives are rarely mutually exclusive but housing researchers certainly fall into dominant camps. I have always believed in the value of theoretical, methodological and epistemological diversity, and would thus argue that the housing field is all the richer because it is approached from so many different perspectives (Kauko, 2001; Moos, 2012).

The structuralists view housing markets as a manifestation of the larger workings of the capitalist order, often interested in how housing markets create and reinforce class structures (Aalbers & Christophers, 2014; Soederberg, 2018a, b). Many structuralists also consider how society is highly segmented by race, gender and sexuality in addition to class (Wyly & Ponder, 2011), but feminists have generally been critical, for good reason, of the ways in which some structuralist accounts neglect the importance of a gendered and racial perspective in particular (Oswin, 2018). Feminist and cultural perspectives on housing share a common interest in understanding how housing markets are socially constructed, create norms and subsequently reinforce them, as well as the importance of the particular and the local (Kern, 2010; Elengold, 2015).

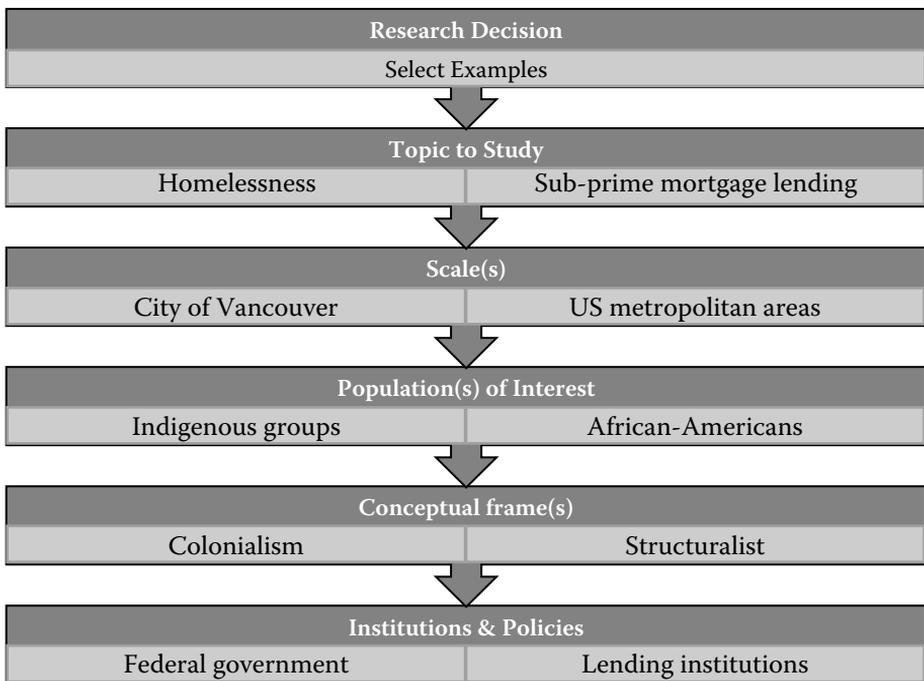
The neo-classical economic approach to housing is primarily concerned with the determinants of demand and supply (Fingleton, Fuerst & Szumilo, 2018). Many economists study the factors shaping price, and in some cases, neo-classically

informed research considers uneven impacts of price changes on different populations (Skaburskis, 1996, 1997). A large area of research in demography also informs neo-classical approaches to housing as it provides insight into how demography shapes demand (Myers, 2016).

Most approaches share a common interest in studying the impacts of policy on housing, but often argue for different kinds of interventions in housing markets. All arguably share an interest in life-course analysis, and increasingly housing pathways (rather than discrete life stages), as a way to understand how people consume housing at different points of their lives, and the implications thereof (Clapham, 2002; Revington, 2018).

