

Eleven million US families face eviction as CDC moratorium expires

Chase Lawrence
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An historic and devastating wave of evictions and foreclosures looms, with the Centers for Disease Control and Prevention's (CDC) federal eviction moratorium set to expire at the end of this week, on July 31.

With just days to go, there is no indication the Biden administration is going to extend it. White House Press Secretary Jen Psaki boasted in a press conference on Friday about vague efforts by the Biden administration to "help people with government-backed mortgages stay in their homes through monthly payment reductions and potential loan modifications." Noticeably absent was any reference to the end of the moratorium or relief for renters.

At his CNN town hall event on Wednesday, President Biden did not even speak about the housing crisis. Nor did he say anything about it on Friday when he spoke at a campaign rally in Arlington in support of Democrat Terry McAuliffe's run for governor of Virginia.

Last year exceeded the \$10 trillion mark in housing debt for the first time in history, according to the New York Fed's Household Debt and Credit Report, reaching levels higher than those seen in the third quarter of 2008, which reached just under \$10 trillion. This creates the obvious preconditions, paired with job losses, attacks on workers' wages and a new surge in the pandemic, for an immense foreclosure crisis.

Despite the CDC's moratorium, which was issued on September 4, 2020 as state-level moratoriums expired, over 444,000 evictions have been ordered during the pandemic, with over 6,600 in the week preceding July 17, according to Princeton University's Eviction Lab. According to the Eviction Lab, neighborhoods with the highest eviction filing rates have the lowest COVID-19 vaccination rates.

The housing crisis presents an immediate danger to

public health, especially given the spread of COVID-19 among the homeless population, which many of those being evicted or foreclosed on will join.

A UCLA-led study published in the American Journal of Epidemiology released Monday found that COVID-19 death rates increased significantly following the lifting of eviction moratoriums, resulting in 433,700 excess infections and an estimated 10,700 excess deaths in the summer of 2020. The study's senior author, Frederick Zimmerman, professor of health policy and management at UCLA Fielding School of Public Health, concluded, "Evictions may have accelerated COVID-19 transmission by decreasing individuals' ability to socially distance."

Much of the \$47 billion in federal aid for renters provided under pandemic stimulus programs is being held up by state governments, with the end of the moratorium expected to create a surge in evictions the money was ostensibly intended to prevent.

According to figures released in March by the Consumer Financial Protection Bureau, 11 million families are at risk of losing housing, with 2.1 million being at least three months behind on mortgage payments, while 8.8 million are behind on rent.

At the time, homeowners were estimated to owe almost \$90 billion, with the news release noting that "the last time this many families were behind on their mortgages was during the Great Recession." Once the federal assistance programs and moratorium are ended, renters and homeowners will be left with a mass of overdue bills, payments on mortgages, and late rents.

According to the US Census Bureau's June 23-July 5 Household Pulse Survey, 7.4 million households are not caught up on rent payments, constituting almost 15 percent of the total 50.9 million renter-occupied housing units in the US. Of these, households with four

or more people constituted 3.6 million, or almost 50 percent of households not caught up on rent payments, with almost 4 million, or around 53 percent, being households with children.

The overwhelming share of households that are behind on rent are poor and working class, with 73 percent of those behind on rent making less than \$50,000 a year, and over half (57 percent) making under \$35,000 a year.

Speaking to the economic crisis facing broad swathes of the working class and middle class in the US, among all renters 13.7 million have seen the respondent or a household member experience a loss of employment income, with almost half of those not caught up on rent payments reporting a loss of employment income. Even worse, among respondents, 20 million were not currently employed, constituting nearly two in five households.

Even as millions struggle to make their payments and keep a roof over their families' heads, rents are skyrocketing, with the median national rent reaching \$1,527 per month, a 5.5 percent increase from the previous year, according to Realtor.com. Of the 50 largest metropolitan areas, 43 saw their median rent increase in that same period.

A recent report by the National Low Income Housing Coalition found that in 45 states and Washington D.C., median gross rents grew faster than median renter household income between 2001 and 2018. There is no state, city or county in the US where a worker earning the minimum wage at 40 hours a week can afford to rent a two-bedroom house.

Median existing home prices have risen, with the *Wall Street Journal* documenting a median price rise to \$363,300, a record increase of 23.4 percent from the year earlier, according to the National Association of Realtors.

Compounding the pressure on households that have lost employment and income, putting them on the verge of eviction, is raging inflation. The Consumer Price Index (CPI) increase in June was the highest seen since 2008, at 5.4 percent.

While virtually nothing is being provided for the overwhelming majority of the population, unlimited money is being provided to enrich the oligarchy and prepare for world war.

The Federal Reserve is spending \$120 billion on

bonds and securities every month to pump money into the financial markets. US banks have posted record profits for the second quarter, exceeding analysts' expectations, with just six banks making a combined \$42 billion in profits in only three months. One of the largest asset managers, BlackRock, which posted a profit of \$1.38 billion, manages \$9.49 trillion, up from \$7.32 trillion last year.

As this catastrophe plays out, Biden's budget calls for a record annual military budget of \$753 billion, in preparation for war against China, Russia and other countries.

Biden has presented a watered-down bipartisan infrastructure plan, which, in its present state, constitutes \$579 billion in new funding over eight years. Neither this nor Biden's "American Jobs Plan" or "American Families Plan" has actually been drawn up in the form of legislation.

Under conditions where there has already been a sharp increase in poverty globally, and in the US as well, there has been an rise in the wealth of billionaires. Globally, billionaire wealth surged 60 percent in the first year of the pandemic, from \$8 trillion to \$13.1 trillion.

The housing and eviction crisis, which has been exacerbated by the COVID-19 pandemic, shows in no uncertain terms the absolute bankruptcy of capitalism, which is unable to provide for the needs of society. It makes clear the objective need for the overthrow of capitalism and its replacement by socialism, where the working class will make the necessary arrangements for housing for all of society on the basis of human need, rather than the drive of the capitalist oligarchs to make profits.



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