



WELCOME!

Homelessness in a Global Economy



Definition

ETHOS - European Typology on Homelessness and Housing Exclusion

- rooflessness (without a shelter of any kind, sleeping rough)
- houselessness (with a place to sleep but temporary in institutions or shelter)
- living in insecure housing (threatened with severe exclusion due to insecure tenancies, eviction, domestic violence)
- living in inadequate housing (in caravans on illegal campsites, in unfit housing, in extreme overcrowding).

FEANTSA is the European Federation of National Organisations Working with the Homeless. <https://www.feantsa.org/>

How to talk about people who are homeless?

“Homeless people”

“The roofless”

“People who are homeless”

“People experiencing homelessness”

“People affected by homelessness”

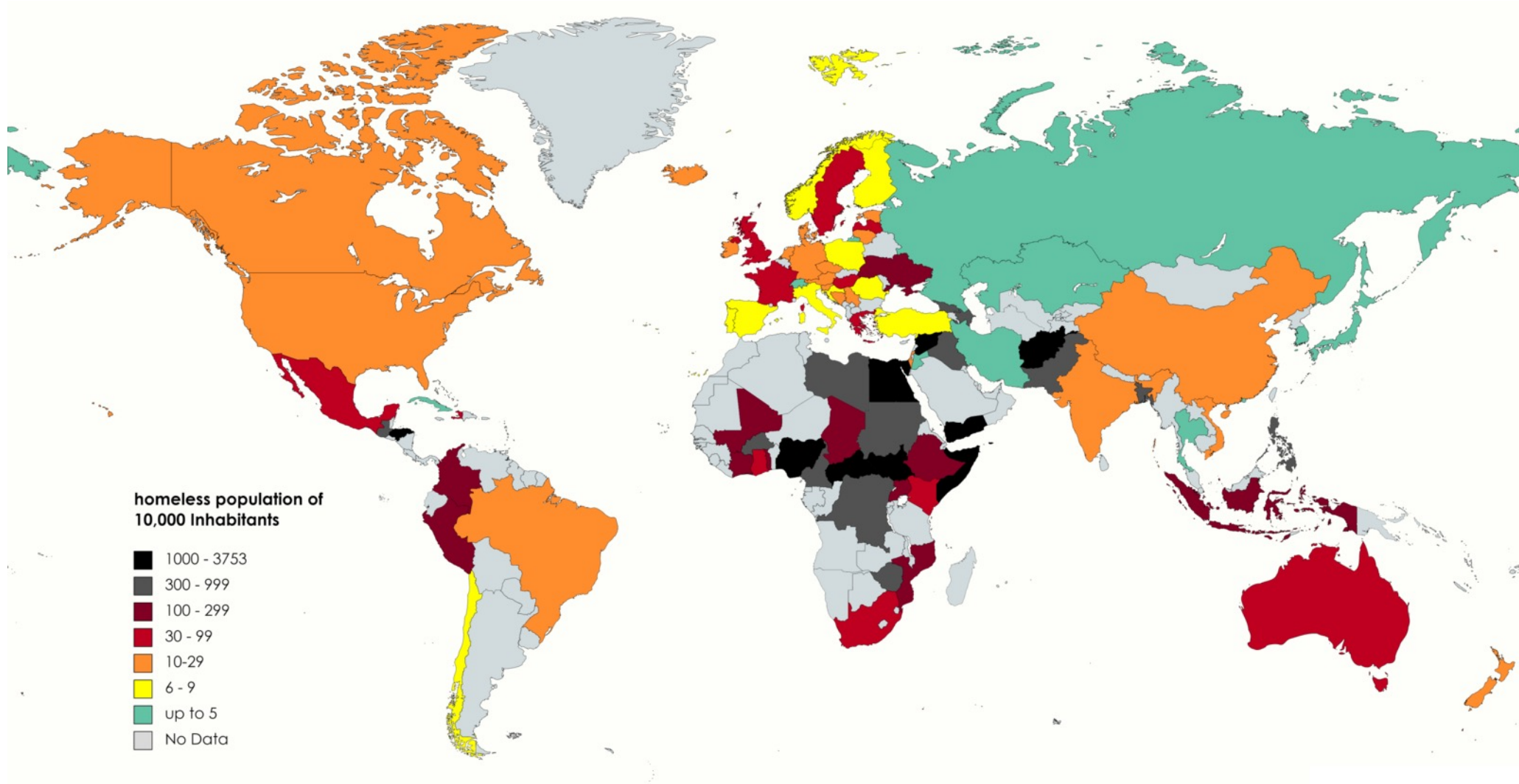
“Unhoused people”

....

Using different expressions is usually a well-intentioned attempt at expressing respect. However, these terms have also been criticized for sugarcoating or distorting the situation.

Calling someone “homeless” is not an insult (unless they specifically tell you so).