Although at times distinctly different in their recommendations, all researchers of housing make various decisions about how to study housing. Although not always occurring in this particular order and often implicitly, I see many housing researchers make decisions about which topics they would like to study, the scale at which to study this topic, the conceptual frame, and the population(s), institutions and policies to include in their assessment (Figure 1.2).

Making these decisions explicit in the formulation of housing research contributes to a more reflexive research process. The outcome is research that acknowledges the ways in which housing is always a product of diverse institutions and policies



**Figure 1.2** Research process that views housing as part of its larger societal context

that play out differentially at various scales and have impacts that influence different sub-populations in unique ways (Herrle & Ley, 2016; Oswin, 2018).

This approach helps continue the important work that has been done over the years by housing researchers to expose social, environmental and economic impacts of housing market operations and propose their remedies. We cannot reduce housing to simply an economic good with specific transactional value but need to consider it in its larger societal, and historical, context (Soederberg, 2018b).

Contemporary housing research must also be critical as adequate, safe and affordable housing is clearly not yet available to all (Brickell, 2012; Herrle & Ley, 2016). It must remain pragmatic and solution-oriented to remain relevant in an era where the old policies with some, although still limited, success in securing housing have become dismantled. Despite a recent shift toward populist leaders such as Donald Trump, who appear to care little about the role rigorous research can play in policy-making, there still remain many genuine policy-makers and political leaders who are looking for novel, evidence-based insight and solutions to housing and other societal issues.

Because housing shapes and influences all areas of our lives, researchers in this field are well positioned to inform contemporary, and hopefully progressive, policy-making into the future. The novel research presented in this volume by a diverse, thoughtful and reflective group of authors is a good start toward meeting this goal.

## 1.4 Book overview

The rest of this book is divided into three major sections: Housing in the twenty-first century, housing trends and policies, and housing futures. I explore the contents of each of these sections in more detail below.

The first section provides an overview of the overarching factors driving contemporary changes in housing. Broadly, these are the consideration of housing as a fundamental human right, financialization of the economy and housing markets, mortgage debt and financing, affordability, and informality.

In Chapter 2, Jessie Hohmann examines the right to housing as a legal standard. She reviews both the successes and limitations of a legal right to housing, and its potential in different contexts and at different scales. She also argues that several contemporary issues such as global financialization, privatization and growing inequality are likely obstacles to realizing a right to housing. Nonetheless, Hohmann provides evidence that would point to the broader success that a right to housing could provide in terms of securing human well-being.

Several of the themes setting the context for Hohmann's chapter are fleshed out in greater detail in the chapters that follow in this section. Specifically, in Chapter

3 Manuel B. Aalbers defines and then traces specific characteristics of a housing market increasingly tied to finance. He argues that financialization of housing has transitioned from housing being acquired by private equity firms to real estate investment trusts and real estate firms; and that future research will consider this transition in how it approaches and views financialization.

In Chapter 4, Alan Walks points to how a growing housing bubble is formed by rising inequality, promotion of homeownership through mortgage securitization and the role the US dollar has played as a global reserve currency. Walks argues that a global affordability crisis is fueled by a housing bubble, and that its geography is a product of the ways the world economy is structured around the US dollar. He also outlines the risks of the pursuit of homeownership through cheap credit, and offers important insight into the connections between global, macro-level factors and local outcomes in specific cities.

In Chapter 5, Piyush Tiwari offers a review of the benefits of homeownership. He discusses the ways in which mortgage markets in various national contexts have been engineered to support the broad attainment of ownership. Tiwari outlines barriers to housing ownership, which contribute to uneven outcomes and affordability concerns. He offers potential solutions in the ways mortgage products are designed. The work provides a useful reminder that the affordability of ownership is a function of how mortgage products are designed, and the type of payment stream they require.

In Chapter 6, Pietro Calogero, Jennifer Day, and Neeraj Dangol provide insight into one of the major structuring elements of how many people are housed, particularly (but certainly not exclusively) in the global South. They examine the ways in which different urban regimes create and manage informality in the housing market. They use novel case studies from Kabul, Kathmandu and Port Vila, Vanuatu, as illuminating examples. They argue for more explicit recognition in housing research of how different actors and institution combine, often unintentionally, to act as regimes.

