

Both Sides of the Issue

Wall Street vs. Housing

stosselintheclassroom.org

Contents

Objectives	2
Concepts & Key Terms	2
Discussion Questions	3
Activities	5
Activity 1: Evidence Mapping	5
Activity 2: Perspective Swap Debate.....	7
Activity 3: Stakeholder Analysis.....	7
Activity 4: Fact vs. Opinion Sort.....	7
Activity 5: Policy Proposal	10

Objectives

Students will be able to:

- describe the competing claims Robert Reich and John Stossel make about institutional investors' role in the housing market.
- compare the evidence each video uses to support or challenge the idea that Wall Street investment firms drive up home prices.
- examine how government regulations, permitting processes, and policy proposals each contribute to housing affordability challenges.
- judge which argument presents stronger evidence for solving the housing affordability crisis and defend that judgment with specific examples from both videos.

Concepts & Key Terms

The following terms appear across both videos in this pairing. Understanding them will help students follow the arguments and engage in discussion.

Executive Order: a directive issued by the President of the United States that manages operations of the federal government. Executive orders do not require congressional approval but carry the force of law.

Foreclosure: the legal process by which a lender seizes a property from a borrower who has failed to make required mortgage payments. After the 2008 financial crisis, millions of American homeowners lost their homes to foreclosure.

Generational Wealth: assets passed down from one generation to the next within a family. Homeownership has historically been one of the primary ways American families build and transfer wealth.

Hedge Fund: a pooled investment fund that uses a variety of strategies to earn returns for its investors. Hedge funds typically require large minimum investments and are less regulated than mutual funds.

Housing Supply: the total number of homes available for purchase or rent in a given market. Both videos agree that limited supply is a factor in rising home prices, though they disagree on the primary cause of that shortage.

iBuyer: a company that uses technology and algorithms to make instant cash offers on homes, often outpacing individual buyers. Robert Reich argues that iBuyers have made it harder for families to compete in the housing market.

Institutional Investor: a large organization, such as a private equity firm, hedge fund, or corporation, that invests substantial sums of money in assets, including real estate. The debate in these videos centers on whether institutional investors help or harm the housing market.

Permitting Process: the series of government approvals, inspections, and fees required before new construction or renovation can begin. John Stossel argues that slow and expensive permitting is the real barrier to affordable housing.

Private Equity: investment capital from firms that buy, restructure, or invest in companies and assets that are not publicly traded. Private equity firms have become major buyers of single-family homes in recent years.

Renovation: the process of restoring or improving a property. The Stossel video argues that institutional investors often buy distressed or abandoned homes and invest in significant renovations, returning them to the market as livable properties.

Supply and Demand: a fundamental economic principle holding that when supply is low relative to demand, prices rise, and when supply is high relative to demand, prices fall. Both videos reference this principle but draw different conclusions about what is restricting housing supply.

Discussion Questions

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.

1. What are the opposing ideas in these two videos?
2. Robert Reich said: "Hedge funds and private equity firms have been buying up hundreds of thousands of homes that would otherwise be purchased by people." What is the distinction between a home being bought by a firm and a home being bought by a person? Does it matter? Why/Why not?
3. The Stossel video included clips of Governor Gavin Newsom, Senator Elizabeth Warren, and President Donald Trump expressing concerns over

private equity firms buying houses. Is it surprising that these three politicians agree on this issue? Why/Why not?

4. Robert Reich said that investment purchases accounted for around 28% of home sales in America in 2022. Is that number higher or lower than you would have expected? Why/Why not?
5. John Stossel said that investment firms only own 2% of housing. Is that number higher or lower than you would have expected? Why/Why not?
6. Robert Reich said that if present trends continue, "Wall Street investors may control 40% of U.S. single-family rental homes" by 2030. If true, should we be concerned about that? Why/Why not?
7. In the Stossel video, Stephen Slivinski said that private equity firms are "turning properties into livable places." What did he mean by that?
8. Robert Reich called homeownership a "cornerstone of generational wealth." What did he mean by that? What is generational wealth?
9. Stephen Slivinski said: "The presence of investors actually brings down housing prices." Why is that?
10. Robert Reich said that when investment firms buy houses, it leads to a vicious cycle. What was the vicious cycle he described?
11. The Stossel video included a clip of President Trump saying: "America will not become a nation of renters." What did he mean by that? Is it bad to be a renter? Why/Why not?
12. Robert Reich said that cynicism can be a self-fulfilling prophecy. What did he mean by that?
13. According to the Stossel video, what is "the real housing problem"?
14. Did these two videos share any common ground? Were there any points on which they agreed? If so, what were they?
15. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
16. 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?
17. What else would you like to learn about this topic?
18. For more on this topic, see these installments of Both Sides of the Issue:
 - a. ["Both Sides: How to Solve the Housing Crisis"](#)
 - b. ["Both Sides: The Housing Crisis Revisited"](#)

Activities

Activity 1: Evidence Mapping

In this activity, students will chart the specific claims and supporting evidence from each video to identify where the two arguments diverge and where they share common ground. This helps students move beyond general impressions to evaluate the strength of each side's case.