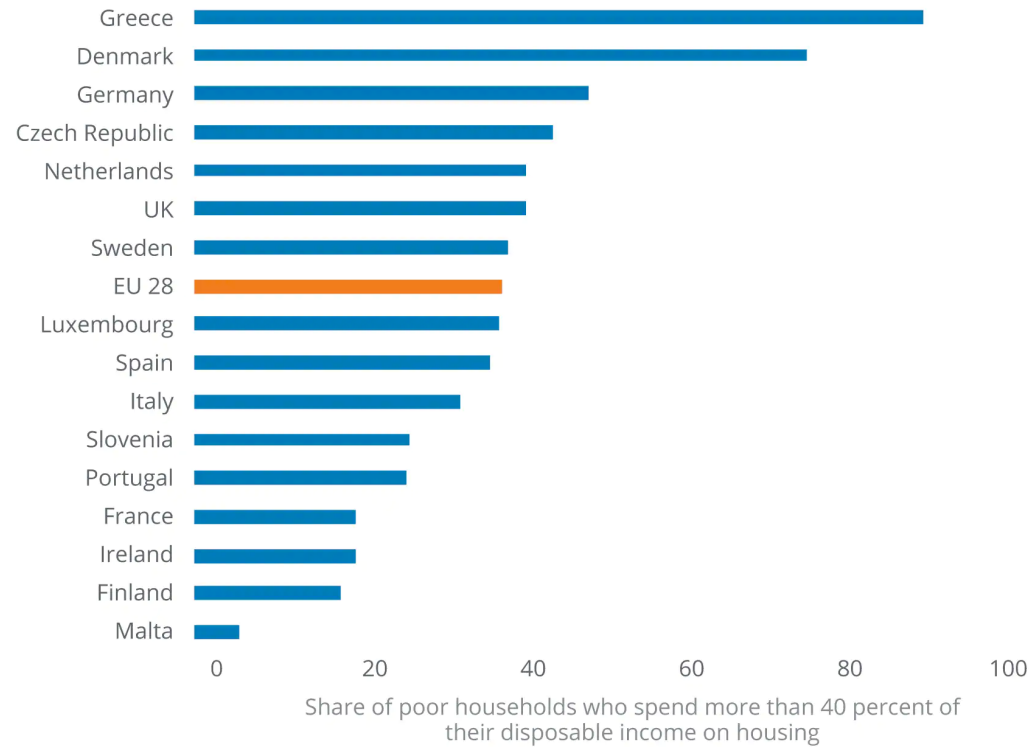
Homelessness globally



Global homelessness in numbers

FIGURE 5

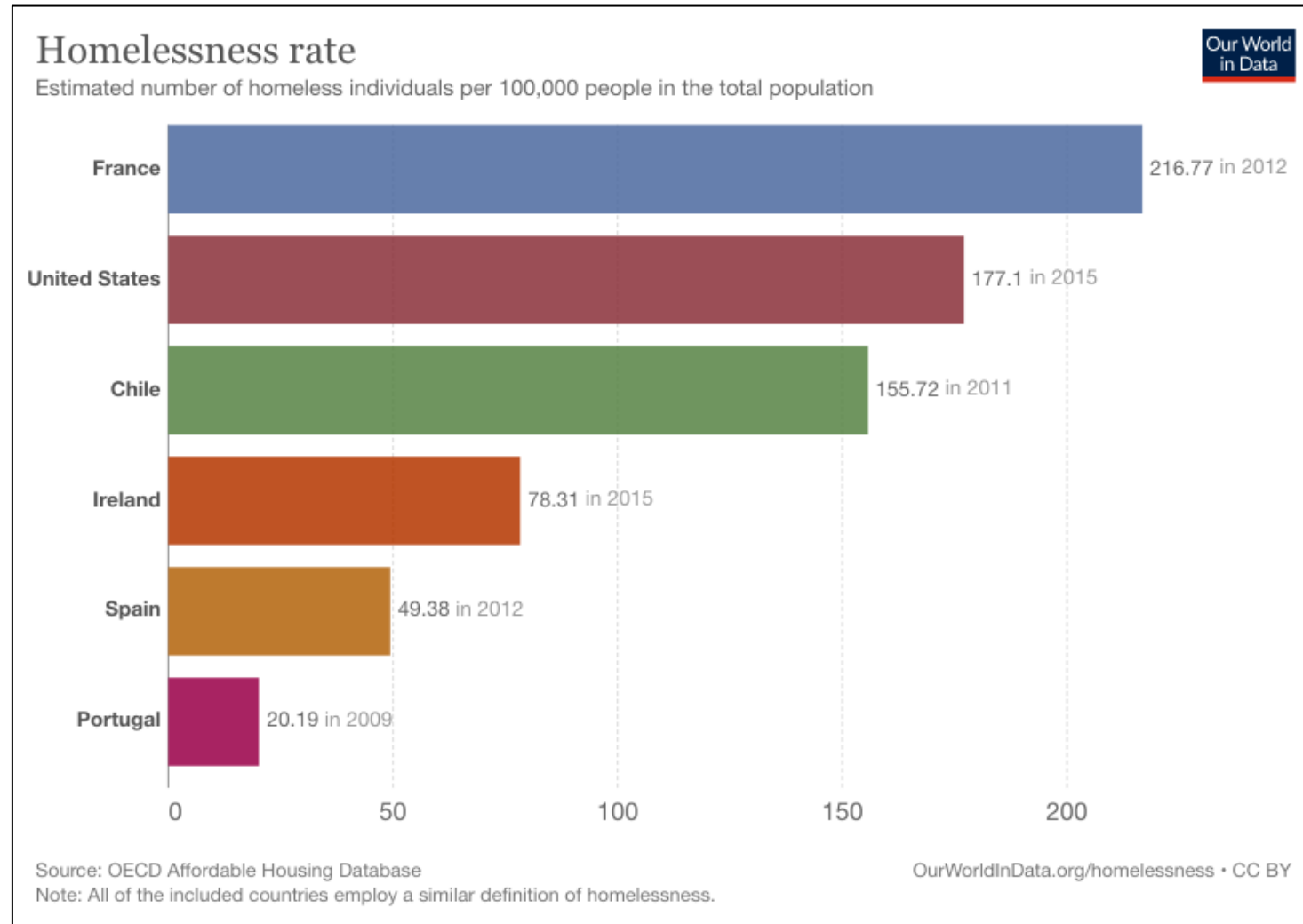
Thirty-eight percent of poor households in the EU are overburdened by housing costs



