

A Comparison of Housing Welfare Policies among Major Asian Countries in the Modern Era

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ABSTRACT

The regional economic crises in the late 1990s and the global economic crisis in the late 2000s had reduced the differences in housing policies among the major Asian economies. This paper attempts to explain and compare housing welfare policy shifts between subsidizing home owning and subsidized renting from the perspectives of the economic and social roles of housing, the lock-in effect of policy processes, and the welfare provision strategy of the East Asian economies. It argues that the impact of economic crises on housing welfare policy in East Asia depended on the duration and the intensity of the crisis and the length and severity of the subsequent economic depression. Another important factor was the role of housing in the economic and social development, especially whether housing market development was considered as an engine of economic growth or revival, and whether the tools of housing policy caused the economic crisis. The loss of impetus for home ownership drive and the new emphasis on rental subsidy provision are new policy trends. Nonetheless, the economic revival since mid-2009 has caused the re-introduction of home ownership subsidies for quenching the housing affordability problems and enhancing home ownership making use of the strong economic conditions.

Key words: Economic Crises, East Asia, Housing Welfare Policy, Rental Subsidy, Home Ownership Policy

1. Introduction

The major Asian economies adopt different approaches in the provision of welfare housing, ranging from large scale public housing (rental and owner-occupier) provision, through significant indirect subsidy for home ownership, to a minimal welfare housing policy. The divisions are nonetheless blurred after the two economic crises. The Asian Financial Crisis in the late 1990s and the Global Financial Tsunami towards the end of the first decade of the new millennium engendered conspicuous housing welfare policy changes in most of the East Asian economies. At the wake of the regional crisis, most governments in East Asia reduced market intervention and deregulated control in order to enliven the housing market. As well, governments' emphasis on subsidized home ownership policy only survived in economies where boosting the housing market was regarded as a rescuer of the declining economy. While the 2008 Global Financial Crisis only had short-term effect on housing prices in most of the East Asian cities, the economic instability in the past decade has witnessed a resurgence of the need to provide rental subsidies, be it by direct or indirect approaches. This is especially

the case in economies where government intervention in housing is, or was at one stage, dominant, such as Singapore, Hong Kong, South Korea and China. A most recent phenomenon is, however, the pressure to re-introduce subsidized home ownership schemes to combat the aggravating housing affordability problems in economies where economic growth sustained.

This paper attempts to explain and compare housing welfare policy shifts between subsidizing home owning and subsidized renting not only from the perspectives of the economic and social roles of housing, or the lock-in effect of policy processes, but also from the welfare provision strategy of the East Asian economies. This paper initially reviews the convergence and divergence of housing welfare policies of the major Asian economies before the outbreak of the Asian Financial Crisis. Subsequently it analyses the impacts of the Asian Financial Crisis and the Global Financial Crisis on the housing sector. Finally, it examines the impact of the two crises on housing welfare policy, before drawing the conclusion on the trends of convergence and divergence among the major East Asian economies. As the theme of this paper is to investigate housing welfare policies in the modern era, the thrust of the discussion is to compare recent changes engendered by the

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two recent regional and global economic crises. Since the impact of the Asian Financial Crisis has been documented elsewhere (e.g. Chiu, 2008), more attention is given to the Global Financial Crisis.

2. Convergence and divergence before the Asian Financial Crisis

As shown in Table 1, before 1998, the housing welfare policies of the major Asian economies formed a spectrum, ranging from a dominant public sector (Singapore), through a sizable public housing sector (Hong Kong and China) or significant financial subsidy enabling large scale home ownership (Japan), to small scales of public rental housing and marginal financial subsidy for supporting home ownership (South Korea and Taiwan). Chiu (2008) argues that the variance in housing welfare policy among the major Asian economies is attributable to the socio-economic and political development strategies of respective countries. Table 2 illustrates these relationships. In economies where the social, economic and political roles of housing were regarded significant, more intensive and extensive housing subsidies were provided to the target groups. In the case where political and social objectives dominated, the housing welfare policy covered a wider spectrum of the population, as in the case of Singapore. However, where the economic objectives prevailed, housing welfare was targeted at the economically active, such as the case of Hong Kong in the sixties and seventies, and Japan until the nineties. Fundamentally, nonetheless, the provision of housing welfare also depended on the financial and political ability of the

governments, as exemplified by Taiwan, the government of which lacked land resources to launch a large scale public housing program.

