

Spanish Housing Crisis May Bring Down Socialist Government

written by Dan La Botz | October 16, 2026



Mikel, a housing activist in an encampment in Bilbao, Spain.

[Bilbao, Spain, October 15, 2026] Hundreds of thousands have marched in Spain in recent weeks to stop evictions, in opposition to housing speculation, against rising rent, and to demand more housing. One woman's eviction sparked the movement. On September 23 María del Carmen Abascal, 87, was evicted from the home where she had lived for 70 years. A lower court ordered her return to her home, but the Spanish Supreme Court overturned that ruling and she died in a hospital on October 7. Those events came to symbolize the housing struggle and brought the people of Spain into the streets.

There have been massive marches and occupations of public spaces in Madrid, Barcelona, and other cities, including here in Bilbao, the largest city in Euskadi (the Basque Country). Some local housing activists, about fifty of them, have set up an encampment, a tent city, in front of the massive, squat, neo-baroque Arriaga Theater in the heart of Bilbao.



The housing encampment in the middle of Bilbao.

These housing activists who have been spending their nights in tents now for three weeks, though the encampment is about to end because, according to a young activist interviewed by VoxPopuli, they can no longer continue the fight in this way, “we’re tired, we’re burned out,” though he promises that they will participate in the protest march this weekend and in the general strike called for November 11 by the labor unions.

I enter the encampment, ask if someone can speak with me, an American leftist journalist, and a young man named Mikel offers to talk, though he prefers not to use his last name.

“We established this encampment three weeks ago as part of our fight for housing. We also join with the unions in the marches and rallies. We believe that housing is a basic right. People are entitled to decent housing.”

In fact, Article 47 of the Spanish Constitution states that all Spaniards have a right to “decent and adequate housing,” though this is a “guiding principle” rather than a legal right that can be enforced. So, in 2023, Spain adopted a Housing Law intended to regulate rents, protect tenants, and curb speculation. This year, a new housing law intended to stop evictions of the vulnerable, protect tenants, and cap rents was adopted, then rejected, then re-approved a weaker measure.

Mikel, however, feels that both Euskadi’s autonomous government, headed by centrist President Imanol Pradales, as well as the Spanish government, led by Prime Minister Pedro Sanchez of the Socialist Party who has been in power for eight years, have failed the people.

The housing crisis led President Sanchez to call snap elections which will take place on November 29, thinking the movement, including the general strike, could assure his victory. Now, however, it seems they could lead to his defeat and a victory for the rightwing People’s Party and the far-right Vox party but he would rather be fighting over housing than over immigration.

“They talk about improving the housing situation, but they haven’t done it,” says Mikel, “They don’t intervene to control the housing market. There’s a disenchantment with the parties of the left.”

In fact, over the past decade both the Spanish and Euskadi governments, have failed to resolve the housing crisis. According to the Bank of Spain there is a shortage of between 750,000 and more than a million homes. The global and Eurozone crises of 2008 and 2009 led to bankruptcies and evictions as what Mikel calls “vulture funds” moved in to take over housing being abandoned by former owners. Those financiers have continued to dominate the market. Speculating, but not building homes. In addition, social and public housing accounts for only about 2.5% to 3.3% of Spain’s total residential stock, compared to about 10% for the European Union and as much as 20% in Sweden.

The Spanish far right parties blame the housing crisis entirely on immigration. In the last decade, Spain’s population grew from 46.42 million to 49.8 million, a growth of 3.38 million, all of it the result of immigration. But in that decade, Spain built only 800,000 to 850,000 new homes when hundreds of thousands more were needed.

The increased demand for housing has led to the rising rents. And it is true that with the Socialist Party’s liberal immigration policies the immigrant population grew rapidly. Still, it is those immigrants who made it possible for Spain to maintain and expand its population, since the country has one of the lowest birthrates in the European Union, with a fertility rate below the generational replacement level. Those immigrants from Latin America and Morocco have also been an important factor in the success of Spain’s economy relative to the rest of Europe.

The problem isn’t immigration, it’s wages, volunteer several activists in the encampment who are listening to Mikel and me as we talk.

"I used to work in public transportation," says one woman. "With those wages there is no way to keep up with rising rents."

Another woman says, "With my wages it would be impossible for me to ever pay off a mortgage."

And, according to economic studies, they're right. Rents have been rising seven times faster than wages, and today working people in Spain use 50% of their wages to pay their rent, while not long ago they used only 30%.

"We need rent freezes," says Mikel. "We're not asking for anything extravagant," he says, "we just want decent housing."