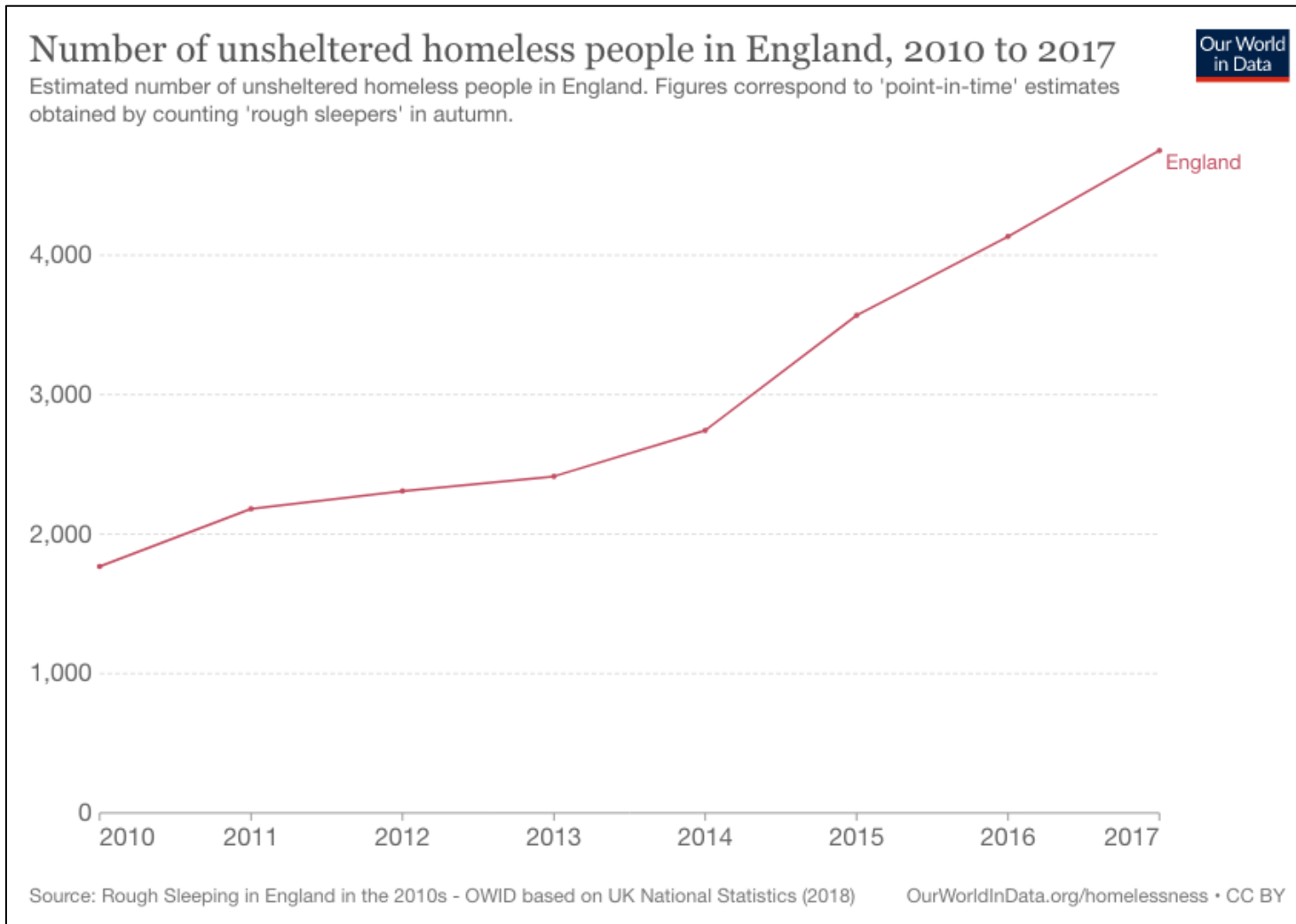
Source: Fondation Abbé Pierre and FEANTSA, Fourth overview of housing exclusion in Europe: 2019; Deloitte Services LP economic analysis.



Global homelessness in numbers II



Is homelessness on the rise?



Counting homelessness

One challenge of estimating the extent of homelessness world wide is that different countries use different ways of measuring.