Distribute the Evidence Mapping worksheet below. Have students watch both videos and fill in the chart with specific claims and evidence. After completing the chart individually, students should pair up to compare their findings and discuss: Which side provided more concrete data? Which side relied more on emotional appeals? Were there any claims that went unsupported?

Name _____

Date _____

Class _____ Period _____

Teacher _____

Evidence Mapping: Wall Street vs. Housing

	Robert Reich	John Stossel
Main Argument		
Key Statistics Cited		
Proposed Solution		
Who or What is Blamed?		
Strongest Evidence		
Weakest (or missing) Evidence		

After completing the chart, answer: Which video provided stronger evidence for its argument? Explain your reasoning in 2–3 sentences.

Activity 2: Perspective Swap Debate

This activity requires students to argue the opposite of their personal views, strengthening their ability to understand and articulate positions they may disagree with. Engaging with the opposing perspective is central to the Both Sides mission.

Divide the class into two groups. Ask each student to privately note which video's argument he or she finds more persuasive. Then assign each student to argue the OTHER side in a structured debate. Students who agreed with Reich must argue Stossel's position that government regulation—not Wall Street—is the real housing problem. Students who agreed with Stossel must argue Reich's position that institutional investors are pricing families out of homeownership. Each side gets three minutes for opening statements, two minutes for rebuttals, and one minute for closing. After the debate, hold a brief class discussion: Did arguing the other side change anyone's thinking? What was the hardest point to defend?

Activity 3: Stakeholder Analysis

Students will identify the various groups affected by institutional investment in housing and analyze how each group is helped or harmed under each video's proposed solution. This activity pushes students to think beyond the two speakers and consider the real-world complexity of the issue.

Have students work in small groups of 3–4. Each group should identify at least six stakeholders in the housing debate (such as first-time homebuyers, renters, institutional investors, local governments, construction workers, and homeowners looking to sell). For each stakeholder, the group should determine: (1) How does this stakeholder benefit or suffer under Reich's proposal to ban hedge fund ownership of single-family homes? (2) How does this stakeholder benefit or suffer under Stossel's argument that reducing government regulation would lower prices? Groups should present their findings to the class, and the class should discuss: Is there any solution that benefits all stakeholders? Which stakeholders are most overlooked in this debate?

Activity 4: Fact vs. Opinion Sort

Students will classify specific statements from both videos as verifiable facts, opinions, or claims that would require further research to confirm. This builds critical-thinking skills and helps students recognize the difference between data and rhetoric.

Cut apart the statement strips below (or display them on screen) and have students sort each statement into one of three categories: FACT (verifiable with data),

OPINION (a value judgment or interpretation), or NEEDS MORE RESEARCH (a claim that sounds factual but would need to be verified). After sorting, discuss as a class: Which video used more verifiable facts? Did any statements surprise students when they thought carefully about the category?

Name _____ Date _____

Class _____ Period _____ Teacher _____

Fact vs. Opinion Sort: Wall Street vs. Housing

Directions: Cut apart the strips below. Sort each statement into one of three categories: FACT, OPINION, or NEEDS MORE RESEARCH. Be prepared to defend your choice.

"Investor purchases hit their peak in 2022, accounting for around 28% of all home sales in America." — Robert Reich
"All those big investors own just 2% of housing." — John Stossel (citing Steven Slivinski)
"By 2030, Wall Street investors may control 40% of U.S. single-family rental homes." — Robert Reich
"30% of the cost of a new home these days is as a result of taxes, fees, permits, and other government regulation." — Stephen Slivinski
"The presence of investors actually brings down housing prices." — Stephen Slivinski
"Wall Street's excessive greed created a housing bubble that burst." — Robert Reich
"Homeownership is a cornerstone of generational wealth." — Robert Reich
"None of the proposals that have been put forward by Elizabeth Warren or Gavin Newsom or Donald Trump are going to change any of that." — John Stossel
"\$93,000 a house just for the privilege to build the house." — John Stossel
"Last year, prices declined in places where large institutional investors are concentrated." — John Stossel

Activity 5: Policy Proposal

After examining both perspectives, students will draft a housing policy proposal that draws on ideas from both videos. The goal is to find a balanced approach that addresses the concerns raised by both Reich and Stossel, demonstrating that policy solutions often require compromise.

Working individually or in pairs, students should draft a one-page housing policy proposal that addresses both sides of the debate. The proposal must include: (1) A clear statement of the housing problem the policy aims to solve. (2) At least one idea drawn from Reich's concerns about institutional investors (such as limits on investor purchasing in certain markets or protections for first-time buyers). (3) At least one idea drawn from Stossel's argument about government regulation (such as streamlining the permitting process or reducing fees on new construction). (4) An explanation of potential trade-offs or unintended consequences of the proposal. (5) A brief paragraph explaining why a combined approach might be more effective than either side's solution alone. Students should present their proposals in a gallery walk format, posting them around the room for classmates to read and provide feedback using sticky notes.