The gradual removal of housing welfare in China in relation to economic and social development between 1980 and 1998 formed a different trajectory, however. To implement the marketization strategy and to remove stumbling blocks for economic development, the welfare-driven housing system was reformed, giving away the provision of housing as a kind of basic welfare provided by the state. Instead, the commodity status of housing was resurrected. In 1998, the central government was determined to fully marketize the housing system, supplemented by a small subsidized segment. The newly conceived housing market was not only to grow, but to become an important economic sector. Such an approach, though taking an opposite tack from those of other Asian economies, was also inter-locked with the social and economic development strategies.

3. The two economic crises and their impact on the housing sector

As mentioned earlier, the Asian Financial Crisis and the Global Financial Tsunami have caused significant changes to Asia's housing welfare policy. This section initially discerns and explains the impact of the recent Global Financial Tsunami on housing price trends of the East Asian countries/cities. It then compares the price trends and the impact of the two economic crises and explains the differences.

Table 1. Housing Welfare Approaches in East Asia 1998

Housing welfare	Singapore	Hong Kong	China	Japan	South Korea	Taiwan
Public rental housing (households)	2%	36%	35-55% (estimate)	6.8%	Less than 8%	Less than 7.4%
Rental allowance	None	None	None	None	None	None
Subsidized build-for-sale schemes (households)	82%	12%	50-60%	None	Less than 8%	Less than 7.4%
State-related down payment subsidies	Low-interest loans (low income families; CPF)	Guarantor for mortgage loans	Low-interests down payment loans from HPF	Low-interest loans for purchase and self-build (large scale)	Low-interests loans to selected home buyers	Interest subsidy for low income and special groups
Subsidies to developers	None	None	Free land for PRH; Cost-priced land for HOS	None	Low-interests loans to selected builders	None
Tenure policy	Predominant owner-occupation	Home ownership	Home ownership	Home ownership	Home ownership	Home ownership
Welfare regimes	Liberal socialist	Liberal interventionist	Marketised socialist	Liberal interventionist	Regulated market	Free market

Sources: Chiu(2008), Hirayama(2003).

Table 2. Housing and Socio-economic-political Development of the Four Asian Tigers

	Singapore	Hong Kong	China	Japan	South Korea	Taiwan
Public housing as a policy tool to support industrial development	Yes (Since 1965)	Yes (Until 1970's)	No	Yes	No	Yes (Until 1970's)
Housing subsidy as a means to stimulate market activities (housing and non-housing sectors)	No	Inconspicuous	Yes	Yes	No	No
Housing subsidy policy to achieve social stability	Yes (Owner-occupation since 1965)	Yes (rental housing since 1972)	Yes	Yes	Yes (1988-1993)	Yes, but mildly
Housing subsidy policy to gain political capital	Yes (Since 1965)	Yes (Since 1972: rental; 1997-2002 : owner-occupation)	Not applicable	Not dominant	Yes (1988-1993)	No
Housing subsidy	Extensive and intensive home ownership subsidy (direct provision, supplemented with financial subsidy)	Extensive public rental housing, considerable in-kind home ownership subsidy	Mostly not distinguishable from work remuneration before 2000.	Extensive home ownership subsidies (financial subsidy supplemented with direct provision) to middle income families	Limited in-kind home ownership subsidy reacting to social pressure. Very limited public rental housing	Limited in-cash and in-kind subsidy for home ownership