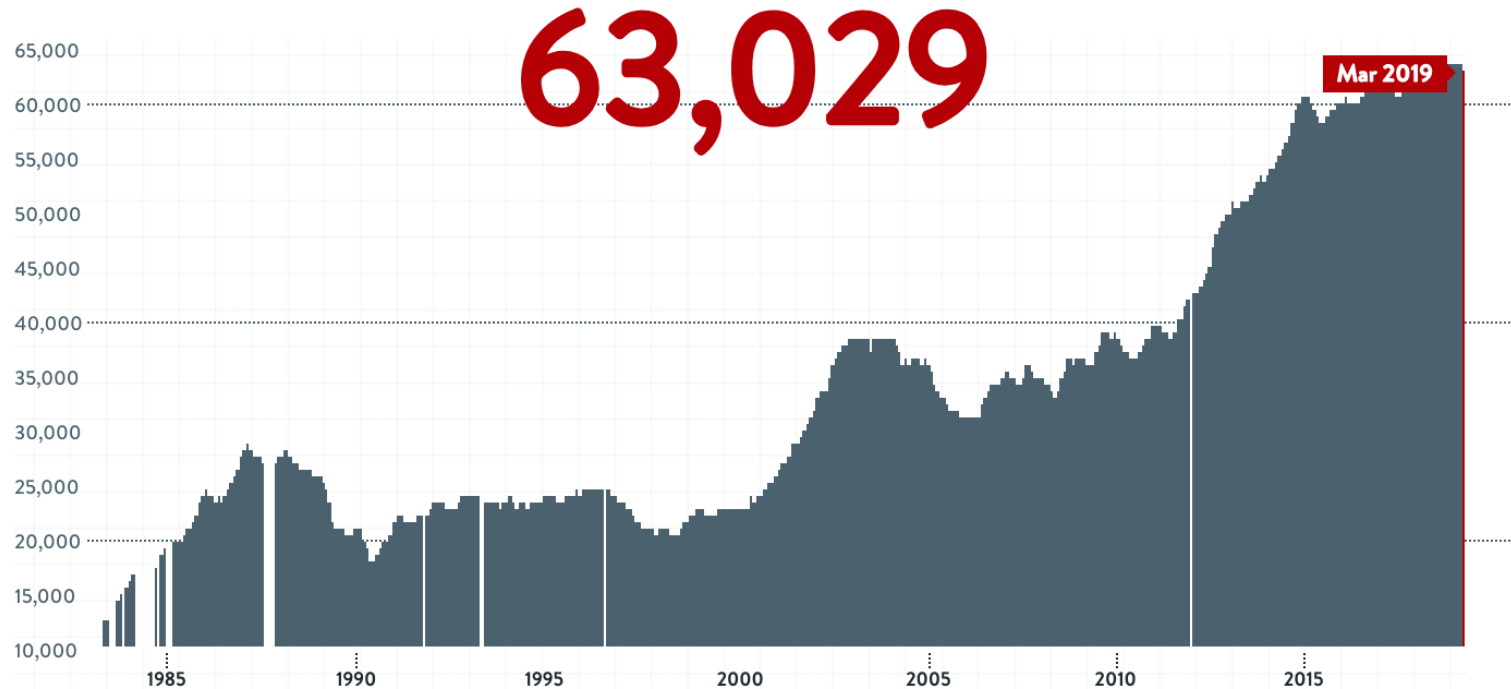
The simplest way of measuring is to count the number of rough sleepers found on the streets on a given night of the year (e.g. London). However, this may miss the 'hidden homeless', those in housing precarity, or those who intentionally avoid being spotted sleeping rough.

Another option is to use the numbers of those legally entitled to government support due to homelessness. This method misses those who are homeless but do not have a legal claim to help, such as undocumented migrants. In some locations, narrow definitions of who is entitled to help (e.g. "priority need" in England) also make numbers unrealistically low.

New York..

