

Question: What is the most crucial challenge confronting global urban development and, how will young professionals be part of the solution?

The most crucial challenge confronting global urban development is affordable housing. Rapid urbanisation coupled with lacklustre housing supply has plagued global economies, generating unprecedented pressures on our everyday lives, the environment, and urban infrastructure. The lack of adequate housing impedes almost every aspect of our lives. Tenure insecurity can generate health challenges, joblessness, and barriers to education. A sparse supply of affordable homes often forces families to build on overcrowded land, using unsafe materials, with no access to safe drinking water, sanitation, or energy. Brazil's favelas, Kenya's Kibera region, and Pakistan's Orangi Town are some of the worst examples of this global urban challenge.

Other challenges, emerge from this, including the construction of carbon-intensive high-rise buildings, greater massing, and urban sprawling. Marginalised groups often face the worst social penalties associated with housing unaffordability – being pushed away from city centres and established communities to areas with lower public amenities, longer commutes, and social fragmentation.

The scale of unaffordability is profound. House price growth and income growth are more dislocated than ever. Across the EU, house prices have risen by 29% over the last five years, far outstripping the 16% income growth over the same period. Globally, 1.6 billion people lack adequate housing, and 80% of cities do not have affordable housing options for half of their population. In France, the proportion of households spending over 40% of their income on housing is 10% in urban regions compared to 3% in rural areas. This challenge is driven by urban population growth, inadequate housing reform, and rising construction costs creating a chronic undersupply of affordable homes (seen through a fall in new building permits across Europe). We can look to the UK as a testament to this. Between 1970-2022, house prices have increased in real terms by 441%, while construction fell by 46%.

Facing these headwinds, young professionals have shown incredible tenacity, ingenuity, and creativity to tackle this crisis.

Young social entrepreneur's offer inspiring stories of change. CEO of Shining Hope for Communities, Kennedy Odede, is working on upgrading slums and providing affordable housing options in Kenya. Meanwhile, Abby Ivory, MD of Ivory Innovations has set up a social impact fund that supports ambitious solutions to the housing affordability challenge in America.

Young professionals in real estate finance are developing financing structures that empower marginalised groups to achieve home ownership through micro-financing, soft-lending, and crowdfunding facilities. Alex Lofton, Jonathan Asmis, and Jesse Vaughan, of California-based residential brokerage – Landed, have built a platform for employers to support workers through a shared appreciation down payment programme.

Around policy circles, the YIMBY movement has made inroads in the UK and US by inviting marginalised groups to housing and city planning debates, and highlighting wasteful zoning laws.

Designers, engineers, and architects are innovating in residential construction to deliver homes faster, cheaper, and more efficiently. In Asia, ModulusTech has invented flat-pack houses, that are low in greenhouse gas emissions, and capable of being constructed by three people in less than a day – offering agile housing solutions in natural disaster regions. And the likes of Samuel Hager, are innovating in 3D printing to provide scalable permanent solutions to meet housing demand.

The affordable housing crisis is no small challenge, but one we successfully confronted in the 20th century. Remarkable stories by young professionals of determination and perseverance can catalyse an intergenerational coalition of stakeholders ready to make further progress on the most crucial challenge confronting global urban development. Through social entrepreneurship, innovative financing instruments, policy advocacy, and construction innovation, young professionals will lead the way this century. Are you brave enough to take on this challenge?