

## FINAL WORD ↻ BY MARNI SOUPCOFF

# Whose House Party Is It, Anyway?

**T**he parents are away and the kids hold a house party that ends up raging out of control. This conceit was a teen-movie staple in the 1980s and the result was usually a ruined rug and an epiphany about what true maturity looks like. (Hint: it doesn't involve beer.)

In real life today, we read about house parties going wrong with far more serious consequences. Like multiple homicides.

In February, for example, three young men were fatally shot at a party in a Toronto condo that had been rented out through Airbnb. The crime prompted the sharing-economy darling to institute new rules on renters. (Murders and unauthorized parties had already been prohibited.)

"For us," Airbnb senior vice president Chris Lehane said at a press conference following the Toronto incident, "it's incredibly important that we take responsibility."

You might wonder why Airbnb would be considered responsible for someone else violating the criminal code on yet another person's property. For many decades now, multitudes of violent crimes have been committed in public housing projects across North America and the cities coordinating those living arrangements haven't exactly stepped up to accept blame. But hey, if a private company wants to voluntarily own up to having a role in some problem, then it should be free to do so and adjust its practices accordingly.

Unfortunately, government and progressives are loath to admit that self-regulation can work. Airbnb has responded to the Toronto shooting by limiting the ability of users younger than 25 to book whole homes in their community when the

owner isn't present. Predictably, politicians and critics argue this change is not enough. And too much.

Toronto city council member Joe Cressy grouched, "If [Airbnb] were serious, they would immediately delist the 7,000 properties on their website that don't comply with the city's regulations." By "regulations," he meant a bylaw of questionable legality that is not currently in force.

Meanwhile, a spokesman for a group called Fairbnb Canada complained that Airbnb's changes "amount to little when it comes to addressing community and neighbors' concerns." He went on to say that the new restrictions are potentially discriminatory toward young people, a violation that could presumably be in violation of human rights regulations. Gotcha!

It's not that we should care whether Airbnb gets props for policing itself. The firm can handle its own PR. What's frustrating is the widespread failure to recognize and appreciate the story as an example of how markets motivate companies to

make improvements without having their hands forced by regulation.

In an article headlined "Has Airbnb Grown a Conscience?" the BBC remarked on some of the positive changes the firm has been making. The article quoted Sarah Kaplan, a professor at the University of Toronto's Rotman School of Business, who warned that "there is a very self-interested aspect of" Airbnb's recent focus on guest safety. "If they're going to IPO, they have to manage the risk associated with their business," she explained.

Uh, *yeah*. That's what's known as a strength of the free market, not a dirty little secret it takes an academic to reveal to a vulnerable public. So why does it sound like we should be cueing the sinister music as Airbnb tries to prevent acts of violence?

The BBC may be wringing its hands about whether Airbnb has grown a conscience, but no one sensible ought to care. There are business forces at play—forces greater than city councils—that incentivize Airbnb to behave responsibly and keep its customers safe and happy. That's what matters. If it's doing well by people, the firm's moral sense is irrelevant. Any good it does is no less good simply because it was motivated by seeking a profit.

Those '80s teen movies may have sugar-coated what happens when a house party goes wrong, but at least they had the right idea about a couple things. First, you don't blame Mom for the vomit-soaked carpet; you blame the daughter who hosted the gathering against Mom's orders. You also blame the underage drinkers who did the vomiting. Second, the key to preventing future home debacles is not to pass a law preventing parents from leaving their kids home alone; it's for the kids to gain some wisdom about binge drinking and hosting drunken adolescents.

Naturally, if the parents voluntarily decide to wait until the kids are of legal drinking age before giving them the run of the house again—even if it's just a ploy to stop the neighbors from talking—that's okay too.

The beauty is that regardless of the purity of Mom's soul or Airbnb's, these things tend to take care of themselves. **R**