Number of Homeless People in NYC Shelters Each Night

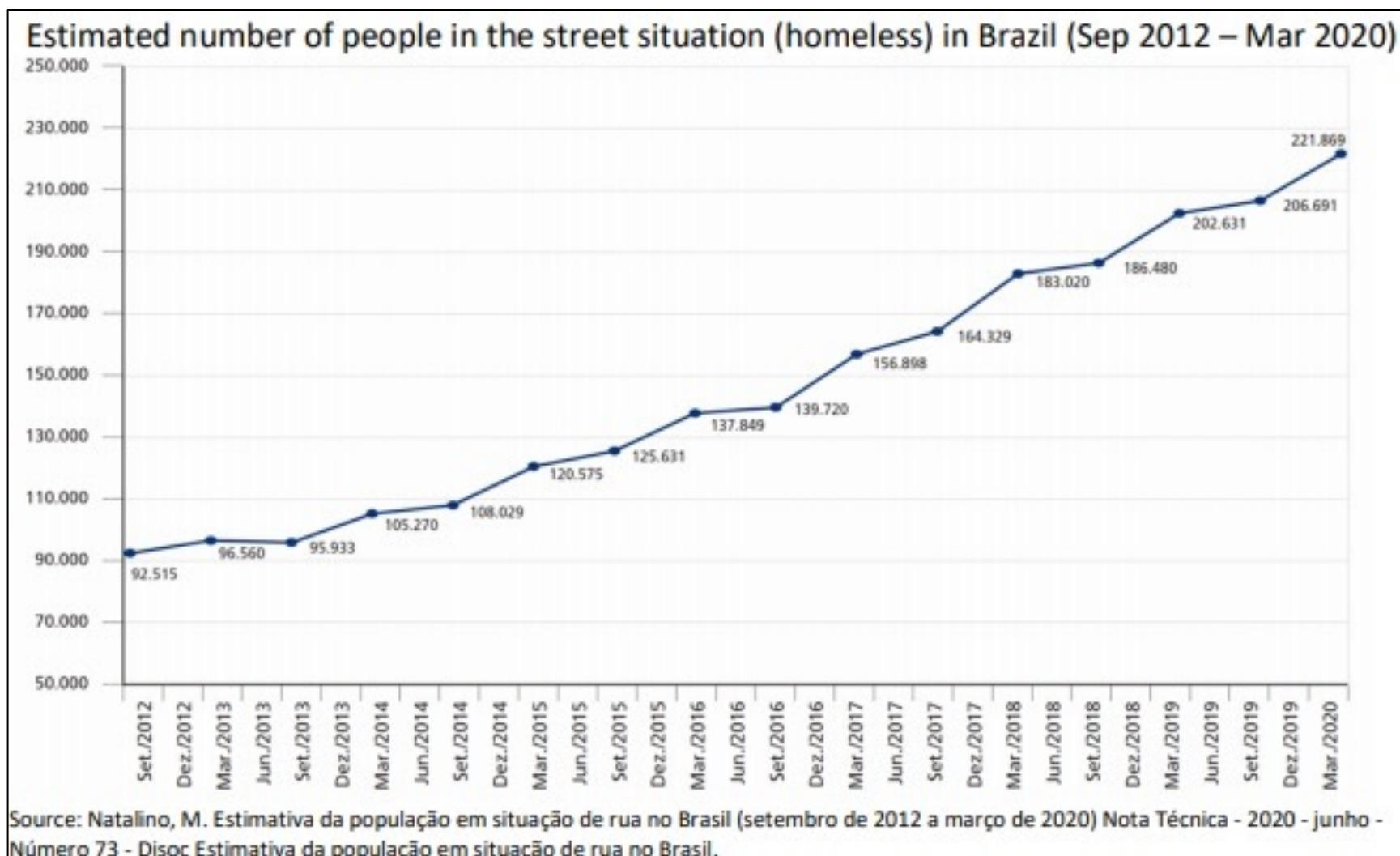
Hover over a month to view total shelter census. Click to see end-of-year breakdown.



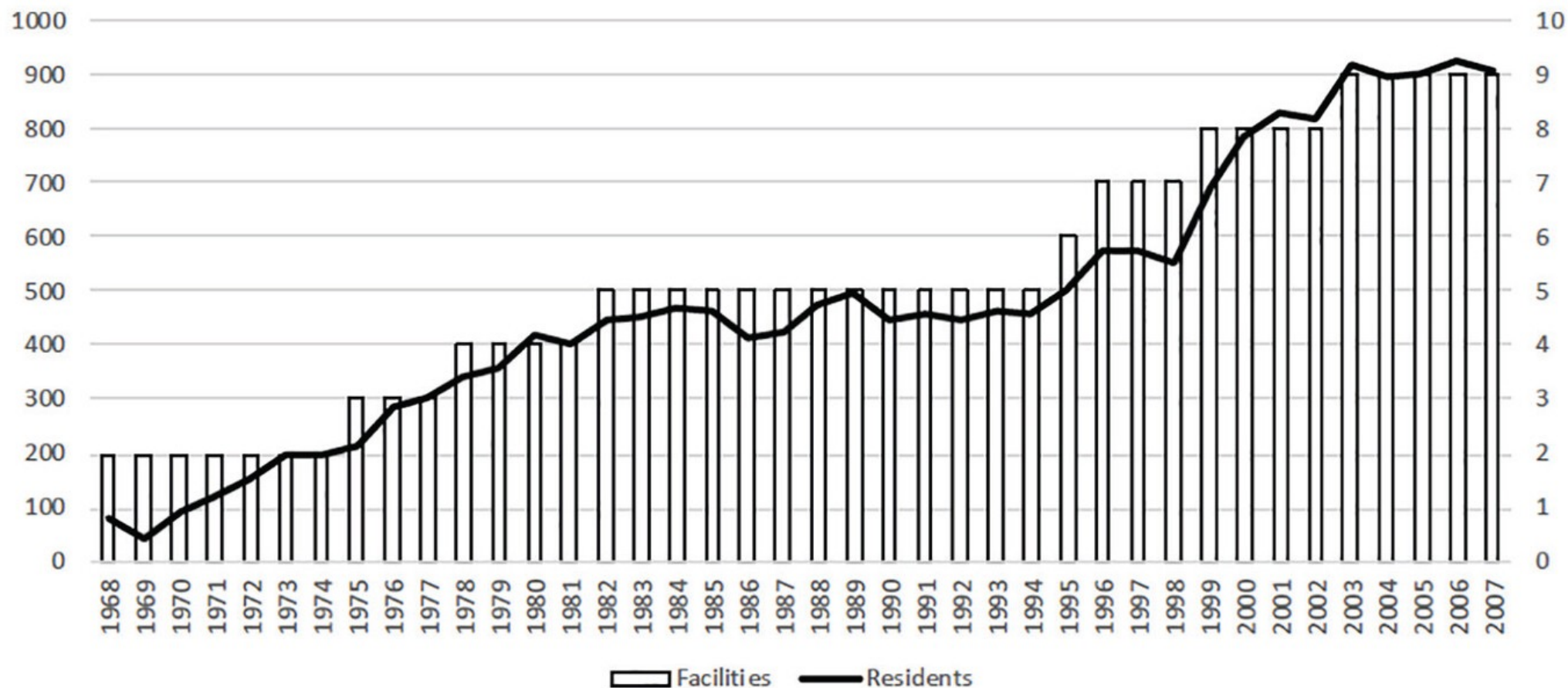
Source: NYC Department of Homeless Services and Human Resources Administration and NYCStat shelter census reports