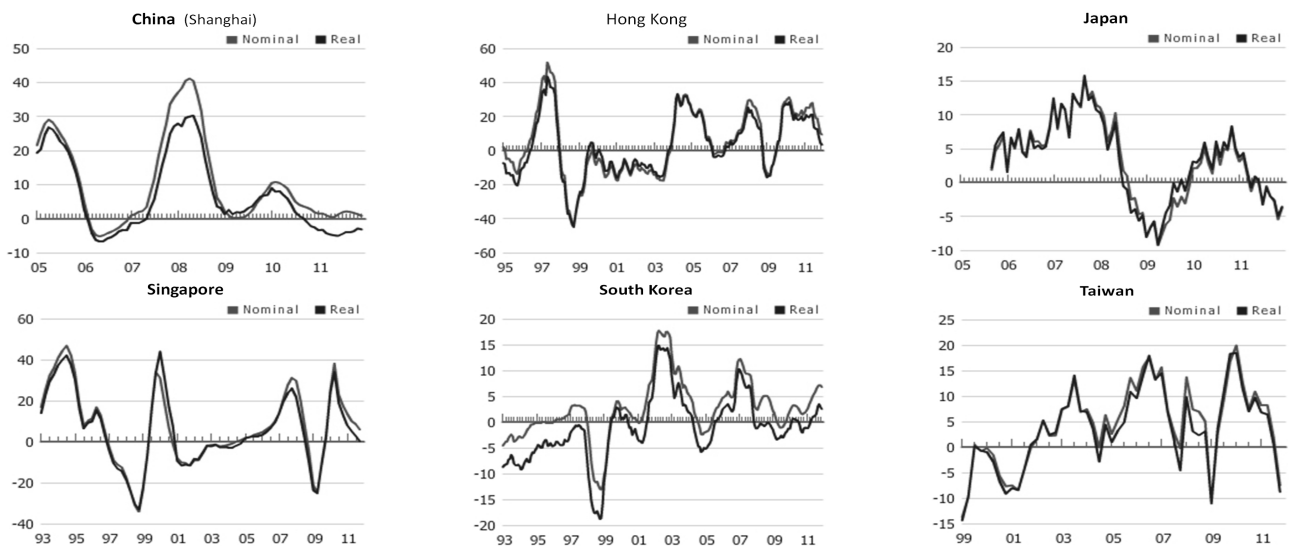
Source: Modified from Chiu(2008).

3.1 Housing price trends after the Global Financial Tsunami

3.1.1 Falling Price trends and policy stimulation in 2008

Figure 1 and Table 3 show that all the East Asian countries suffered from housing price decline in 2008, following general

booms in 2007 (Global Property Guide, 2010). The most significant price drops were recorded in Singapore and Hong Kong, at the rates of 24.9% (24.5% in real terms) and 17% (18% in real terms) respectively. As regional and international finance centres as well as trading ports, these two economies were harder hit by the Global Financial Crisis, and so were the housing



Source: Global Property Guide, 2012.

Note: Price trends are measured on a quarterly basis.

Fig. 1. Housing Price Trends of East Asia

Table 3. Housing Price Changes 2008–2009

Year		East Asian Countries/Cities					
		China	Hong Kong	Japan	Singapore	South Korea	Taiwan
2008	Nominal	↓ 2%	↓ 17% ²	↑ 1.1%	↓ 24.9% ⁵	↑ 3.1%	↓ 11% ⁸
	Real	↓ 3.2%	↓ 18% ²	↓ 0.2%	↓ 24.5% ⁵	↓ 1.5%	↓ 12.8% ⁸
2009	Nominal	↑ 2% ¹	↑ 20% ³	↓ 7.8% ⁴	↑ 15.7% ⁶	↑ 2.1% ⁷	↑ 9.4% ⁹
	Real	↑ 3.2% ¹	↑ 21% ³	↓ 9.2% ⁴	↑ 15.7% ⁶	↑ 1.3% ⁷	↑ 10.3% ⁹

¹. Since June 2009;

². Since June 2008;

³. From bottom of 2008 to Aug. 2009;

⁴. 1st half year, average price of six largest cities;

⁵. From 2008 to 1st quarter, 2009;

⁶. 3rd quarter;

⁷. From April to Oct. 2009;

⁸. From 1st quarter, 2008 to 1st quarter, 2009;

⁹. 3rd quarter.

