AC – Ben Carson is God

We Affirm

Our Sole Contention is the Housing Crisis

Subpoint A is the Housing Scarcity

America is experiencing a housing crisis, but not because of greedy corporate landlords out to make a quick buck – Prices are up because there aren't enough houses to go around

Daniel **Malloy**, Ozy, "America Has a Stunning Housing Shortage — Here's Why | Acumen | OZY", July 25, 20**17**, https://www.ozy.com/acumen/america-has-a-stunning-housing-shortage-heres-why/79485

Maybe you've felt the nation's housing squeeze in a rising rent check, an eye-popping property tax bill or a bidding war for your dream home. The problem lies, in part, with Economics 101. NEW HOUSING SUPPLY FELL 330,000 UNITS SHORT OF NEW DEMAND LAST YEAR. The analysis from the Urban Institute, a think tank, paints a grim picture for those struggling with high housing costs. It's partially an overcorrection from when the housing bubble burst in 2008. Then, the furious pace of building juiced by easy credit outpaced demand, putting a damper on prices. But the housing comeback has fully flowered: The market as a whole has surpassed precrash levels, according to a recent gold standard Harvard University study. But building hasn't kept up. The problem is at least getting better: **For 2015**, Urban Institute's calculation of **the demand-supply gap was 460,000. That number is reached by taking data on new home construction** (1.14 million units in 2016) **and then subtracting the number of homes going out of commission as they become obsolete** for various reasons — converting into commercial space, falling into disrepair, etc. The number is then compared with the estimated number of newly formed households based on census data. And Laurie Goodman, co-director of the Urban Institute's Housing Finance Policy Center, tells OZY her calculations could undersell the problem. She assumes .31 percent of the housing stock becomes obsolete each year. That adds up to a 300-year life span for a house — a figure that's probably too generous. The real number is higher, she suspects, particularly considering the lack of available credit for homeowners to remodel. "**The housing stock is aging really, really rapidly**," Goodman says. THERE ARE PLENTY OF WINNERS HERE, SUCH AS HOMEOWNERS WHO HUNG ON THROUGH THE CRASH OR BOUGHT LOW. So why aren't builders keeping up? A May report by the National Association of Homebuilders found that **home prices are 50 percent higher than the "normal" level**, while single-family home building permits are 47 percent lower. "Single-family permits have inched up slowly as builders continue to face supply-side headwinds such as ongoing price hikes in building materials, a lack of buildable lots and labor shortages," NAHB chief economist Robert Dietz said in a statement. Of course, there is no national housing market, and the picture is different in pricey San Francisco or Washington, D.C., than in Las Vegas (still reeling from the popped bubble) or Detroit (what bubble?). But one theme across the country is that new home construction is clustered at the high end of the market, and the stock of affordable housing is frighteningly low. The National Low Income Housing Coalition found that for every 100 renters at the poverty level, just 35 had available housing they could afford. There are plenty of winners here, such as homeowners who hung on through the crash or bought low. Overall, according to the Harvard study, rental vacancy rates are at 6.9 percent — the lowest in 30-plus years. While good for landlords, the resulting higher rents mean more than 11 million renters now spend at least half their incomes on housing. That can lead to uncomfortable arrangements: **In 2015, a whopping 35.6 percent of 18- to 34-year-olds lived with their parents or grandparents, the highest figure ever recorded by the census' American Community Survey. Without a pickup in home construction, the mom's basement conundrum will carry on.**

AND - The reason housing is so expensive is because we simply aren't producing enough of it, especially in the urban areas that need it – California proves

Scott **Wiener** (CA State Senator), Art+Marketing, "Market-Rate Housing isn't a bad word, and we would never solve the housing crisis without it", April 16, 20**17**, https://artplusmarketing.com/market-rate-housing-isnt-a-bad-word-and-we-won-t-solve-the-housing-crisis-without-it-ce67c06aff4d //THS

