Class-war dystopias are normally the stuff of science fiction or the movies. One of the most troubling is the recent Suzanne Collins series, *The Hunger Games*, where the world is divided into a central city of "haves" surrounded by 12 districts of "have-nots." The haves don't work much and spend their time eating, preening, and being entertained, while the have-nots slave in the mines, grow the food, and man the power plants in squalid conditions under martial law.

When the Occupy Movement pitched tents in Dewey Square in the midst of the Great Recession, it was as if those fictional themes came to life. Criticizing Wall Street's influence on government, high student debt, low salaries, jobs lost to global competition, unattainable healthcare, and expensive housing, the protesters spoke uncomfortable truths. It seems that our society has become more like *The Hunger Games* than any of us would like to admit. When it comes to housing policy, Boston needs to take this disenfranchisement much more seriously. New York City Mayor Bill DiBlasio's main stump speech was a "Tale of Two Cities"—precisely on the theme of haves and have-nots—and it resonated with many people, not just the traditional poor. Analysts believe that much of what got Mayor Martin Walsh elected was the hope that there is still a chance to wrest some social justice out of our market economy,
whether it be better education, jobs, or housing that our workforce can afford. Yet how do we get past popular election talking points and find some real solutions?

In the past 20 years, the national economy has gone through three distinct boom/bust cycles, including the most recent recession, where mortgage-backed securities nearly toppled the nation's credit and froze lending and housing construction. Meanwhile, globalization dispersed well-paying blue-collar jobs away from Massachusetts, and salaries stagnated. When Mayor Tom Menino came to office in 1994, paying less than one-third of household income on rent was the goal; now more than a quarter of Boston residents pay more than 50 percent of their salaries on rent.

Take Matthew, a 28-year-old transplant from Cleveland with a tech job in Kendall Square. He never imagined himself crowding in with four students from China to make ends meet. Or Aeron, a designer, and her husband Reuven, a graduate student at Northeastern. They'd like to find a condo larger than the tiny studio they rent in the Fenway, maybe to start a family—but even one-bedroom units are out of their price range. Or Abby, a 63-year-old with a new healthcare job in Boston. She called the offices of ADD Inc asking for "one of those $1,200-a-month microunits." As the baby boom generation ages, families break up in divorce, and boomer children graduate from college, there is an enormous shortage of reasonably priced smaller units for them.

At the risk of beating an old joke, some of our best friends are developers. Many of them don't set out to make luxury housing with rents even they can't afford and parking garages full of Hummers. Most got into the business because they love building things and transforming neighborhoods. Yet here in Boston, because of the most fundamental forces of economics—limited housing supply and deep, pent-up demand—available land prices have skyrocketed, resulting in projects that are forced to charge luxury rents to recoup the investment in construction, legal fees, and permitting. Anything less carries too much risk. Market-rate developers need to satisfy their investors to have a viable company. But as a result, only New York and San Francisco have higher rents than Boston.

Now, Mayor Walsh could ask for more affordable housing than the current requirement of 13 percent of total units; lately the Boston Redevelopment Authority has pushed some developers
toward 20 percent. But would even 20 percent be enough? The math is discouraging. Take the Innovation District: Out of 1,900 new units currently permitted, 1,520 units would be luxury, and 380 would be affordable. (What is "affordable" may be in the wallet of the beholder, but for official purposes it is defined as one-third of the salary of a person earning 80 percent of the area's median income.) That yield won't make a real dent in the demand.

Besides, what is needed is moderately priced housing for cooks, nurses, social workers, teachers, city planners, and creative economy types, for young families struggling with college debt and day care, and for seniors with limited incomes. They don't need—or perhaps even want—to live on the waterfront with luxury amenities. What they do need is an efficient unit in a decent neighborhood.

Unlike other markets such as cars or clothing, where low-price consumer demand can be filled by agile producers (think of the Ford Focus or Old Navy), Boston's high barriers to entry make it nearly impossible for smaller developers to build middle-class housing. Without deep financial pockets to compete for land acquisition and the wherewithal to submit to arduous city and community design review, they have become endangered species.

What has come to fill the gap are a few hardy community development corporations and nonprofits that provide affordable housing, such as Community Builders, Neighborhood of Affordable Housing, Roxbury Tenants of Harvard, and the Asian Development Corporation. Mayor Menino, to his credit, offered discounted or free city land and grants to make their projects happen, in return for 35 to 60 percent of the units being affordable—now that's a better equation.

Still, the former mayor didn't make it easy for non-profits to get through community and design review. Walsh should look at the BRA inventory of city-owned land and offer it to affordable-housing developers rather than the highest bidder. Zoning for those sites should be rewritten for fast-paced approvals, development fees should be waived, and pilot projects should be started immediately.

The governor could also jump in here. A new State Building Authority could crank out much more middle-, moderate-, and low-income housing than any individual nonprofit developer, since it would be free from local zoning and permitting, and could finance with tax-exempt bonds. Sound un-American? Several quasi-public state agencies have already built thousands of affordable units for state college students at little to no cost to Massachusetts taxpayers.
Design thinkers and economists of all stripes need to put their creative minds together to address these very real cost challenges. We can’t keep building the same mousetrap. "Innovation"—as overused as it is in today's vocabulary—is necessary to find new solutions to housing more people affordably, whether it is in micro-housing or new-style boarding houses or graduate-student villages. Prefabrication of building skins, bathrooms, or even entire units should be embraced by the construction industry rather than feared. We need to experiment wildly—and quickly—for our city not to be overtaken by the latest wave of luxury housing.

But before any of that happens, we need our elected officials to acknowledge the current Hunger Games condition of Boston and commit to doing something more about it than lip service. It will involve true leadership, with the lofty goal of making sure that Boston’s success includes everyone, not just the lucky 1 percent.