Table 4. Housing Price Trends by Price Index

	2003	2004	2005	2006	2007	2008	2009	2010	2011
China (2008 =100)**	70.1	76.9	82.7	87.3	93.9	100.0	101.8	112.0	115.7*
Hong Kong (1999=100) ¹	61.6	78.0	92.0	92.7	103.5	120.5	121.3	150.9	182.1
Japan (2005=100)	100.3	100.1	100.0	100.0	99.8	100.0	-	-	-
Singapore (4th Quarter 1998 =100)	112.8	113.8	118.2	130.2	170.8	162.8	165.7	194.8	206.2
South Korea (1st Quarter 2006 =100)	97.6	98.7	99.5	105.6	118.9	125.7	125.6	129.8	141.0
Taiwan (1st Quarter 1991 =100)	91.7	95.9	103.0	117.8	125.0	135.3	140.9	158.5	162.4

Sources: Census and statistics department(2010); Statistics Singapore(2010); Korean Statistical Information Service(2010); National statistics(2010a and 2010b); National bureau of statistics of China(2010; Statistics Bureau(2010).

Note: ¹Calculated from monthly price index.

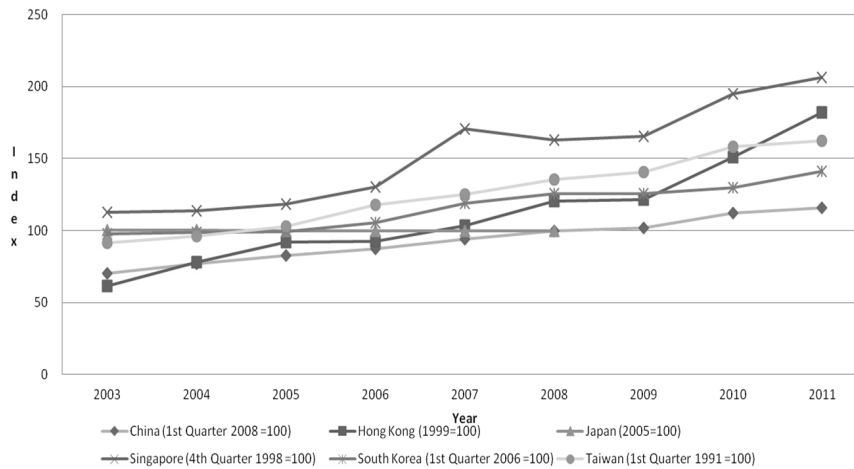
markets, reflected both in the declines of housing price and transactions. The least decline was found in China and South Korea, at rates of 2% (3.2% in real terms) and 3.1% (1.5% in real terms) respectively. Although Japan's housing price seemed to fall at a smaller margin, only at 0.2% in 2008 in real terms, a substantial fall came in 2009, at 7.8% (9.2% in real terms). The price of condominiums in Tokyo slumped by 28.3% in the same year.

A notable feature of the price trends was that despite the fall in 2008, the housing price levels did not drop beyond the price levels of 2004 to 2006 when the housing markets started to recuperate after the long depression induced by the Asian Financial Crisis (Table 4). China was the exception as it was not directly affected by the Asian Financial Crisis owing to its then closed financial system.

The Global Financial Crisis was nonetheless not the sole cause of the price fall in 2008. Housing prices in most East Asia housing markets took off and reached buoyant levels in 2006 and 2007 (Table 4). As a result, some governments implemented measures

in 2007 to cool down the markets, including the increase of capital gain tax by China and South Korea, and tightening of lending conditions by Japan and China. There were also other economic factors such as high global fuel which pushed housing prices down in Singapore (Global Property Guide, 2010).

The subsequent policy changes in view of the market decline pertained to reversing the anti-speculative measures introduced or announced in 2007, particularly the relaxation of the capital gain tax and other forms of property tax, lowering of the loan-to-value ratio and reduction of borrowing interest rates (Table 5). Given the uncertain and bleak economic outlook, measures to stimulate home ownership demand were uncommon, limited to tax reduction for home owners in South Korea. Reduction of land supply through the land sale policy was continued to be used by Hong Kong to minimize the supply and demand imbalance. The sharp change in the economy and the housing market had not effected any significant changes in the housing welfare policy in 2008 as yet.



Sources: Census and statistics department(2010); Statistics Singapore(2010); Korean Statistical Information Service(2010); National statistics(2010a and 2010b); National bureau of statistics of China(2010); Statistics Bureau(2010).

