

## **Housing sector weakness holds back U.S. recovery: economist**

WASHINGTON, Sept. 24 (Xinhua) -- The weak housing industry was a major headwind for stronger U.S. economic growth, while aggressive stimulus programs and policies targeted at bolstering the housing sector were crucial to the economic recovery, U.S. Nobel Prize-winning economist Paul Krugman said Monday.

"What's holding us back is mainly the continued weakness of housing combined with a vast overhang of household debt, the legacy of the Bush-era housing bubble," Krugman said in his latest column article on The New York Times.

Austerity programs could not cure the anemic U.S. economic growth and actually led to Depression-level economic downturns across much of Europe, said the economics professor from Princeton University.

"We could and should have greatly reduced the pain by combining aggressive fiscal and monetary policies with effective relief for highly indebted homeowners," he contended.