*For data through September 2011, figures for homeless families, children, and adult family members reflect end-of-month census data. All numbers for families after September 2011 and for homeless single adults (men and women) for all months reflect average daily census data.

...Rio...



...Tokyo



Homelessness in Tokyo. Source: Kitagawa, Y. (2021). Homeless Policy as a Policy for Controlling Poverty in Tokyo: Considering the Relationship between Welfare Measures and Punitive Measures. *Critical Sociology*, 47(1), 91–110.

Causes of homelessness

Explanations of what causes homelessness usually fall into one of two categories: individual vs socioeconomic

Individual causes can e.g. be: lack of income, mental illness, harmful substance use, relationship breakdown....

Socioeconomic causes can e.g. be: housing- and labour market shifts, large scale displacement, welfare cuts....

Homelessness and the global economy

Example UK:

- **Post-WWII**, homelessness increased significantly due to destruction of housing and lack of building materials and builders.
- In 1951, new housing minister **Harold Macmillan** pledged to build 300,000 new houses per year. This target was reached in 1953. Until 1980, **social housing stock was increased** to 4.4 million units
- Under Prime Minister **Margaret Thatcher**, social housing building was significantly slowed down due to the government's belief in **private property ownership as a moral good**. Thatcher's "right to buy" policy allowed social housing tenants to buy their homes at a cheap price as a way of privatizing them.
- There are now **1.2 million fewer social homes than in 1980**.
- As a result, many UK cities suffer a perpetual "**housing crisis**"

Homelessness and the global economy

- From the 1980s shifts in the financial system such as the abolition of the gold standard led to **cyclical financial crises** and economic instability
- **Neoliberalism**, the emerging political ideology of the time, saw the reason for this in too much state interference suppressing individual responsibility
- Neoliberals such as **Thatcher and Reagan** aimed to roll back the welfare state and “incentivise” people to build private wealth
- A key concept of this programme was ‘**asset based welfare**’ – social security through the individual accumulation of private property