Fig. 2. Housing Price Trends by Price Index

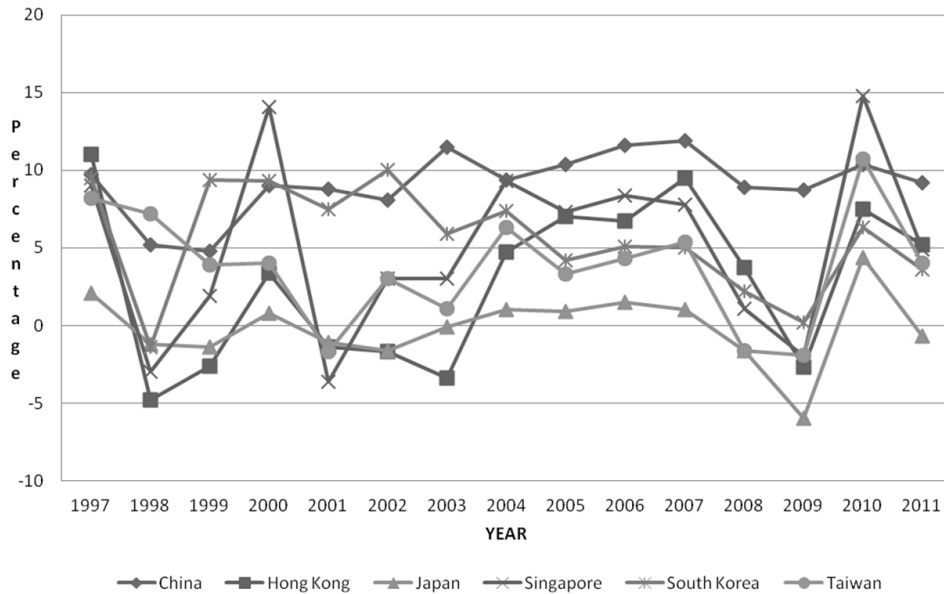
Table 5. Policy Measures 2008 and 2009

Year	East Asian Countries/Cities					
	China	Hong Kong	Japan	Singapore	South Korea	Taiwan
2008	<ul style="list-style-type: none"> Announced relaxation of anti-speculation measures Reduced property deed tax from 1.5% to 1% Waived stamp duty and land value-added tax Exempted sale business for property held for more than 2 years Reduced rates Reduced L-V-R Reduce capital requirements for housing development from 35% to 20%. 	<ul style="list-style-type: none"> Interest rate policy Enabling interest rate to drop Land supply limited. 	<ul style="list-style-type: none"> Interest rate increased 0.5% between Feb 2007 to Sept 2008 Tax reform in Dec 2008 Tax credit relating to mortgages extended by 5 years Capital gain tax reduction for property held for > 5 years, and sold in 2009 and 2010. 	<ul style="list-style-type: none"> Interest only loans allowed Delays in mortgage payment allowed 	<ul style="list-style-type: none"> Reduced tax for home owners Increased financial system liquidity Reduced interest rate to record low Reduced capital gain tax Raised the tax base of comprehensive real estate holding tax. 	<ul style="list-style-type: none"> Interest rates ascended 3.625% in August 2008
2009	<ul style="list-style-type: none"> January Implemented relaxation of anti-speculative measures Cooling measures. 	<ul style="list-style-type: none"> Released an addition of 1,000 old housing limits for re-development in Oct 2009 Monitored market upsurge carefully. 	<ul style="list-style-type: none"> No new measure 	<ul style="list-style-type: none"> Cooling policy: Restricted delays in mortgage payments Increased land supply disallow interest-only loans Non-renewal of assistance scheme to developers Adjusted land supply and tax to cool market. 	<ul style="list-style-type: none"> July – tightened loan condition Reduced L-V-R from 60% to 50%. 	<ul style="list-style-type: none"> Kept low interest rates since Feb. 2009 Maintained low taxes.

3.1.2 Price trends and government responses in 2009

The impact of the Global Financial Tsunami on the economy of East Asia was shorter-lived than expected. Despite the overall

continuation of economic decline in 2009 (Figure 3 and Table 6), all East Asian economies actually came out of the recession by the third quarter of 2009, even for the more open economies of Singapore and Hong Kong (Table 7). The housing markets were



Sources: Census and statistics department(2010); Statistics Singapore(2010); Korean Statistical Information Service(2010); National statistics(2010a and 2010b); National bureau of statistics of China(2010); Statistics Bureau(2010).