On a pretty regular basis, someone makes the following statement to me: "We have a housing crisis and we definitely need more housing. But it has to be affordable housing." Some people will also add on something about how letting developers build housing is a "giveaway" to them, as if no one will live in those housing units. These attitudes breed skepticism — and even hostility — in political leaders and advocacy organizations toward market-rate housing, and drive support for **housing policy** that **focuses either exclusively or largely on publicly subsidized**, income-based **affordable housing**. **The problem is** that as much as I and others support and work to expand subsidized, income-based affordable housing, **we will never** — and I truly mean never — **produce enough of that housing to satisfy** all, or even most, of **our housing needs**. These subsidized units clearly play a critical role, particularly for our lowest income residents, and we need many more of them. But, absent a housing Marshall Plan by the federal government (not gonna happen in our lifetime), **we simply do not and will not have the massive resources we would need to shift to a dominant public-subsidy-based housing approach. Which means**: In addition to expanding the supply of subsidized income-based affordable units, **we must increase the overall supply of housing, and that means** — you guessed it — **market-rate housing**. Some describe all **new market-rate housing** as "luxury housing," because **i**t'**s expensive**. Well, of course it's expensive, **since for decades we haven't built enough of it**. According to **California**'s Legislative Analyst, the state **needs to produce about 180,000 units of housing a year to keep up with growth. In practice, we produce less than half that number**. And, let's be real. **While the new apartment or condo project down the street is expensive, so is the 75-year-old house or apartment you're trying to buy or rent. It's all expensive**, and that's not because it's "luxury." It's **because it's scarce.**

Subpoint B is Bad Policies

Bloated housing prices are caused by government intervention

Chuck **DeVore** (Texas Public Policy Foundation VP and former California legislator), Forbes, "Government Regulations Boost Housing Costs And Poverty", June 19, 20**15**, https://www.forbes.com/sites/chuckdevore/2015/06/19/government-regulations-boost-housing-costs-and-poverty/#36e7f2f311d1

Inflated costs for homes, offices, and factories **driven by government regulations hurt the middle class and the working poor the most**. High prices for shelter rob families of discretionary income, **shrink the rest of the economy, and drive up poverty. There is a pattern to housing costs: states with heavier regulatory burdens tend to have higher housing costs than do states with lighter regulations**. The Fraser Institute's annual Economic Freedom of North America study ranks states for their economic freedom. Fraser's report details taxation, spending, and regulatory burdens, among others, with the data showing a strong correlation between housing prices and heavy regulation in a state. Ironically, high housing costs caused by layers of government rules that make it difficult for developers to respond to market demand lead to, you guessed it, calls for more government rules—and so on in a vicious circle. California's response to high housing costs mirrors the federal response and is typical of the hyperstate model: more rules and more subsidies to address the lack of housing supply caused by the rules in the first place. But government rules and subsidies can only provide a tiny fraction of the demand for affordable housing with governments across America holding lotteries to select those lucky enough to live in below market rate housing. If California epitomizes the hyperstate model, Texas' embrace of freedom is the antipode. Housing costs more than twice the national average in California, the third-highest in the nation. But the average cost for shelter in Texas was 86 percent of the national average in the first quarter of this year. Houston, America's fourth-largest city, and, by some measures, the nation's most diverse city, doesn't even use zoning. The vastly different approaches to land use regulations in the two biggest states where one in five Americans call home greatly affect the poverty rates. The traditional official poverty measure is unaffected by housing costs—in fact, the nation's official poverty gauge ignores the reality of the cost of living and sets the poverty threshold at the same level in the 48 contiguous states, treating San Francisco (average rent: $3,803) the same as Houston (average rent: $1,752). This is ridiculous, of course, but, it's government. **The U.S. Census Bureau's new Supplemental Poverty Measure takes housing costs into account**, as well as a wider array of government benefits, costs and taxes. Under this more comprehensive measure, **California has the nation's highest poverty rate, 23.4 percent, giving urgent meaning to the phrase "house poor." Texas, meanwhile, had a poverty rate of 15.9 percent, matching the national rate.**

AND - This same intervention also triggers a decline in investment, which contributes to high costs

Terry **Miller** (Ambassador Terry Miller focuses on research into how free markets and international trade foster economic growth around the world.), Heritage Foundation, "Government Intervention: A Threat to Economic Recovery", June 10, 20**09**, https://www.heritage.org/testimony/government-intervention-threat-economic-recovery

