

# **The Hidden Cost of Short-Term Rentals: How Airbnb Fuels Structural Injustice**

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What starts as a cheap vacation rental for travelers can quickly start a housing crisis for others. In recent years, short term rental platforms such as Airbnb or Vrbo have gained popularity, providing affordable stays for travelers and an additional source of income for homeowners. Though this may seem like a beneficial system, it is contributing to the growing issue of gentrification. As property owners continue to convert long term housing into shorter term rentals, residents in low-income communities are being displaced due to rising rent costs. This phenomenon is not just an economic issue, it is a form of structural injustice. This essay will further examine how short-term rental platforms deepen the housing inequality, define the concept of structural injustice, and demonstrate how these platforms play a significant role in perpetuating this form of injustice.

Airbnb is the world's largest short term rental website, with over 7.7 million listings to date. Travelers and tourists alike are offered a budget friendly alternative to hotels, while also boasting a more flexible and social approach to hospitality. Additionally, homeowners can rent out unused space in their primary residences to earn extra income. As the platform's success grew, many hosts expanded their operations, turning short-term rentals into a primary source of income rather than just a side hustle. This shift led to an increasing number of properties being converted into short-term rentals instead of remaining available as permanent homes. Over time, entire residential areas transformed into tourist hotspots, reducing overall housing availability. To combat this, cities have passed laws in attempts to place regulations on short-term rentals. For example, New York passed their short-term rental registration law, Local Law 18, in 2022 which prohibits hosts from renting out entire properties to visitors for fewer than 30 days. "Hosts are also required to register their listings with the Office of Special Enforcement (OSE), leading to a noticeable reduction in available listings" (Smith, 2024) In cities already facing severe housing shortages, the rise in Airbnb listings has contributed to escalating rent prices, making it more difficult to secure affordable housing. Overall, Airbnb's convenience and profitability has led to an intensified housing crisis.

To properly understand structural injustice, we must first define injustice on its own. Serena Parekh, in her book *No Refuge*, defines something as unjust "if it violates some standard of fairness or decency even though it may be legal or accepted by some" (pg. 162). This definition highlights direct and intentional injustice, where harm is deliberately inflicted and responsibility can be clearly assigned. Structural injustice differs in the sense that it is embedded within societal systems, making it more difficult to identify and address. It "stems from social structures, structures that constrain the opportunities of some while granting privileges to others, whether or not anyone desires or intends this outcome" (pg. 163). In other words, harm results not from a particular individual but rather from the design of social, political, and economic systems that systematically disadvantage certain groups while benefiting other. Because these injustices arise from seemingly neutral policies and norms, they often go unnoticed and unchallenged, reinforcing the inequalities it creates. This means resulting harm stems from

seemingly neutral decisions which often go unchallenged, while other groups benefit from the same situation.

Airbnb's role in the housing crisis exemplifies structural injustice because it reduces housing availability and raises rent prices, disproportionately harming lower-income residents. While wealthier tourists are able to benefit from the services Airbnb offers, lower-income individuals that rely on affordable housing are left with fewer options. Additionally, Parekh highlights a key aspect of structural injustice, stating that it "arises from the actions of many people acting according to normal rules and accepted, morally justifiable practices" (pg. 164). This is particularly relevant to the issue Airbnb creates, as both travelers and hosts participate in the platform without any direct intention to cause harm. It is entirely reasonable for a traveler to opt for an Airbnb over a hotel for financial savings or convenience, just as it is for a homeowner to list their property to generate extra income. These individual choices, when viewed in isolation, appear harmless. However, when viewed with a larger frame, both decisions reinforce a system that prioritizes short-term profits over long-term housing stability. As more landlords and investors shift properties from residential use to rentals, entire neighborhoods experience rising rent prices and a decline in available housing stock. This transformation makes it increasingly difficult for lower-income individuals to secure stable and affordable housing.

Airbnb's role in the housing crisis highlights the importance of alternative perspectives in understanding structural injustice. While travelers and hosts see economic benefits, lower-income residents face displacement and rising rents. Different social experiences shape how communities perceive this issue. Addressing this requires shifting the focus from profit to housing as a basic right. By recognizing diverse perspectives and implementing fair policies, society can work toward a more just and sustainable housing system for all.