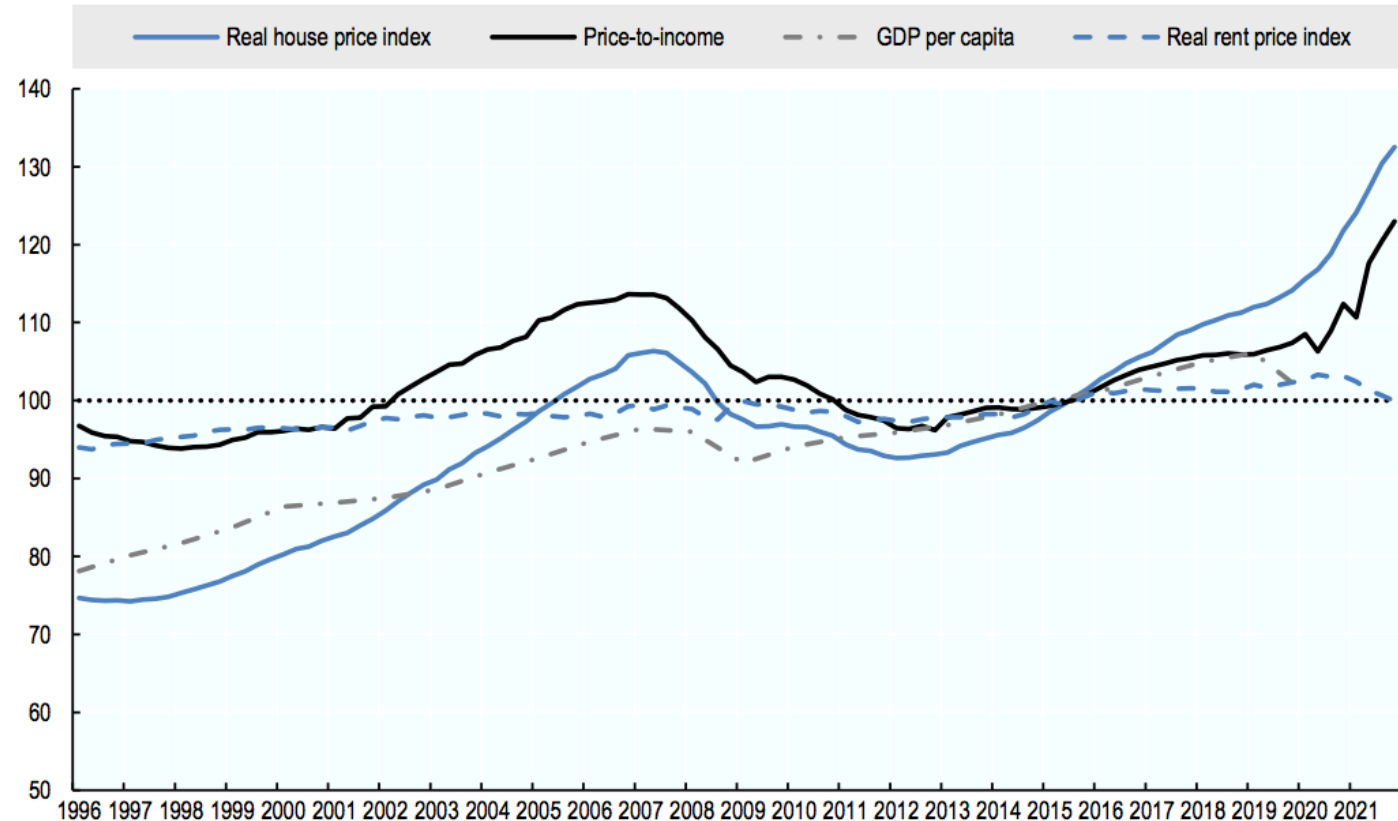
Homelessness and the global economy

- Housing is a key component of asset based welfare. Neoliberal policies therefore encourage **private home ownership as a means of provision for the future**
- Since few people can afford to buy property in cash, the rise of private home ownership came with a proliferation of **financial products such as mortgages**
- Mortgage debt can be further monetized by being turned into other **financial products** – these are what caused the 2008 financial crisis
- The development of a market in financial products is called **financialisation**

Homelessness and the global economy

In the past four decades, housing markets have become increasingly financialized – housing is now widely seen as an investment opportunity. As a result, house prices globally have steadily risen.

Real house price index, rent price index, price-to-income ratio and GDP per capita indexed to 2015



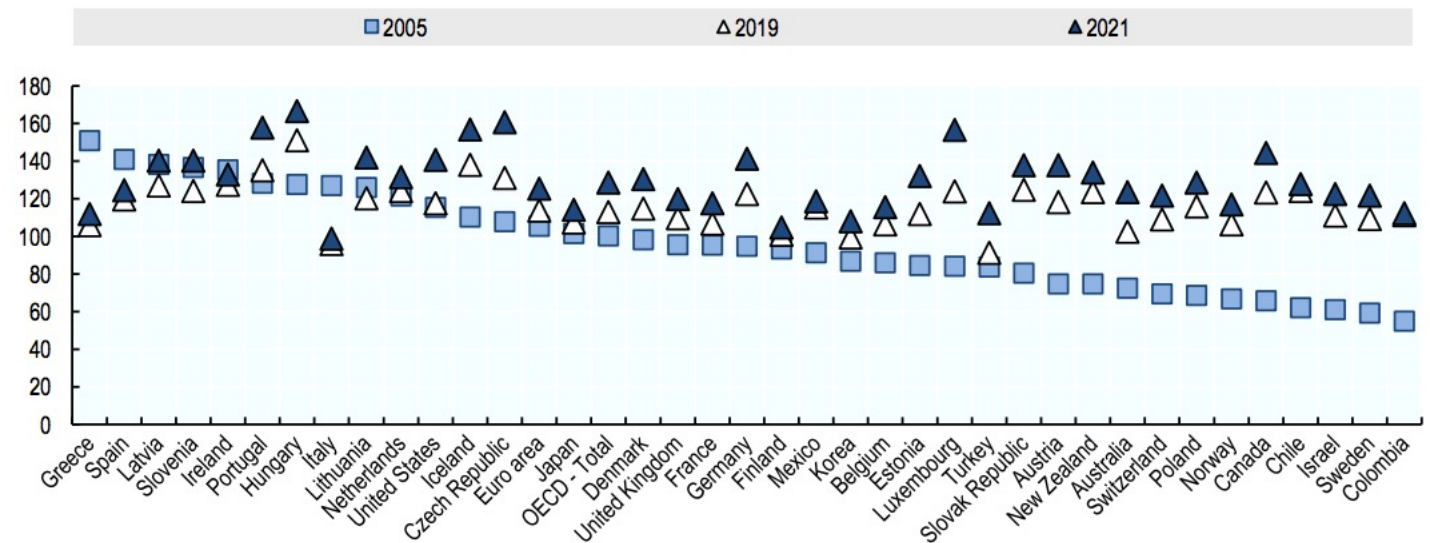
Note: Rent price index refers to OECD 34 countries and does not include Colombia, Estonia, Hungary and Slovenia for which data were not available over the entire period. OECD aggregate data for 2021 has been estimated based on 2020.

Source: OECD (2022a), OECD Analytical House Price Database.