The record of government interference in the economy, whether **in the United States** or in countries around the world, **is not pretty. The TARP and TALFprograms**, both initiated under the previous administration, **are good examples of the problems of government interference in markets**. The policy-makers involved argued that the programs were necessary to avoid an immediate melt-down in financial markets. We cannot, of course, know what would have happened in the programs' absence. However, from the perspective of six months following their passage, we can see that their lasting result has been not the hoped-for increase in stability and lending in credit markets, but rather greater uncertainty and volatility. Markets need sure and stable government laws and policies in order to properly price assets. T**he TARP**, in particular, has created confusion and **interfered with the establishment of a market-clearing price for the troubled assets in question. There has been a disappointing lack of transparency in the program's decision-making processes that leaves potential investors uncertain of the direction of the market and therefore unwilling to invest**. The TARP may have artificially inflated the value of the troubled assets, but it has done little to get them off the books of the financial institutions. The fiscal stimulus package passed under the current administration is even worse. Even if one accepts the Keynesian notion that increased government spending can increase economic growth, and there are real doubts about this, almost none of the money has actually been spent, or will be spent, in a timely fashion. One estimate this month is that only about $37 billion of the $787 billion stimulus package has been spent so far. Most of the money is projected to be spent in the future when government stimulus will no longer be appropriate and will most likely only contribute to inflationary pressure. The cost of these programs is creating a huge debt for our children that will have to be financed somehow. If we continue them, we are going to see either inflation or increased taxes or both, as well as a fall in the value of the dollar and decreased foreign investment in the United States, lower productivity overall, and reduced economic growth in the future. That is far from doing no harm. Between January and April this year, the International Monetary Fund reduced its projection of U.S. economic growth in 2010 from a positive 1.6 percent to zero. The most significant U.S. public policy change during this period was the passage of the stimulus package. Now we are seeing bond markets driving up the cost of Treasury borrowing in response to unprecedented government spending. This is a path to impoverishment rather than recovery. We need to stop.

AND - These interventions and strict zoning laws affect urban areas more – What better way to promote the development of market-rate housing is there than deregulation?

Ryan **McMaken** (Senior editor at the Mises Institute), Mises Institute, "Governments Have Destroyed Housing Affordability in Many Places — But Some Refuges Remain | Mises Wire", 08/10/20**18**, https://mises.org/wire/governments-have-destroyed-housing-affordability-many-places-%E2%80%94-some-refuges-remain

From crime rates to life expectancy to income levels, statistics at the national level are next to useless when it comes to measuring the daily lives of ordinary people in the United States. **This is because the**

United States — which is a huge and geographically diverse country — **is simply too large to be summed up in a single number**. This sort of generalizing is inappropriate for pretty much any place that's larger than a single metro area, but it's especially bad when applied to a place like the United States. Even the larger European countries are much smaller, more compact, and less diverse than than US. **The importance of looking at things on a more local level is** perhaps **most important when looking at issues of homes and home prices**. After all, even people who have never studied housing know that housing tends to be highly dependent on local issues, such as climate, local amenities, and access to employment. Many people already know that a four bedroom house in a nice Cleveland suburb is dirt cheap compared to a house of the same size in, say, San Diego, California. So, **it shouldn't be** terribly **surprising to find that in many parts of the United States, buying a home continues to be quite affordable** by historical standards. This fact has started to attract some attention in recent years. In her column titled "Opting Out of Coastal Madness to Live a Low-Overhead Life," Anne Trubek discusses how its possible to live comfortably on $40,000. But here's the rub. To do this, one has to live in an un-sexy midwestern city — albeit in a neighborhood with tree-lined streets and solid, four-bedroom houses. Statistical data seems to bear this out as well. In June, the Brookings Institution released a new study showing that **housing affordability varies greatly from** coastal **cities** to the American interior. And by coastal, they mean "ocean coast." Living near the coastline of the Great Lakes, apparently brings with it even more affordability: he basic premise of the research is to analyze affordability based on the fact that "U.S. median house prices have been roughly 2.5 to 4 times median income. "Comparing current home prices to incomes in each area, the report concludes: Metropolitan areas with low price-income ratios are located in very different parts of the country from high-priced metropolitan areas (Figure 5). The lowest ratio metros are mostly located in the Midwest, especially clustered around the Great Lakes, and scattered across Texas. The metros with the highest ratios are primarily along the Pacific and Northeast Atlantic coasts. South Florida, Colorado, and several smaller metros along the Southeast coast also rank among the most expensive areas. Across the U.S., most states have more metro areas with price-income ratios in the normal range (2.4-4.3) than metros with outlying values. Comparing against incomes, of course, is important. It's surely easy to find places where home prices are at rock-bottom levels — in places with depressed economies. In this case, however, we'll be looking at incomes in relation to housing prices, and it is not at all a given that places with good job markets must also have unaffordable housing. Texas, for example, has for years had a substantial amount of employment growth. Yet according to the Brookings report, the state has numerous metro areas with "low" and "very low" price-income ratios on housing. The focus here is on middle-income families, and on for-purchase housing. Low-income households and renters face a different set of challenges, but **even middle-income households may daily be told through the media that housing in the United States is quickly becoming unaffordable. Except those articles and news clips tend to focus on housing in places like Seattle, or along the California coast**. And there's no arguing with the assertion that places like that are "unaffordable" for many middle-income people. And as the Brooking article notes, and as I've noted, **the lack of affordability in places like California can often be blamed on state and local government measures designed to limit the construction and diversification of housing. Zoning laws and other regulatory barriers to new housing production have decimated housing affordability of housing in many coastal cities. Cities like San Francisco and Seattle have essentially become playgrounds for the wealthy in which existing homeowners fight tooth and nail any attempt to allow sizable amounts of new housing construction. They do this, they tell us, to preserve "the character of the neighborhood." But what they're really doing is using government regulations to drive up the prices on their own real estate, while driving lower-income people further and further out into the periphery**. Oh sure, these Progressive guardians of the local "quality of life" might allow a handful of subsidized housing units to be built. After all, somebody has to make your cappuccino or do your dry cleaning. But the overall effect is to ensure few people can afford to move in. his issue, however, is far less prominent in the un-stylish cities of the interior where city officials still welcome new construction and new housing — and where there's a greater abundance of less-expensive land.

