

Roanoke, Salem and Pittsylvania show how hard it will be for either Harris or Trump to increase housing

New housing developments are often controversial. Plus, one big obstacle is the lack of construction workers.

by [Dwayne Yancey](#), August 26, 2024

Both Kamala Harris and Donald Trump say there's a housing crisis.

Both are right.

Both have offered solutions — different ones, naturally — to address the problem.

And both are wrong.

We need only look around us — be it in Roanoke, or Salem, or Pittsylvania County or anywhere else — to see how.

Let's start with defining the problem: Housing prices have skyrocketed — [up 47% since 2020](#). Many people simply can't afford to buy a house. There are studies, [including one from the National Institutes of Health](#), that suggest that high housing prices discourage some couples from having children — they can afford either one or the other, so they choose the house. Or they may figure out that more children require a bigger house they can't afford. At a time when society is starting to realize that declining birth rates translate into labor shortages down the road, high housing prices only contribute to that problem.

On all this, Democrats and Republicans agree.

Now comes the hard part. This is an economic problem and many, if not most, economic problems are rooted in old-fashioned supply and demand. Houses are getting more expensive partly because demand exceeds supply. That means the solution is to increase supply — and that should bring prices down, or at least slow their rise.

As the great economic analyst William Shakespeare once wrote: "Aye, there's the rub."

Chen Zhao, who heads the economics team at the real estate company Redfin, explained things this way [to NBC News](#): "What we want from housing as a country is for it to both be affordable and for it to be a way to generate wealth. The problem is that you can't generate wealth without prices going up, and if prices are going up, they're no longer affordable."

We see this problem up close here in Virginia. One of the great challenges facing Virginia is that our two biggest economic engines — Northern Virginia and Hampton Roads — are now losing population, which has economic implications for the whole state. They're losing people for one simple reason: More people are moving out than are moving in. Out-migration in Hampton Roads is complicated by the large military presence, but the out-migration in Northern Virginia is partly explained by high housing prices. In a recent presentation to the business group Virginia FREE, demographer Hamilton Lombard of the University of Virginia's Weldon Cooper Center explained the situation by quoting the phrase made popular by New York political activist James McMillan III: "The rent is too damn high."

The challenge is that a house is most people's biggest asset — and who wants to devalue someone's biggest asset? Virginia hasn't figured out how to navigate this yet and neither has Harris nor Trump: Neither has the power to repeal basic economics, although both would like to try.

At the risk of offending both Democrats and Republicans, here's why the plans presented by both Harris and Trump are not grounded in economic reality.

1. Presidents don't make zoning decisions; local governments do — and local governments often face political pressure not to allow new housing

Trump says he wants to reduce regulations that he says are slowing home construction. Harris wants to provide financial support and tax credits for first-time homebuyers and tax incentives for developers to build more "starter" homes. (Let's not get into how you define a starter home.) Those proposals reflect the different world views of the two parties: Trump sees government as part of the problem, Harris sees it as part of the solution.

Harris, who lately has been more vocal on the subject of housing than Trump, has laid out a goal of adding 3 million homes by 2028 — a worthy goal. However, some asterisks apply. In a speech in Raleigh, North Carolina, Harris said: "By the end of my first term, we will end America's housing shortage by building 3 million new homes and rentals that are affordable for the middle class." The key phrase there is "that are affordable for the middle class." That means these 3 million new houses would be *in addition* to whatever houses are currently being built that aren't so affordable — your basic McMansion.

To do that works out to 750,000 new houses per year. Let's do the math. Last year, the nation had roughly 944,000 new housing starts, [according to Statistica](#). If those 750,000 "new homes and rentals that are affordable for the middle class" are really on top of existing home construction, that means we need to build 1,694,000 units a year. Only once in the past four decades have we done that — in 2005, the nation saw 1,716,000 units built. That's not to say we can't do it — people once thought it was impossible to go to the moon — but this is just the context of how unusual that would be. If, on the other hand, Harris simply means 750,000 new units a year, period, well, we're *already* doing that. I'm going to assume she means the former.

Regardless, both Harris and Trump run afoul of the same thing: Presidents aren't in charge of some of the key aspects of home construction. Specifically, they're not in charge of local zoning.