Fig. 3. Growth Rates of Gross Domestic Product (GDP)

Table 6. Growth Rates of Gross Domestic Product (GDP)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
China	9.7	5.2	4.8	9	8.8	8.1	11.5	9.4	10.4	11.6	11.9	8.9	8.7	10.4	9.2
Hong Kong	11	-4.8	-2.6	3.4	-1.4	-1.7	-3.4	4.7	7	6.7	9.5	3.7	-2.7	7.5	5.2
Japan	2.1	-1.2	-1.4	0.8	-1.1	-1.6	-0.1	1	0.9	1.5	1	-1.6	-6	4.4	-0.7
Singapore	9	-3	1.9	14.1	-3.6	3	3	9.3	7.3	8.4	7.8	1.1	-2	14.8	4.9
South Korea	9.5	-1.4	9.4	9.3	7.5	10	5.9	7.4	4.2	5.1	5	2.2	0.2	6.3	3.6
Taiwan	8.2	7.2	3.9	4	-1.7	3	1.1	6.3	3.3	4.3	5.4	-1.6	-1.9	10.72	4.03

Sources: Census and statistics department(2010); Statistics Singapore(2010); Korean Statistical Information Service(2010); National statistics(2010a and 2010b); National bureau of statistics of China(2010); Statistics Bureau(2010).

Table 7. Growth Rate of Gross Domestic Product (GDP) in 2009

	1 st quarter (%)	2 nd quarter (%)	3 rd quarter (%)	4 th quarter (%)	Annual growth rate (%)
China	6.1	7.9	8.9	10.7	8.7
Hong Kong	-7.5	-3.8	-2.4	2.6	-2.7
Japan	-14.2	3.7	4.8	3.8	-6
Singapore	-12.2	-3.5	0.8	4	-2
South Korea	-4.2	-2.2	0.9	6	0.2
Taiwan	-10.2	-8.5	-3.0	7.1	-1.9

Sources: Census and statistics department(2010); Statistics Singapore(2010); Korean Statistical Information Service(2010); National statistics(2010a and 2010b); National bureau of statistics of China(2010); Statistics Bureau(2010).

quick to respond to the unexpected economic revival. As shown in Figure 1 and Table 3, except Japan, housing prices had bounced back by the second half of 2009. In the more volatile markets of Singapore and Hong Kong, the price upsurge was phenomenal, ranging between 15% to 21% in real terms. Governments of Singapore and South Korea, which tend to be

more controlling of the housing markets, actually re-launched dampening measures in the third quarter of 2009, including the tightening of mortgage loans, increasing land supply, and cessation of developer assistance schemes (Table 5). No change on housing subsidy policy was reported.

