

Article.. home ownership: shelter or burden



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The article d Shelter or Burden by The Economist Print Edition is a very informative article. The article leaves the reader with much insight regarding the housing market. The article even leaves the reader wondering what will happen next regarding the economy and the housing market. Throughout the article there are many references to the U. K.'s housing market. The author shows informative facts that properly portray the housing market in the United States and other areas of the world. Home ownership is explained as an investment and renting versus owning is discussed. Every article contains a main idea. This idea represents a thought or facts the author is trying to convey. The Shelter or Burden article has a main idea that is based upon facts. The facts in the article represent different areas of the economy but have a main focus on the housing market. After reading the article, it appears that the author is expanding the idea that home ownership may be more of a burden rather than investment. A home turns into a burden when there is no longer any equity left in the home. This causes many different ripple effects towards the economy. The American economy is highly dependent on the housing market. " The driving of house prices is determined by income and other economic factors". (Muellbauer, Murphey 2011) The issue at hand regarding the article is the crash of the housing market that began in 2008. The housing market crashed in 2008 for many different reasons. Lenders, home owners and renters similarly felt the negative affects the crash of the housing market had on the economy. Throughout the article the author gives mention to what homeowners, renters and investors hopes for homeownership are. Homeowners are quick to purchase a home in hopes of being able to receive a return on the home someday. This hope of return has fueled the American economy and

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increased home sales up until 2008. These choices have huge effects on market behavior. (Ojamae 2009) If homeowners are aware that they are likely to have negative equity in their home, it is likely that they will be no longer willing to make a purchase. Becoming not interested in making purchases increases renters in an area. What the author is trying to prove is that in America, home ownership is fueled by investment and that is a positive thing. Homeownership brings positive communities, increases voting, strengthens jobs and widely contributes to a striving economy. An article by the International Journal of Housing Policy, describes how homeownership has many positive affects not only on the economy but individuals whole well being. (Kleinhans, Elsinga 2010) The author may be trying to explain his opinion to help the reader further understand how housing plays a role in the economy and individuals well being. This is so since the author continuously refers to the positive effects of owning a home. These positive effects shape a community and lead to better economic choices. I completely agree with the main points and ideas that the author is trying to prove. Homeownership can be a burden and is better left to financially stable and responsible adults. The adults that decide to purchase a home and make responsible choices teach their children to act in a responsible matter. More responsible acting, financially stable adults allow for a better economy. If a community is lacking homeownership, it likely less responsible and contains a specific neighborhood identity. (Kremer 2010) Overall, the article was very informative a offered much information on the economy. References Muellbauer, J., & Murphy, A. (2008). Housing Markets and the Economy: The Assessment. *Oxford Review of Economic Policy*, 24(1), 1-33. Retrieved from EBSCOhost. Ojamae, L. (2009). Making Choices in the <https://assignbuster.com/article-home-ownership-shelter-or-burden/>

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