Democrats who cheer on Harris' goal need look only at Democratic-controlled Roanoke. Earlier this year, the city was embroiled in controversy over whether to develop Evans Spring, a largely undeveloped part of Roanoke. The city council, by a 4-3 split, voted yes, but I still see "Save Evans Spring" signs around the city. Roanoke is now going through another controversy over a series of rezoning amendments aimed at creating more housing. The planning commission voted no, 3-2, and the city council will take up the issue on Sept. 16. Meanwhile, 14 homeowners in the Deyerle neighborhood have filed suit over a plan to allow townhouses in their single-family neighborhood.

My point here is not to say one side is right and one is wrong but to point out just how hard it is to add new housing: People want more housing in the abstract; when it comes to a specific proposal, especially one in their neighborhood or one that triggers some other concern (such as the environment in the case of Evans Spring), their mood changes pretty rapidly.

This isn't just the case in Democratic Roanoke. We've seen the same thing in Republican-voting Salem with the HopeTree development or last year in Republican-voting Pittsylvania County with the Axton Properties project. Each of those was approved, but only narrowly, and after much opposition. Roanoke will vote solidly for Harris this fall, Pittsylvania will vote solidly for Trump, but does that mean those communities will suddenly embrace even more housing development? Given the opposition we've seen in both communities, count me skeptical.

In some places, rehabbing old buildings, such as former schools, is a great solution but that doesn't work everywhere or for everyone.

2. One major obstacle to more housing construction is the lack of construction workers

I've focused a lot on how Harris' goal is likely unrealistic; now let's turn to Trump.

One thing driving construction prices so high is the scarcity of labor. The trade group Associated Builders and Contractors says the biggest challenge that builders are facing isn't too many regulations (although they may not like those), it's not enough workers. The group says builders need about 501,000 new workers — on top of their regular hiring — to keep pace with demand.

This problem may get worse before it gets better: More than 20% of construction workers are 55 or older, so there's a big wave of retirements coming. We better start getting more kids into career and technical education in a hurry if we're going to replace those workers.

Trump, though, would decrease the number of construction workers. That may not be his goal, but that would be the effect of one of his signature policy proposals: He vows ["the largest deportation"](#) in American history. Running mate JD Vance says this might start with 1 million people.

Reality check: [A 2016 study by the Migration Policy Institute](#) (which favors more liberal immigration policies) found that 31% of what it calls the "undocumented" population works in construction. Or, if we do the math [a different way](#), that means about one-quarter of the construction workers in Virginia are "undocumented." Get rid of them, and you'll have fewer construction workers, less construction — and, consequently, higher prices.

Trump believes that deportations will free up a lot of housing but that assumes whole families would be leaving — when the reality is a lot more complicated. [A study by the Pew Research Center](#) found that 70% of households with immigrants who lack permanent legal status were some kind of blended household, where one household might contain both a legal resident (perhaps even a U.S. citizen) and someone of less legal status. Are they all going to leave, too?

3. Nearly one-third of construction supplies are imported

Believing that mass deportations would not muck up the construction trades and drive prices higher seems as fictional as believing that local governments will suddenly wave construction plans on through to satisfy Harris' 3 million houses goal. Trump's proposed tariffs also would likely increase prices, at least in the short term.

The whole point of tariffs is to drive up the price of imported goods to encourage domestic production. Fun fact: Most of the nails we hammer in the United States are imported. We are [the biggest importer of nails in the world](#). Who is our biggest nail supplier? [China](#). Unless and until we start making more of our

own nails, any increase in construction in the United States will lead to us importing more nails from China. Because of that, any politician who wants to increase housing is effectively calling for us to rely more on China. Isn't economics wonderfully complicated? Meanwhile, Trump has [floated the idea of imposing a 60% tariff](#) on Chinese goods — essentially a 60% tax that would surely get passed on to consumers. A typical house contains [about 20,000 nails](#). Trump's tariffs would drive up the cost of all those and more. That's because about 32% of construction materials in the United States are imported, [according to Marcum, a New York City-based accounting and advisory firm](#).

The Biden administration has pushed to reshore construction supplies, but that's a long-term solution, not a short-term one. In the meantime, construction firms complain that Biden's "buy American" push is driving up construction costs — and that Trump's proposed tariffs would drive them up even more. "With a 'build here in North America,' there is going to be higher costs, higher labor costs, higher technology costs," [a construction industry spokesman told Construction Dive](#). "Prices for things will go up."

What's the solution here? I have no idea. I just know that when I look around and see how politically difficult it is for communities to add more housing now, I have a hard time believing that's going to get easier just because the next president, whoever he or she may be, says it should be.