

San Francisco's Self-Defeating Housing Activists

Tech companies and workers are vilified while longtime homeowners who fight high-density growth continue to profit from rising rents and property values.



Noah Berger / Reuters

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A recent *This American Life* episode, “[Poetry of Propaganda](#),” describes a San Francisco after-school program’s production of an original musical starring young children. “I don’t know what I expected,” said the writer Jon Mooallem, whose daughter played a tiny part, “but it wasn’t this. Act One

opened on a sinister tech-executive meeting with a corrupt mayor and San Francisco's board of supervisors.”

His daughter was a 6-year-old kindergartner at the time.

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The ensuing plot featured a cartoonishly evil technology company that conspired to oust salt-of-the-earth tenants from a multicultural group house to satisfy naked greed.

It was a commentary on gentrification in the city.

“The eviction song killed. Everything killed, which was strange, given something I haven't mentioned til now. Maybe half the parents in the auditorium worked in tech,” Mooallem wrote. “And now they were watching their own children spear them as cartoon villains, literally cackling and throwing money over flutes of champagne, as they plotted the eviction of all those nice people. No one in the audience booed, of course, or huffed or stamped out. We were watching our kids perform. But I can't imagine what it must have been like to keep smiling along as you suddenly realized that for weeks after school, your own son or daughter had been rehearsing songs that mocked both you and the job you were off working, which is why you'd been forced to entrust your kids to the after-school program in the first place.”

The rest of his *This American Life* story is a thoughtful meditation on political art, propaganda, having children perform it, and the reactions of parents implicated in its message—particularly Mooallem's own reaction as someone whose greatest source of anxiety for a couple of years was the financial strain of remaining in that city, in part because those parents in tech really had

helped to bid up local prices.

You can listen to the whole piece [here](#).

My instinct is against propagandistic art, whether judged as aesthetics or pedagogy. But even if there were nothing objectionable about indoctrinating 6-year-olds, the musical would have fallen short in the same way that San Francisco as a whole has in grappling with the most significant reason for its affordability crisis: the widespread opposition of its left-leaning residents to *lots more new building*.

That isn't the lone factor driving up rents. And almost no one responsible is a cartoonish villain. But if the musical's director aim was to present oversimplified truths for the sake of social justice, the main antagonists shouldn't have been evil politicians and tech executives—it should have been property owners gleefully watching the value of their biggest assets skyrocket as they aggressively blocked high-density development. Their success has caused much misery.

The homeowners see themselves as upright “preservationists,” protecting the character of their city even as they turn it into a time-capsule for the old and rich. In my propaganda play, they'd be sympathetic with the plight of the working class, but wouldn't value them nearly as much as living amidst refurbished Victorians. They'd prevail by tricking economically illiterate activists into allying with them after sneakily tearing the supply-and-demand chapters from their econ textbooks.

Of course, a plot of that sort would *never* be produced at a San Francisco after-school program, though it *would* be as earnestly aimed at making housing more affordable. Only progressive-inflected propaganda is able to pass itself off as art in Blue America. “We do not attempt to answer questions with our art,” the director of the children's musical declared, “but rather to

ask questions.” Yet I suspect my made-up plot would do more to provoke and challenge audiences in leftist enclaves than another narrative casting willfully evil corporations as stock villains.

Don’t get me wrong. Corporations do lots of evil things!

But on this issue, the main thing that tech companies have done to fuel rising rents is to create lots of high-paying jobs, employing members of a generation who are more likely than their parents to prefer cities to suburbia. And techies are not against building affordable units. In fact, cheaper housing in the Bay Area *aligns with their interests*.

As Gabriel Metcalf [put it](#) in *CityLab* earlier this year:

By the early 1990s it was clear that San Francisco had a fateful choice to make: Reverse course on its development attitudes, or watch America’s rekindled desire for city life overwhelm the openness and diversity that had made the city so special. When San Francisco should have been building at least 5,000 new housing units a year to deal with the growing demand to live here, it instead averaged only about 1,500 a year over the course of several decades. In a world where we have the ability to control the supply of housing locally, but people still have the freedom to move where they want, all of this has played out in predictable ways.

The city’s ideological progressives have exacerbated the problem:

Instead of forming a pro-growth coalition with business and labor, most of the San Francisco Left made an enduring alliance with home-owning NIMBYs. It became one of the peculiar features of San Francisco that exclusionary housing politics got labeled “progressive.” Over the years, these anti-development sentiments were translated into restrictive zoning, the most cumbersome planning and building approval process in the country, and all kinds of laws and rules that make it [uniquely difficult, time-consuming, and expensive to add housing in San Francisco](#).

In “[SF’s Housing Crisis Explained](#),” a deep-dive that Tech-Crunch published in 2014, Kim-Mai Cutler provides some numbers that give even more useful context:

[San Francisco has a roughly thirty-five percent homeownership rate](#). Then [172,000 units of the city’s 376,940 housing units](#) are under rent control. (That’s about 75% of the city’s rental stock.) Homeowners have a strong economic incentive to restrict supply because it supports price appreciation of their own homes. It’s understandable. Many of them have put the bulk of their net worth into their homes and they don’t want to lose that.

So they engage in NIMBYism under the name of preservationism or environmentalism, even though denying in-fill development here creates pressures for sprawl elsewhere. They do this through hundreds of politically powerful neighborhood groups throughout San Francisco like the [Telegraph Hill Dwellers](#). Then the rent-

controlled tenants care far more about eviction protections than increasing supply. That's because their most vulnerable constituents are paying rents that are so far below market-rate, that only an ungodly amount of construction could possibly help them. Plus, that construction wouldn't happen fast enough — especially for elderly tenants. So we're looking at as much as 80 percent of the city that isn't naturally oriented to add to the housing stock. Oh, and tech? The industry is about 8 percent of San Francisco's workforce.

Yet it remains the villain of the artistic left. Cutler goes on to point out that “the city's height limits, its rent control and its formidable permitting process are all products of tenant, environmental and preservationist movements that have arisen and fallen over decades,” and that “the sophistication with which neighborhood groups wield San Francisco's arcane land-use and zoning regulations for activist purposes is one of the very unique things about the city's politics. But the city's political leadership doesn't want to change it, because it fears backlash from powerful neighborhood groups, which actually deliver votes.”

The cost of housing in San Francisco *is* a burden to the working and middle classes. It *is* the product of choices fueled by the self-interest and even greed of the well-off at the expense of the less well-off. But many of the San Francisco activists most passionate about improving affordability in theory are pursuing that goal in economically dubious ways that are, as often as not, counterproductive. The city's overworked, underpaid housing lawyers can protect a few incumbent tenants from being evicted by especially underhanded landlords who skirt laws that hurt their bottom line. But theirs will be a losing battle until a great deal more high-density housing is built. Development that hits high-density targets is the only viable policy fix and

ought to be the highest priority of affordability proponents.

Alas, well-intentioned incumbent San Franciscans are ideologically prone to look for villains elsewhere, and averse to any major changes to the aesthetic of the city they love. The city needn't lose all its history or its charm to prosper. But it must grow and change a lot, just as it did when the homes owned by its NIMBYs were built.

It doesn't matter if many of the locals keep hating tech companies.

But I'll be optimistic that the root of the problem is finally be addressed only if and when the progressives of San Francisco—and low-density peninsula municipalities south of it—stop singling out tech companies for opprobrium and begin to cast preservationist homeowners, the anti-density wing of the environmental movement, and other anti-growth forces as the villains of their morality plays.

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