3.2 Comparing the impact of the two economic crises

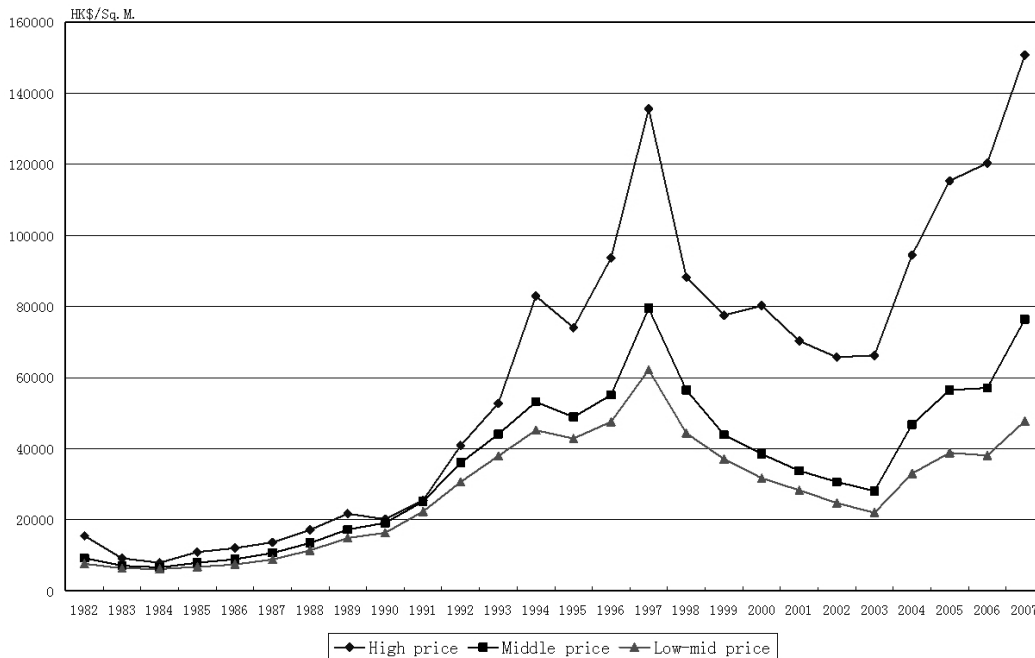
Tables 6 and 7 show that the impact of the Global Financial Crisis on the East Asian economies has by far been less than that of the Asian Financial Crisis of 1997-1998. Many factors accounted for the unexpectedly shorter recession incurred by the Global Financial Crisis. First, the Asian Financial Crisis had a more extensive impact because both the stock and the property markets were severely dampened and for a longer time, while the Global Financial Crisis mainly hit the export trade for about two years only. Second, consumer sentiment, and thus domestic demand, was not seriously affected as the economy recovered quickly. Third, the robust economic growth of China resultant from the stimulus measures helped boost economic recovery in the region.

Fourth, the launch of intensive stimulus packages by the European and the U.S.A. governments was able to stabilize the economy, and subsequently helped the revival of the exports from the Asian region, at least for the lower order goods. (The prolonged recession in Japan was caused by the continued low demand of electronic goods and vehicles which are higher order consumer goods.) Fifth, international funds tend to seek hedges in Asia where the economic outlook is more promising, with China and India believed to be the future global engine of economic growth. The boom in the higher end segment of the housing market of Hong Kong (Figure 4) is a corollary of the hot money flown from mainland China and elsewhere. Reportedly about 60% of the purchase of the 'luxurious apartments' in Hong Kong pertained to foreign buyers. The fuelling demand coupled with the low level of starts in the previous two years caused increase in

prices at rates which significantly surpassed that of the other market segments. Finally, although the financial sectors of these economies were severely affected by the ripples of the global financial turmoil at one stage, the local mortgage markets did not suffer from the same problems as in the U.S. because of the conservative mortgage policies of the East Asian economies.

4. Impacts of the two financial crises on housing welfare policy, 1998 to 2011

Given the sharp fluctuations and the short property cycles, housing policy and measures before and after the Global Financial Crisis were confined to initially introduction and subsequently relaxation of the cooling measures expedient to market conditions, rather than any long-term housing welfare policy changes. This is in stark contrast to the significant policy revisions ensued by the Asian Financial Crisis, as shown in Table 6. As argued by Chiu (2006) and Chiu (2008), major policy shifts subsequent to the regional crisis were necessary because the prolonged economic recession had engendered new socio-economic problems and thus new housing problems that these recently developed economies had not experienced before. The economic decline also exposed some of the inherent problems or weaknesses of the housing strategies, which were hidden when the economy was strong. An example was the termination of the twenty-six year long subsidized build-for-sale home ownership scheme of Hong Kong. Another was the relaxation of eligibility for public rental housing in Singapore for the first time in twenty-one years. Further, some East Asian governments used



Source: Census and Statistics Department, Government of HKSAR (Various Years).