The second section of the book highlights more specific trends in housing research and policy. Topics range from local and regional dynamics of housing to social mix as housing policy, housing vulnerable populations and environmental sustainability.

The first chapter in this section, Chapter 7, is a detailed account of how a national housing policy in the case of China was implemented in different local contexts, Chongqing and Shenzhen. Ka Ling Cheung, Jennifer Day, Hao Wu and Richard Tomlinson describe the transition to a different form of public housing provision in China, public rental housing and how its implementation varies with local policy. They point to the need to study housing in a multi-layered framework.

In Chapter 8, Martine August traces the redevelopment of public housing in North America driven by aspirations to achieve greater social mix. She offers a thorough

critique of this approach, and provides evidence of displacement arising from policies promoting social mix. She analyzes in detail the theories used to support social mix as housing policy, and critiques their assumptions. Still, August also sees benefits in promoting social mix in terms of progressive housing goals, but only if the policy is used to actually increase the supply of affordable units.

Chapter 9 looks in more detail at the populations often in need of affordable housing. Debbie Faulkner, Selina Tually and Victoria Cornell explore the concept of vulnerability in housing, and the difficulties encountered in defining the term. Like earlier chapters, they point to growing inequality and marginalization in the labor market, through global economic restructuring, as a source of greater vulnerability. They consider the reasons why people become vulnerable in the housing market, the case of homelessness and potential avenues for solutions.

Chapter 10 also looks at solutions to housing issues, but from a sustainability perspective. Sarah Godfrey, Jennifer Dean and Kristen Regier examine the far-reaching meaning of sustainable housing. They describe the benefits and drawbacks of two specific applications of sustainability in the housing realm: eco-villages and transit-oriented development. They consider environmental sustainability through the energy savings from construction, residential design and behavioral change as well as land use, location and transportation patterns. Importantly, Godfrey, Dean and Regier also point to the lack of attention being paid to social sustainability in the context of environmental solutions to housing concerns. They point to the implications that environmental sustainability initiatives in housing could have for unevenness if left unaddressed.

The final chapter in this section picks up on the theme of unevenness in the context of a particular case study. In Chapter 11, Rik Damhuis, Wouter van Gent, Cody Hochstenbach and Sako Musterd provide a novel look at how changes in life-course, such as coupling, getting married or having children, shape residential moves. They conduct their analysis at the local scale, considering the case of Amsterdam. The authors point to the unevenness in how people are able to make residential moves and housing transitions at key junctures of their lives. Their work provides justification for further consideration of how life-course transitions are playing out differentially for diverse populations; and that housing market transitions owing to demographic and life-course events have a particular geography that contributes to the creation and entrenchment of unevenness in the housing market.

Although all of the chapters are forward looking, the final section includes three chapters that consider specific issues that are likely to shape housing in the future. This includes consideration of how the concept of livability shapes urban and housing policy, the influence of the platform (sharing) economy and innovations in affordability policies.

In Chapter 12, Nathanael Lauster presents results of a detailed document analysis, which considers the ways in which the concept of livability is deployed in policy

at different scales and by different institutions. He finds livability becoming an increasingly prevalent justification for housing market intervention, particularly in calling for a right to housing. However, the outcomes on livability are highly uneven, particularly at the local scale. Lauster also considers how livability is deployed in efforts to rank cities, which contributes to global competition in the housing market.

In Chapter 13, Jake Wegmann lays out the historical context of sharing housing to contextualize current efforts to 'share' housing through the platform economy, such as Airbnb. He points out how there is a long history of sharing housing, but that the recent provision of on-line platforms has provided a more widely accessible way to marketize parts of one's own dwelling. He argues that there is only limited potential to use the platform economy to improve the affordability of housing for a broad segment of the population.

