The Daily Dish

The President on Housing at Davos

DOUGLAS HOLTZ-EAKIN | JANUARY 22, 2026

Davos had been advertised as the occasion to roll out the president's plan to address the U.S. housing crisis. But his speech morphed from owning the American Dream to one American's dream of owning…Greenland. Despite the change in scheduled programming, the president did issue this executive order ("Stopping Wall Street From Competing With Main Street Homebuyers") on his way to Air Force One and mentioned housing briefly during his keynote address to the Word Economic Forum.

To be honest, Eakinomics expected a nothingburger. (RFK Jr. might protest that no burger is "nothing," but that's a MAHA digression.) And, indeed, there is a high ratio of investigating and reports to actual action. To wit, in a month, Treasury Secretary Bessent will develop "definitions of 'large institutional investor' and 'single-family home.'" Holy OED! Cabinet members will issue guidance to prevent "providing for, approving, insuring, guaranteeing, securitizing, or facilitating the acquisition by large institutional investors" of a single-family home. Attorney General Bondi and Federal Trade Commission Chair Ferguson will review substantial acquisitions by large investors and "prioritize enforcement of the antitrust laws, as appropriate, against coordinated vacancy and pricing strategies by large institutional investors in local single-family home rental markets."

These efforts could be entirely superficial, or meaningful, or anything in between. What did the president have to say about them?

> *In recent years, Wall Street giants and institutional investment firms, many of you are here, many of you are good friends of mine, many of you are supporters. I'm sorry to do this. I'm so sorry. But you've driven up housing prices by purchasing hundreds of thousands of single family homes, and it's been a great investment for them, often as much as 10% of houses on the market.*
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> *…*

> *But homes are built for people, not for corporations. And America will not become a nation of renters. We're not going to do that. That's why I have signed an executive order banning large institutional investors from buying single family homes. It's just not fair to the public. They're not able to buy a house. And I'm calling on Congress to pass that ban into permanent law, and I think they will.*

Three things about this merit a bit of thought. First is the vow that "America will not become a nation of renters." Eakinomics has never understood the character-crushing threat from apartment living, but this sentiment is voiced all the time. In pursuit of avoiding being a nation of weak character, administration after administration has rushed people into homes, artificially narrowed their portfolios, and often wiped out their net worth. That's a good idea?

Second, it is great to be in favor of lowering the purchase price for Betty Boop and Tommy Thom when they buy their first house. But notice that the president is promising to reduce by "as much as 10 percent" the sales price for homeowners looking to move up. How happy are they supposed to be? That's if these dizzying ambitions are even realizable – there exist few easy fixes in housing finance.

Finally, notice that the real action needs to be legislative: "I'm calling on Congress to pass that ban into permanent law, and I think they will." Maybe, but maybe not in an election year. Nevertheless, the idea of barring firms from using federally backed mortgages and government-linked programs seems like a step in the right direction. The fewer taxpayer dollars backing real estate investments, the better.

To date, the president's housing proposals – buying $200 billion of mortgages, capping credit card interest at 10 percent, beating up on Federal Reserve interest rate policy – have ranged from empty to foolhardy to damaging. These, at least, have some small chance of moving in the right direction.