Fig. 4. Price Trends of Different Housing Types in Hong Kong 1982-2007

Table 8. Shifts in Housing Welfare Policies in East Asia 1998–2011

Housing welfare	Singapore	Hong Kong	China	South Korea	Japan	Taiwan
Promotion of home ownership ¹	Policy support remains strong, more subsidy to low-income families since 2011 More HDB flats to stabilize heated market	Terminated policy support in 2002/2003-2010 Re-introduced subsidized housing schemes since late 2010 to mitigate affordability problems	1998 - 2010: emphasis and in-kind subsidy reduced. 2011-2015: re-emphasized, large scale provision	Fluctuated pending on market and economic conditions. 2009-2018: 0.7 million subsidized units	Low-interest loan replaced by secondary mortgage provision; No governmental build-for-sale schemes	Mild support continued, recent new scheme for young families
Rental subsidies	Relaxed eligibility after the Asian Financial Crisis	Continued to operate a massive public housing program	2001 - 2007: Small scale rental allowance, public housing and rental reduction. Public housing increased since 2007. 2011-2015, larger scale provision	New schemes 2003-2012: 1 million new units; 2009-2018: 0.7 million new units	No new public housing built, only redevelopment	Continued to be mainly for civil servants and military personnel. 2011-2014: 4808 new units for disadvantaged groups

Notes: ¹ All subsidized housing schemes mentioned are lower-middle and middle income groups, except Singapore, which provided subsidized housing to all except the high income groups.

housing market development as a major policy tool for facilitating economic revival, therefore they introduced more forceful measures to stimulate market activities, such as the cases of South Korea and Taiwan. Others, such as Hong Kong and Singapore, tightened up on housing and land supply in order to address the significant supply and demand imbalance caused by the rapidly dissipated demand and excessive supply resulted from the high number of starts in the booming years prior to the economic crash.

Overall, how much have the two economic crises changed the housing welfare policy of the East Asian countries? Table 8 shows that by 2010, the impetus of home ownership policy had either mitigated (China), stagnated (Singapore) or even terminated (Hong Kong) in some of the East Asian housing systems. Where measures were implemented to enhance home purchase, housing market development was used as tools to stimulate the economy as in the case of South Korea and Taiwan. A clear policy trend is, however, the increasing emphasis on rental subsidies, notably by China and the new government of South Korea. Even Singapore relaxed on the eligibility of public rental housing. These changes were recognitions of the housing problems of the low income families which were exacerbated by the poor economic conditions during and after the two economic crises. Maintaining social stability is therefore a central concern of the government. But it is important to note that in Chinese cities, the new emphasis on rental subsidy provisions still targets at the very low income local residents (migrant workers generally excluded) and takes on a variety of forms. Public housing programs of a massive scale like that of Hong Kong are not contemplated. Apart from economic instability, the increasing social polarization resultant from

globalization, rapid urbanization and the pursuit of a knowledge economy are the underlying causes for the need to introduce or expand rental subsidy provision.

A notable trend since 2011 is the restoration of the provision of subsidized home ownership schemes and greater assistance for home purchase (such as the Special Housing Grant designed for the low income families in Singapore) among the Asian economies except Japan, which still suffers from economic depression. Except South Korea which actively seeks to raise home ownership to that of the advanced countries, the re-emphasis to home ownership subsidy is more as a passive response to the aggravating housing affordability problem incurred by the continuous and significant rises in housing price. Though exports suffer because of the depressing economic conditions in the Western countries, the influx of global capital to Asia's property market and the strong domestic consumption fuelled the housing markets. While the governments have tried to increase supply by facilitating land supply, they are ineffective to fulfill demands in the short-term. Although price cooling measures have been adopted and have considerable effects on price growth, the affordability problem is looming large as a social problem. Thus, inevitably the government has to augment home ownership subsidies and widen the catchment net in their housing welfare policies.

5. Conclusion

From the above discussion, it is obvious that the impact of economic crises on housing welfare policy in East Asia hinges on a number of factors. A fundamental one was the duration and the

intensity of the crisis and the length and severity of the subsequent economic depression. Another primary factor was the role of housing in the economic and social development of the country/city, especially whether housing market development was considered as an engine of economic growth or revival, and whether the tools of housing policy (such as mortgage loan instruments) was a cause of the economic crisis. Policy change might also be induced by the strategy or approaches used by the governments to address housing problems and to rescue the housing market under a declining economy. The loss of impetus on home ownership drive and the new emphasis on rental subsidy provision to the low-income families were policy trends incurred by the two economic crises. Nonetheless, the economic revival since mid-2009, the strong economic fundamentals in most Asian countries (or cities), and the flow of global investment to Asia has caused housing price inflation. As a result, governments either have to re-introduce or increase home ownership subsidies to quench the housing affordability problems, or to enhance home ownership making use of the strong economic conditions.

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