



The Rent Economy and New Social Stratification of Capital

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1. Introduction

Over the past decade, the traditional belief of ownership, which was once considered a fundamental indicator of economic security and social status, has begun to fade. People everywhere are realizing that having a house, a car, or even a fancy fridge is not the only way to show you have made it. Nowadays, lots of people are just renting, subscribing to things, or using services when they need them. This big change, which a lot of people are calling the rent economy, is not just about wanting to be able to move around easily. It is a sign that some big stuff is changing in how our money, society, and even what we think is important are set up.

The rental economy is popping up everywhere. Houses are super expensive, mortgages are getting higher, and it is hard to get a loan, so getting a home is almost impossible for many. Cars are going the same way, with more car-sharing and subscription plans that let you drive without buying. Even things like washing machines and TVs are now available as subscriptions, showing that folks are more into just using things rather than owning them.

This change has some big side effects too. Usually, owning stuff makes people feel independent, in charge and secure. It helped them build up their savings, get involved in their communities and feel like they knew who they were. But as renting becomes the norm, these feelings are getting weaker. The rent economy is not just a fad; it's changing how we use resources, build wealth, and how our society is structured.

So, this article takes a good look at this growing rent economy with houses, cars and everyday items. It suggests that owning things is no longer the default goal but a sign that you are lucky. We will talk about what this change means for our money, our social lives, and our feelings. Also, about what it all means for how unequal our world is becoming.

The rise of the rent-based economy is not just about what people prefer. It is powered by big economic, money and system-level stuff. These things have changed the game, making it tough for many folks to own things.

2. Structural Drivers of the Rent Economy

Housing Costs and Loan Problems



Homeownership is now out of reach for many, especially younger households, as global housing prices have risen far faster than income growth (IMF, 2024; Magicbricks, 2025). In India, for example, the average home costs more than ten times the median annual income, as evidenced by the price-to-income (P/I) ratios in major cities like Delhi and Mumbai, which reached 12.3 and 15.1, respectively, in 2025 (Magicbricks, 2025). This disparity is made worforgorising mortgage rates and strict lending standards, which compel potential purchasers to postpone or forego ownership (Kansas City Fed, 2024). Socioeconomic stratification has been strengthened globally because of households turning to renting as the default option due to high costs and credit restrictions (Acolin et al., 2020).

Automobiles and Mobility

Cars show a similar move. Owning a car used to mean freedom, but now it is often about subscriptions or sharing (Cohen & Kietzmann, 2014). Services such as Zipcar and Uber let you use a car without buying it, turning rides into a service. This gives you options and cuts costs upfront, but you don't build equity or own anything in the long run.

Durable Goods and Subscription Culture

Besides homes and cars, you see renting goods and online services. Electronics, appliances and software push subscriptions (Kokina & Blanchette, 2019). Companies like Apple and Microsoft want you to pay all the time instead of buying. This can make things easier to get, but you're always paying and never own anything.

Institutional and Market Incentives

Money and rules make these trends worse. Mortgage systems, rental laws, and company goals often favor quick cash over owning things long-term (Vo et al., 2024). Builders and makers usually focus on fancy stuff, ignoring what people can afford. This all creates a world where owning is a luxury, not the norm, making the rich richer and the poor poorer.

3. Social, Economic and Psychological Impacts

The growing rent-based economy is not just about shopping. It is impacting society, the economy and how we feel. Owning things used to give us more than just stuff – it made us feel safe, gave us a sense of who we are, and helped us plan. Now that we are renting more and owning less, these things are starting to suffer.

Loss of Wealth-Building Opportunities

For many years, owning a home has been the main way to accumulate wealth. Owning a property enables households to transfer wealth between generations, build equity, and protect against inflation (Gyourko & Molloy, 2015). In a similar vein, owning cars and other durable goods can save money and lower ongoing costs. However, in the rent economy, consumers keep paying for access without building up assets, which perpetuates the structural disparity between owners and non-owners (Kokina & Blanchette, 2019). Since renters continue to face financial constraints while owners continue to amass wealth, this eventually contributes to the widening of social stratification.



Psychological and Emotional Effects

Limited ownership has a significant psychological effect. Research shows that homeowners are more satisfied with their lives, feel more in control of their surroundings, and have a stronger sense of autonomy than renters (Acolin et al., 2020). Whether it is in housing, cars, or durable goods, the uncertainty that comes with renting can make people feel more stressed and less stable. According to Cities (2024), young adults who are unable to obtain ownership might feel precarious, miss important life events, and have less ability to plan for long-term objectives like marriage, starting a family, or advancing their careers.

Social and Community Implications

Additionally, ownership helps people feel rooted in their communities, which promotes civic engagement and social cohesiveness. Renters, who face greater mobility and less tenure security, may have weaker social ties than homeowners, who are more likely to invest in local schools, neighborhoods, and community activities (Acolin et al., 2020; Vo et al., 2024). Lack of ownership can restrict participation in social networks that depend on mobility or technology access in the context of cars and durable goods, thereby strengthening social segmentation.

Generational Inequity

Younger generations are disproportionately impacted by the rent economy because they frequently have to deal with high housing costs, expensive subscriptions, and restricted access to credit. Younger adults' opportunities for ownership are further limited by aging populations holding onto property or delaying downsizing (Gyourko & Molloy, 2015; Cities, 2024). Social stratification is exacerbated by this generational conflict, which turns ownership from a universal right to a symbol of privilege.

So, all these financial, mental, and social things show that the rent is not just a market change. It is a total change in how society is set up, messing with who is on top, what is fair and where people end up in life. Owning stuff, which used to be normal for feeling secure, is now a luxury only some people can get, making the money gap and unfair chances even worse.

Conclusion

The renting stuff has really changed what owning something means. Things like homes, cars and other big items used to be things people bought. Owning these things was a main way to feel secure, in charge of your life and part of society. But now, it is tough for many people to own them. What is used to assist you save cash and feel stable is now mostly for rich people with good credit and other advantages. This change affects our feelings and how we act. If you are always renting, you do not have as much control over your life, and it is harder to pass anything on to your children. You



might always feel unsure about the future. Neighborhoods could get split up because renters don't put money into them like homeowners do. This can damage schools and local groups, which makes people feel less connected over time. We need governments and groups to step in. Things like cheap housing, renter protections, fair credit options, and rules that let people own things eventually are very needed. This can help fix the problems caused by the rent-based economy. It is also a matter of fairness and respect to make sure people can still own things. The rent-based setup is easy in some ways, but it also creates a divided economic and social structure. Ownership is not just something to hope for, it is a special thing that shows who can have a stable future, save cash and feel like they belong. Fixing this imbalance is more than just something politicians should do; it's the right thing to do. We need to make sure more people can still get the good things that come with owning like security, a sense of self and control over their lives.

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