

## ***Do Liberals Oppose Affordable Housing?***

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I'm a little behind on my reading, so you'll have to forgive that the paper I'm about to talk about has been out for over a year. We tend to associate the push for more affordable housing, whether it is direct subsidies like the Section 8 Voucher program or lending requirements like the Community Reinvestment Act, with those more of the liberal persuasion.

An empirical [analysis](#), published in the peer-reviewed *Journal of Urban Economics*, by UCLA economist Matthew Kahn (believe me, no conservative or libertarian is he), finds that:

*across California metropolitan areas from 2000 to 2008...liberal cities grant fewer new housing permits than observationally similar cities located within the same metropolitan area. Cities experiencing a growth in their liberal voter share have a lower new housing permit growth rate.*

Yes the analysis controls for income, so this isn't just a NIMBY effect, but does seem to be the result of either ideology or political preferences. So it appears that while liberals push for more federal housing subsidies, they fight against more housing, and hence less affordable housing, at the local level. Now you might suspect that the hope is that one off-sets the other.

I wouldn't be surprised to believe the citizens of, say, San Francisco want the rest of us to subsidize their lifestyle and also believe more federal subsidies can take care of affordable housing needs. But the unfortunate truth is that the two, increased federal subsidies and local supply restrictions, end up driving up housing prices, contributing to housing bubbles and ultimately do little to provide affordable housing. The reason is that increased demand, which is what most federal housing subsidies do, simply drives up price in the presence of inelastic supply.

If liberals truly cared about the poor and needy, they'd deregulate their local housing market and actually allow for the provision of affordable housing.