## Human Rights Official Models Global Leadership in World Housing Crisis

By Jackie Smith & Emily Cummins, University of Pittsburgh Forthcoming in *Shelterforce* 

Across the globe, millions of citizens lack access to adequate, affordable housing. The financialization of global housing markets and stagnant wages have fueled homelessness and displacement, and there is growing recognition that we're facing a global housing crisis. According to the United Nations, <u>nearly 1.8 billion people are without adequate shelter</u>. From the rapidly urbanizing cities of the global South to the former rust belt in the Midwestern United States, millions of people face housing insecurity and live in substandard housing.

In an effort to address this crisis, the <u>UN Special Rapporteur on the Right to Adequate Housing</u>, <u>Leilani Farha</u>, recently directed letters to governments and corporate leaders around the world, pointing out how prevailing policies violate international human rights obligations. Among those receiving rebukes in late March were, among others, the <u>United States</u> and the <u>Blackstone</u> <u>Investment Group L.P.</u> Farha, along with her predecessor, have consistently argued that <u>housing</u> is a human right, and that the commodification of housing violates international norms and law. With this move, she is stepping up the global struggle for housing rights and working to build the political will needed for a radical shift in housing policies.

In the letters to various state officials, Ms. Farha stated that many governments' policies and laws contradict international human rights obligations. She cites the following violations in her letter to the United States:

- Financial supports and tax breaks that encourage the institutional investment in housing undermine government's responsibility under international law to ensure access to adequate housing for the most vulnerable populations.
- Failure to encourage sub-national governments to enact legislation to ensure adequate supplies of affordable housing, such as rent control and policies linking housing prices with minimum wage regulations.
- Disproportionately impacting African American households and other minority groups, contrary to the U.S. government's obligations under the Convention on the Elimination of All Forms of Racial Discrimination (CERD).

Her letter goes on to conclude:

To address the issue of financialization and its impact on the enjoyment of the right to housing, your Government must develop policies and laws that include a full range of taxation, regulatory and planning measures in order to re-establish housing as a human right, promote an inclusive housing system, prevent speculation and limit the extraction of profits at the expense of tenants. *This will require a transformation of the relationship between your Government and the financial sector, whereby human rights implementation becomes the overriding goal.* (emphasis added)

What is remarkable about Farha's action is that it represents a prominent step by a high-level international official to name and shame some of the most powerful entities in the world. Her critique of the financialization of the housing sector and call for the subordination of the profit

motive to human rights norms challenges the basic logic of the global economy. Moreover, her focus on the corporations—including international firms engaged in real estate, land speculation, and banking—implicated in housing rights violations highlights an important lacuna in international law and calls for its remediation.

## Human Rights Versus Global Capital?

As Farha points out, global real estate markets account for \$217 trillion U.S. dollars, or twice the global GDP. Housing has become a key driver of global economic growth, and this has come at the expense of the world's most vulnerable. Moreover, despite its role in the 2008 financial crisis, the global real estate market is surging. Few governments are willing to take steps to hold these entities accountable to international norms and standards.

In Farha's 2018 report to the Human Rights Council, she unequivocally states that human rights implementation should be "*the overriding goal, not a subsidiary or neglected obligation*" of government policy. She proposed an international high-level meeting of national governments and other global actors to design a strategy for transforming the relationship of governments to global finance and strengthening regulatory bodies in order to achieve adequate housing for all by 2030. Her report specified the need for radical policy changes "to re-establish housing as a social good, promote an inclusive housing system and prevent speculation and excessive accumulation of wealth."

In other words, what we're seeing here is bold and clear global leadership to tackle head-on the global housing crisis and the related problem of corporate power. Farha and the Human Rights Council are calling on governments to subordinate business and trade law to human rights obligations. This echoes the demands of global justice activists at the Seattle World Trade Organization meeting, who came together to resist what they called "corporate globalization."

Local communities are increasingly hard pressed to provide for the basic needs of residents. At the same time, they are under unprecedented pressure from corporations to provide tax cuts and subsidies that will supposedly revitalize ailing and ageing urban areas. But growing evidence shows that this model for urban development doesn't work. New York's ousting of Amazon as well as <u>Berlin residents' demands for the expropriation of more than 200,000 privatized</u> apartments shows that the tide may be turning, as more communities organize to defend their communities.

Significantly, this UN initiative comes at a time when not only are local communities standing up to resist further displacement, but the world community is also advancing a new international treaty to <u>hold corporations accountable to international human rights law</u>. Even more surprising is that the idea of subjecting corporations to more rigorous regulation is also gaining attention in the U.S. Senate, with the <u>Accountable Capitalism Act</u> (S.3348).

But these global initiatives will be meaningless without work at the local level to help raise consciousness among local residents and public officials. It is up to human rights and housing

justice organizers to help make sure Farha's letter does not fall on deaf ears. While Trump administration officials are likely to dismiss the letter, we can make sure they hear about it from elsewhere. And local officials may be more swayed by the important argument that ultimately it is they who are legally responsible for carrying out international treaty obligations such as those spelled out in Farha's letter. Ms. Farha knows that without local pressure, she can do little to affect the practices of corporations and powerful governments. So she has helped launch the <u>#MaketheShift</u> campaign to engage social movements in this work. This global-local connection has long been missing from our attempts to shape a global order that works for more of the world's people.

In Pittsburgh, we're sharing Farha's letter with our local officials and with relevant private entities to make sure they know their international legal obligations regarding the human right to housing, and through the US <u>Human Rights Cities Alliance</u>, we're promoting similar actions in other cities and communities. As Frederick Douglass said, "Power and those in control concede nothing...without a demand." Armed with this demand from UN officials, local advocates may find some new opportunities to claim their rights and be heard.

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