

Solving the housing crisis: opening up private housing to the social sector

An interview with Jean-Pierre Lévy, by Lise Bourdeau-Lepage and Nadine Roudil

Jean-Pierre Lévy has devoted much of his work to the issue of poor housing conditions. Here, for Metropolitiques, he discusses the causes of a crisis that, in his view, is essentially qualitative in nature, and proposes a solution to this crisis, whereby the social status of housing is defined according to who occupies it rather than where it is built.

What are the main differences between the way housing issues were addressed in the 1970s and the way they are addressed today?

Housing issues were approached very differently in the 1970s compared to today, as the emphasis then was placed on the need to build reserves of accommodation in the aftermath of the post-war housing crisis; homes were being mass-produced. Consequently, the question of supply and demand flows was not on the agenda, quite simply because demand was absorbed by housing production. It started to emerge as an issue when it became apparent that families were settling in social housing, with very little or no movement of tenants. At this point, social housing lists began to grow, while home-building rates were no longer sufficient to absorb the increase in demand; and so a gap began to appear between demand and supply. The second major change that sets the two periods apart is the “appearance” of homeless people. Until the 2000s, no formal distinction was made in France between poorly housed people and homeless people. A lot of work was necessary to show that these were not the same thing.

You defend the idea that there is not a quantitative housing crisis in France today, but rather a qualitative crisis, with some 3 million poorly housed people and 100,000 people with no housing at all. Could you explain the reasoning behind this?

With 350,000 to 400,000 new homes being built annually at the moment, one cannot really claim there is a quantitative housing crisis in France, as the overall housing stock continues to grow by around 1% per year. However, there is definitely a crisis of sorts, as all categories of the population are having difficulty finding housing in the rental sector. This crisis stems from the fact that three quarters of the growth in housing stock is absorbed by first-time homeowners, while the remaining quarter is essentially in the social housing sector. Given that 45% of tenants in France are accommodated in social housing, this means 55% of tenants are potentially faced with housing problems; and if these tenants are poorly housed, there is no way for them to change their accommodation, as no alternative housing is available. Added to this is the fact that landlords in France are extremely demanding (even in the social sector) in terms of deposits and guarantees. The current housing issue is therefore linked to the rental sector and affects not just those who are poorly housed, but also anyone who wishes to find accommodation but does not wish to buy property. It should be mentioned that, in France, home-ownership is strongly incentivised.

So you believe that there is not a housing crisis *per se*, but rather a crisis in the rental sector, in particular because every part of this sector – and of society at large – is affected. Could you tell us more about your proposals to resolve this qualitative crisis?

The first thing that must be said is that we all consider the current housing policy in France to have been a failure. It is therefore necessary to make changes, which is why we are proposing a new approach.

We know that there are between 1.5 million and 2 million poorly accommodated households in France, and around 100,000 homeless people. We also know that the rate at which social housing is being built is too low to resolve the problem in quantitative terms, especially as the number of poor households continues to grow at the same rate year on year. However, every year, there are 2 million dwellings that become vacant, and 40,000 social housing units that come on to the market. What I propose is quite simple: instead of relying essentially on these 40,000 new social housing units, we should use the 2 million homes that are freed up each year. We just need to find a way of mobilising these 2 million dwellings in a socially and spatially equitable manner, and of enabling the poorest to access the whole of the rental sector, instead of being limited to social housing. I believe we simply need to establish a new “contract of confidence” between landlords and tenants; and to achieve this, I propose that the state should intervene in the system.

The proposal put forward by myself and others is simple. It involves setting up a system where, when disadvantaged households request rented accommodation, (1) these households take priority; (2) the state pays the rent directly to the landlord, who therefore does not have to worry about unpaid rent; and (3) tenants pay their rent (minus any housing benefits to which they are entitled) to the state. In this system, the official landlord would thus be the state, which would establish a tenancy agreement with the household in question. This proposal changes everything, as social housing would therefore be determined not by the way in which the dwelling was built and funded, but instead by the mode of occupancy. Accordingly, any dwelling could become a social housing unit (either temporarily or permanently), as it is the tenant’s situation that determines its status as a social housing. Occupancy status would therefore be defined by the occupant and not the dwelling.

One of the advantages of your proposal appears to be tenants’ ability to move home more easily and be more flexible with regard to the employment market.

It is clear that, under this system, it would be easier for tenants to leave their current dwelling should the need arise (because of a new job or a growing family, for example), thus enabling and sustaining mobility within the rental sector. And, obviously, it would be easier for tenants to accept jobs that are far away from their current place of residence and thus enjoy greater job mobility. In this way, they would be a little less restricted by their residential choices.

But wouldn’t this be a very costly system for the state?

With Yankel Fijalkow, we have done the calculations. If we take the figure of 3 million poorly housed individuals, i.e. around 1.5 million households, and apply the average housing benefit (currently €3,000) to these households (assuming that none of them had received zero benefits in the past), it would cost the state between 40% and 50% of the amount it currently pays out in the form of property investment incentives (including measures to encourage first-time homeownership).

What powers would landlords have under this new system?

Relatively basic powers: a landlord would be free to choose between several priority households; however, in cases where there is a priority household and a non-priority household, the landlord would have to take the priority household and would receive the rent directly from state.

But do you think landlords would be willing to put up their properties for rent in this way?

This is indeed a real issue. With the guaranteed rent, it would be in landlords' interest to make their properties available for rent, and it would also, to a certain extent, help to reduce social discrimination in access to housing. Furthermore, it would be an opportunity for the state to modify the system of tax on capital gains and make renting more profitable than selling. However, it's true that there will always be landlords who are wary of these kinds of measures and will not want to rent out their property. The key aim of my proposal is to break down the boundaries between the social and non-social sectors by defining housing according to the type of household that occupies it, and no longer according to the way it was built and funded. The system needs to be made more flexible.

Jean-Pierre Lévy is a geographer, CNRS research director and director of LAVUE (Laboratory for Architecture, the City, Urbanism and the Environment; UMR 7218). Much of his research has been dedicated to issues of housing, urban settlement, and socio-spatial practices in urban spaces. His most recent work concerns the question of how to model housing supply on transformations in overall occupation levels of existing housing stocks, and the issue of domestic energy consumption. In 2010, he wrote *Écologies urbaines* (edited jointly with Olivier Coutard; published by Anthropos) and *Élire domicile. La construction sociale des choix résidentiels* (edited jointly with Jean-Yves Authier and Catherine Bonvalet; published by Presses Universitaires de Lyon).

Further reading:

Jean-Pierre Lévy has jointly published a number of opinion pieces and articles (in French) that consider the issues addressed in this interview in greater detail:

- with Marie-Hélène Bacqué: “[Se loger, point barre](#)”, *Libération*, 7 February 2007; “[Pour un droit à l’existence des quartiers populaires](#)”, *L’Autre Campagne*, 2007; “[Refonder le système national du logement](#)”, *Mouvements*, March 2007;
- with Yankel Fijalkow: “Les Politiques du logement” in O. Borraz and V. Guiraudon, *Politiques publiques 2. Changer la société*, Paris: Presses de Sciences Po, 2010; “[Une autre politique du logement est-elle possible ?](#)”, *LeMonde.fr*, 1 April 2012; “Les Politiques du logement face à une double contrainte : traitement social ou régulation par l’offre ?”, *Pouvoirs locaux*, no. 94, 2012.

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