
Rent Control

Videos:

“How California is Redefining Rent Control | WSJ”

<https://www.youtube.com/watch?v=nlliwrzY1P0>

(5:34 minutes)

“How Rent Control Hurts Renters”

<https://www.youtube.com/watch?v=vOyZP3-3kVU>

(6:25 minutes)

Guide:

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

Analysis Questions:

1. What are the opposing ideas in these two videos?
2. What is rent control?
3. In the Wall Street Journal video, Alexandra Cardinale said: “Rent is growing faster than the money most people make to pay it.” What did she mean by this?
4. John Stossel said: "Profits are what persuade people to build things." What did he mean by this?
5. According to the Wall Street Journal video, what limit does California’s rent stabilization law impose on rent increases?
6. John Stossel said: "Soon there will be more housing, and that will lower rents." How would more housing lower rents?
7. In the Wall Street Journal video, Solomon Greene said: “You can understand why [rent control] would be an appealing solution to that problem. It is essentially a costless solution to policymakers....” What did he mean by “costless”?
8. In the Stossel video, Salim Furth said: "Every rent control ordinance...has had an exemption for new construction, because everybody understood that if you apply this to new construction, you would completely shut it down." Why would rent control shut down new construction?
9. Solomon Greene said that we typically don’t have rent control anymore in the United States. Instead we have rent stabilization. What is the difference between these two types of policies?

10. John Stossel said that building permits were up 65% in Minneapolis but were down 60% in St. Paul. What was the difference between the rent control policies in these cities?
11. Solomon Greene called the laws in California and Oregon “anti-gouging laws.” What does “anti-gouging” mean?
12. Salim Furth said: “[Landlords] don't set the price, the market as a whole sets the price.” What did he mean by this?
13. Alexandra Cardinale said that California’s bill addressed common critiques of rent stabilization by including several exceptions. What were these exceptions?
14. John Stossel said that in New York City, some landlords neglected their buildings, and even burned them down for insurance money. What role did rent control play in this?
15. Did these two videos share any common ground? Were there any points on which they agreed? If so, what were they?
16. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
17. Did you have an opinion on this topic before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from these videos that affects your views on this topic?
18. What else would you like to learn about this topic?
19. To further explore the housing crisis, see [Both Sides: How to Solve the Housing Crisis](#).