Subpoint C Targeted Deregulation

Deregulation has been a stated priority of the current administration

Terry **Jones**, Investors Business Daily, "Deregulation Nation: President Trump Cuts Regulations At Record Rate", 8/14/20**18**, https://www.investors.com/politics/commentary/deregulation-nation-president-trump-cuts-regulations-at-record-rate/

Cutting Rules: Baseball season is winding down and, as it does, so is another grueling annual event: The U.S. government's fiscal year. But this year, with just two months to go, something remarkable is happening: **Regulations are being slashed at a record rate**. A new report by the American Action Forum (AAF) says that not only is President Trump meeting his deregulation goals, he's exceeding them — in some cases, by a large amount. "**Collectively**, executive **agencies subject to regulatory budget remain on pace to double the administration's overall saving goal**," wrote the AAF's Dan Bosch. "On an individual basis, 12 of 22 agencies have already met or surpassed their savings target." "The Department of Labor enjoys the largest total savings of covered agencies with $417.2 million," Bosch wrote. "The Department of Health and Human Services comes in second in savings ... at $285.6 million. The Department of Transportation ranks third in annualized savings, followed by the Department of Justice." All told, **the government aimed for savings of about $686.6 million from deregulation so far this year**. Right now, the government has saved some $1.308 billion from 47 separate deregulation actions. This might not sound like much, given the government's immense size. But it is. Because **the economic impact is much larger than the mere dollar amount in regulations cut.**

AND - In addition to general deregulation, Ben Carson has made housing deregulation a priority

Sandy **Fitzgerald**, Newsmax, "Carson: HUD Rolling Back 'Onerous' Rules That Hinder Affordable Housing | Newsmax.com", 17 August 20**18**, https://www.newsmax.com/politics/ben-carson-affordable-housing-deregulation/2018/08/17/id/877565/

"Onerous" rules that multiplied during the Obama administration make it difficult to provide affordable housing for those who need it, but work is being done to roll them back, Housing and Urban Development Secretary Ben Carson said Friday. "The Affirmative Fair Housing rule is part of the Fair Housing Act of 1968, and a few sentences that simply say that if you're receiving federal money, you have an obligation to attempt to further fair housing," Carson told Fox Business' Stuart Varney. "The previous administration had taken those few sentences and multiplied them into hundreds of pages of onerous regulations." As a result, **housing authorities were complaining that the process was far too complex**, said Carson. "**Why is there lack of affordable housing?" asked Carson. "Because we have the restrictive zoning regulations based on archaic thinking. The National Multi Housing Council has said that over 30 percent of the cost of multifamily housing is regulations**. **So if we now encourage** the **municipalities** that are receiving HUD funding **to actually tackle those zoning and regulatory barriers, then we can** actually **create fair housing**." In addition, HUD finally has a chief financial officer, Irv Dennis, after going for over eight years without such an official, said Carson. "He came from Ernst & Young," said Carson. "He looked at our books and said we would have never taken you on as a client. He's got us now and is making the regulatory changes to run this thing like a business and not a bureaucracy."