Finally, in Chapter 14, Nicole Gurran critically reflects on the idea of 'innovation' in housing policy. She argues that the term innovation is commonly used to push forward a market-based policy agenda that often fails to address underlying structural inequalities or provide actual financial support. Still, she sees some promise in initiatives that can reduce construction and development costs and promote novel forms of tenure and inclusionary approaches to urban planning. She argues that to make real progress in addressing housing affordability concerns, policy must address the needs of low-income renters and first-time homebuyers first and foremost.

## References

- Aalbers, M. B. (2015). The great moderation, the great excess and the global housing crisis. *International Journal of Housing Policy*, 15(1), 43–60.
- Aalbers, M. B., & Christophers, B. (2014). Centring housing in political economy. *Housing, Theory and Society*, 31(4), 373–394.
- Beswick, J., Alexandri, G., Byrne, M., Vives-Miró, S., Fields, D., Hodkinson, S., & Janoschka, M. (2016). Speculating on London's housing future: The rise of global corporate landlords in 'post-crisis' urban landscapes. *City*, 20(2), 321–341.
- Brickell, K. (2012). 'Mapping' and 'doing' critical geographies of home. *Progress in Human Geography*, 36(2), 225–244.
- Clapham, D. (2002). Housing pathways: A post modern analytical framework. *Housing, Theory and Society*, 19(2), 57–68.
- Elangold, K. S. (2015). Structural subjugation: Theorizing racialized sexual harassment in housing. *Yale JL & Feminism*, 27, 227–286.
- Ewing, R., Bartholomew, K., Winkelman, S., Walters, J., & Chen, D. (2009). Growing cooler: The evidence on urban development and climate change. *Renewable Resources Journal*, 25(4), 6–13.
- Feltmate, B. & Thistlethwaite, J. (2013). Canada's real housing crisis: Extreme weather. *Globe and Mail*, 29 July, Commentary.
- Fields, D. J., & Hodkinson, S. N. (2018). Housing policy in crisis: An international perspective. *Housing Policy Debate*, 28(1), 1–5; doi: 10.1080/10511482.2018.1395988.