Homelessness and the global economy

This graph from OECD shows that since 2005, house prices have risen steeply as investment capital has arrived in many countries that were previously relatively low price

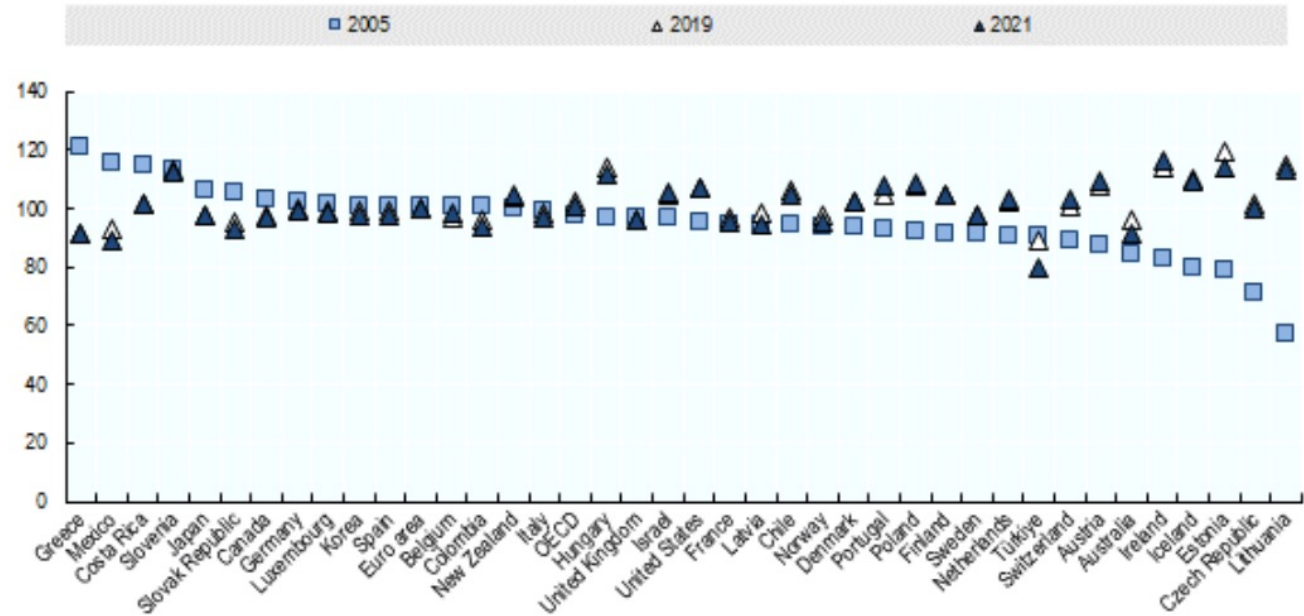
A. Real house price index, 2005, 2019 and 2021, 2015=100



Homelessness and the global economy

Rising house prices lead to less available housing stock and push people into private rental markets. The increasing demand drives up rents. Rising house prices therefore also mean fewer, less affordable rental properties

B. Real rent price index, 2005, 2019 and 2021, 2015=100



Homelessness and the global economy

The result is a global (urban) housing crisis.

- More than 1.8 billion people around the world do not have adequate housing
- An estimated 15 million people are forcibly evicted every year
- 150 million are homeless

(source: Urbanet)



From global to local

Example: Hong Kong

The monthly rent allowance from the Social Welfare Department is \$2515

the average cost of a bedspace in a 10.5 sq ft coffin home is \$2,500

The average waiting time for public rental housing is 5.6 years – for single males it is as much as 3-4 times longer.

In the private rental market there is a chronic shortage of affordable housing.

Unemployment reached a 15 year high in 2020 due to the pandemic, resulting in widespread job loss in Hong Kong and an increase in homelessness.

(source: <https://impacthk.org/>)



NBC

From global to local

Example: Berlin

Berlin rents increased 85% between 2007 and 2019,

80% of Berliners rent their homes

Unemployment rose by 10.6% in Berlin in 2020

The number of people who are homeless, including those in temporary accommodation, is over 30.000

In Jan 2020, the people of Berlin voted to expropriate commercial landlords.

Berlin's rent cap is illegal, Germany's highest court rules

Decision to overturn state law deals blow to campaigners' hopes of keeping city affordable



📷 The rent cap came into force in February last year, freezing rents for 1.5m flats. Photograph: David Gannon/AFP/Getty Images

Germany's highest court has ruled that a rent cap imposed by the Berlin state government is illegal, dealing a huge blow to those who have campaigned to keep the city affordable.

The Guardian

From global to local

Example: Edinburgh

Edinburgh is the least affordable city in Scotland

The average rent has increased by 42.3 per cent between 2010 and 2018

1/3rd of Scottish short term rentals are in Edinburgh. Platforms such as AirBnB have been increasingly blamed for a lack of affordable housing for locals.

In 2022, the Scottish Government introduced licensing for short-term-lets and is planning further restrictions.



The image is a screenshot of a BBC News article. At the top, there is a navigation bar with the BBC logo, a 'Sign in' button, and links for 'Home', 'News', 'Sport', 'Reel', 'Worklife', and 'Trav'. Below this is a red banner with the word 'NEWS' in white. Underneath the banner is a secondary navigation bar with links for 'Home', 'War in Ukraine', 'Coronavirus', 'Climate', 'Video', 'World', 'UK', 'Business', 'Tech', and 'Science'. Below that is a third navigation bar with links for 'Scotland', 'Scotland Politics', 'Scotland Business', 'Edinburgh, Fife & East', 'Glasgow & West', and 'Highlands & Islands'. The main headline of the article is 'Edinburgh's short-term lets control plan approved by ministers'. Below the headline is the date '1 August 2022' and a red share icon. The article features a large photograph of the Edinburgh skyline, including the prominent clock tower of St. Martin's Church. At the bottom left of the image, there is a URL: 'https://www.bbc.co.uk/news/world-asia-china-64300190'.

Thank you!