Impacts

The impacts are threefold

The number of Americans threatened by unaffordable housing is rising

Kathryn **Vasel**, CNN Money, "Nearly half of all renters can't afford their monthly payments", December 9, 20**15**, https://money.cnn.com/2015/12/09/real_estate/renters-cant-afford-rent/index.html

Nearly **half of renters in the U.S. are struggling to afford their** monthly **payments**. Experts generally recommend keeping your housing costs around 30% of your monthly income. But **the number of** "**cost-burdened**" **tenants** -- those who spend more than 30% of their income on rent -- **rose to 21.3 million people last year**, according to Harvard's Joint Center for Housing Studies. **Of those, more than 26% are** "**severely cost burdened**" **and spend more than half of their income to cover rent.**

AND - Unaffordable housing leads to a chain of catastrophic events

Terry **Gross**, NPR, "First-Ever Evictions Database Shows: 'We're In the Middle Of A Housing Crisis' : NPR", April 12, 20**18**, https://www.npr.org/2018/04/12/601783346/first-ever-evictions-database-shows-were-in-the-middle-of-a-housing-crisis

For many poor families in America, eviction is a real and ongoing threat. Sociologist Matthew Desmond estimates that **2.3 million evictions were filed in the U.S. in 2016** — a rate of four every minute. "**Eviction is**n't just a condition of poverty; it's **a cause of poverty**," Desmond says. "Eviction is a direct cause of **homelessness**, but it also is a cause of **residential instability**, **school instability** [**and**] **community instability.**"

This cycle of disenfranchisement affects millions every year. By producing more housing, we solve for this cycle of disenfranchisement and help bring the American dream into reach for everyone.

Second is the construction industry.

(Kalen **Smith**, is an economic and business writer working with Cabs Rops, 12-18-20**17**, "How Does A Housing Market Collapse Affect The Construction Industry?", 732 Social, http://www.732social.com/how-does-a-housing-market-collapse-affect-the-construction-industry/, accessed 7-11-2018) ml

The collapse of the housing market sent riptides through the U.S. economy, but the construction industry was probably hit the hardest. The construction industry has spent the last four years hoping the housing market would experience a recovery. The market is finally showing signs of life; this could help contractors in a number of significant ways. Creates Jobs Across the Board (And Stimulating the Economy) The collapse of the housing market displaced millions of jobs throughout the entire economy. This created a vicious cycle, making it much more difficult for the housing market to recover. The unemployment rate among citizens in their twenties and thirties is one of the biggest concerns to the housing market. They are the consumers who would traditionally purchase new homes. Instead of buying their own abode, they are either renting or living with their parents. America's youth are having the toughest time in this economy. The proportion of younger Americans who are currently working is the lowest since 1948. According to Brad Hunter, the chief economist with Metrostudy, **every job created in the housing market would lead to several more jobs somewhere else**. A housing market recovery **would help millions of people get back to work, which would increase the demand for new houses further.** Financing Opportunities The financial crisis has made banks nervous. During the aftermath of the global financial crisis, they were stuck with a number of risky loans and derivatives. They were forced to cut lending dramatically to curb any possible risks. Many banks have cut lending by 7 percent or more. The distressed construction industry has had an even more difficult time getting financing. A report from Andrews Hooper Pavlik PLC stated that it was nearly impossible for construction companies to get financing after the collapse of the housing bubble. Unless a contractor could show an impeccable record for making good estimates and keeping costs down, it would have a hard time securing financing. However, financial institutions seem more open to lending to construction companies on signs that the market may be finally turning the corner. According to a report from the Equipment Leasing and Finance Association, demand for financing in the equipment finance sector reached $8 billion in June. That was a nearly 30 percent increase from May. Signs of a serious housing market recovery will likely make banks more open to lending to firms in the construction industry over time. Increases Government Infrastructure Needs **The housing market is closely tied with** government **infrastructure spending**. State and municipal governments are heavily dependent on property taxes to finance their projects. When the housing market collapsed, revenues for local governments fell 17 percent, from 2008 to 2010. Decreased revenues have forced governments to reduce spending considerably. Although they have been able to use federal stimulus money to build new roads, bridges and other infrastructures, they have had to scale back on these projects. **An improved housing market would** help local governments spend more money, which would thus **help the construction industry.**

The industry, still reeling from the Great Recession, would see massive boosts with the possibility of millions of jobs being created, all from promoting market-rate housing development.

Third and finally is the looming recession

Micheal **Hobbes**, Huffington Post, "America's Housing Crisis Is A Ticking Time Bomb | HuffPost", June 19, 20**18**, https://www.huffingtonpost.com/entry/housing-crisis-inequality-harvard-report_us_5b27c1f1e4b056b2263c621e

The housing crisis is the ticking time bomb at the heart of the American economy, wiping out savings, increasing inequality and reducing the ability of workers to weather the next recession. It has been in front of us all along, but now, finally, it is impossible to ignore.

A recession will create a chain of impacts. Stabilizing the housing market is key to giving Americans the ability to weather a recession. For reference, the 2008 recession cost about 8.7 million jobs and pushed 1 in every 7 Americans below the poverty line.