- Fingleton, B., Fuerst, F., & Szumilo, N. (2018). Housing affordability: Is new local supply the key? *Environment and Planning A: Economy and Space*; <https://doi.org/10.1177/0308518X18798372>
- Gurran, N. (2008). Affordable housing: A dilemma for metropolitan planning? *Urban Policy and Research*, 26(1), 101–110.
- Herrle, P., & Ley, A. (2016). *From Local Action to Global Networks: Housing the Urban Poor*. Routledge: London.
- Hoicka, C. E., & Parker, P. (2018). Assessing the adoption of the house as a system approach to residential energy efficiency programs. *Energy Efficiency*, 11(2), 295–313.
- Jiao, J., & Wegmann, J. (2017). Urban vacation rentals and the housing market. In M. Moos, D. Pfeiffer & T. Vinodrai (eds), *The Millennial City: Trends, Implications, and Prospects for Urban Planning and Policy*, 167–180. Routledge: London.
- Kauko, T. (2001). Combining theoretical approaches: The case of urban land value and housing market dynamics. *Housing, Theory and Society*, 18(3), 167–173.
- Keil, R. (2017). *Suburban Planet: Making the World Urban from the Outside in*. Polity Press: Cambridge.
- Kern, L. (2010). Gendering re-urbanisation: Women and new-build gentrification in Toronto. *Population, Space and Place*, 16(5), 363–379.
- Levy, C., Latendresse, A., & Carle-Marsan, M. (2017). Gendering the urban social movement and public housing policy in São Paulo. *Latin American Perspectives*, 44(3), 9–27.
- Ley, D. (2017). Global China and the making of Vancouver's residential property market. *International Journal of Housing Policy*, 17(1), 15–34.
- Moos, M. (2012). *Housing and location of young adults, then and now: consequences of urban restructuring in Montreal and Vancouver* (Doctoral dissertation, University of British Columbia).
- Moos, M., & Skaburskis, A. (2010). The globalization of urban housing markets: Immigration and changing housing demand in Vancouver. *Urban Geography*, 31(6), 724–749.
- Myers, D. (2016). Peak millennials: Three reinforcing cycles that amplify the rise and fall of urban concentration by millennials. *Housing Policy Debate*, 26(6), 928–947.
- Newman, P. (2002). Sustainability and housing: More than a roof over head. Institute for Sustainability and Technology Policy. Murdoch University. Western Australia.
- Oswin, N. (2010). The modern model family at home in Singapore: A queer geography. *Transactions of the Institute of British Geographers*, 35(2), 256–268.
- Oswin, N. (2018). Planetary urbanization: A view from outside. *Environment and Planning D: Society and Space*, 36(3), 540–546.
- Parker, P., & Rowlands, I. H. (2007). City partners maintain climate change action despite national cuts: Residential energy efficiency programme valued at local level. *Local Environment*, 12(5), 505–517.
- Pombo, O., Allacker, K., Rivela, B., & Neila, J. (2016). Sustainability assessment of energy saving measures: A multi-criteria approach for residential buildings retrofitting – A case study of the Spanish housing stock. *Energy and Buildings*, 116, 384–394.
- Revington, N. (2018). Pathways and processes: Reviewing the role of young adults in urban structure. *The Professional Geographer*, 70(1), 1–10.
- Richardson, J. (2018). *Place and Identity: The Performance of Home*. Routledge: London.
- Siedentop, S., Zakrzewski, P., & Stroms, P. (2018). A childless urban renaissance? Age-selective patterns of population change in North American and German Metropolitan areas. *Regional Studies, Regional Science*, 5(1), 1–20.
- Skaburskis, A. (1996). Race and tenure in Toronto. *Urban Studies*, 33(2), 223–252.
- Skaburskis, A. (1997). Gender differences in housing demand. *Urban Studies*, 34(2), 275–320.
- Soederberg, S. (2018a). Evictions: A global capitalist phenomenon. *Development and Change*, 49(2), 286–301.
- Soederberg, S. (2018b). The rental housing question: Exploitation, eviction and erasures. *Geoforum*, 89, 114–123.

- UN-Habitat. (2015). Slum almanac 2015–2016: Tracking improvement in the lives of slum dwellers. Retrieved from: [https://unhabitat.org/wp-content/uploads/2016/02-old/Slum%20Almanac%202015-2016\\_EN.pdf](https://unhabitat.org/wp-content/uploads/2016/02-old/Slum%20Almanac%202015-2016_EN.pdf).
- Walks, A. (2013). Mapping the urban debtscape: The geography of household debt in Canadian cities. *Urban Geography*, 34(2), 153–187.
- Wetzstein, S. (2017). The global urban housing affordability crisis. *Urban Studies*, 54(14), 3159–3177.
- Wyly, E. K., & Hammel, D. J. (2000). Capital's metropolis: Chicago and the transformation of American housing policy. *Geografiska Annaler: Series B, Human Geography*, 82(4), 181–206.
- Wyly, E., & Ponder, C. S. (2011). Gender, age, and race in subprime America. *Housing Policy Debate*, 21(4), 529–564.
- Wyly, E., Moos, M., Hammel, D., & Kabahizi, E. (2009). Cartographies of race and class: Mapping the class-monopoly rents of American subprime mortgage capital. *International Journal of Urban and Regional Research*, 33(2), 332–354.
- Wyly, E., Ponder, C. S., Nettling, P., Ho, B., Fung, S. E., Liebowitz, Z., & Hammel, D. (2012). New racial meanings of housing in America. *American Quarterly*, 64(3), 571–604.