In this extract from his book, The Default Line, published in the Guardian, Faisal Islam, the economics editor for Channel 4 News traces the origins of the housing bubble and argues that we’re condemning a whole generation to paying absurd prices for what is a basic human need - and he claims that it doesn't have to be this way.

A useful analysis of the financial mechanism, and that makes it very interesting as far as it goes, but it is merely a description of events that followed the boom without discussing how the boom arose. There was no attempt to examine how to get out of the mess.

In truth, the only solution is not to have a speculative land boom in the first place. That of course is the weak spot that undermines the article. It never mentions the word "LAND" once. The nearest it gets is towards the end when it declares, "The coalition's Help to Buy scheme, as currently constituted, is actually Help to Sell new-build houses - and this was reflected in the share prices of the house-builders. Predictably, in the absence of large-scale planning reform, it will simply inflate house prices still further". In the absence of an in-depth analysis, the author is unable to assert what needs to be asserted - that the right sort of land value taxation is a prerequisite if the property-based boom-bust cycle is to be broken.