

# ANALYSIS OF CENTRAL BANK AND GOVERNMENT POLICY IN THE DEVELOPMENT OF PROPERTY SECTOR (A SYSTEM DYNAMICS APPROACH)

By : Hasyim Yusuf Asjari  
Student Identity Number : 2510100093  
Supervisor : Prof. Dr. Ir. Budisantoso Wirjodirdjo, M.Eng.

## ABSTRACT

Housing needs of the society is a basic requirement. The surge in demand is that the existence of a backlog that reached up to 15 million, it took enough supplies to handle the deficit of demand. The growth of this sector in terms of consumption of the construction sector, but it has multiplier effect. So, it can support the growth of industries. Thus, demand of property will continue to increase along with the growth of economic activity. On the credit of the property, the credit growth in Indonesia is high enough to exceed the expectations, but the last months, the movement of property loans has decreased and coupled with the deteriorating condition of some Indonesian macroeconomic variables that makes it slowed the growth of the sector and will increase the risk of credit default. This study is conducted to analyze and model the policies of central bank and government on housing fulfillment and creating economic growth, particularly in the property sector. Based on simulation results, from 5 scenarios show that each scenarios work partially to the development of this sector. Thus, it needs synchronization of central bank and government that is combination of each scenarios. Based on combination scenarios results, optimistic scenario (increasing BI rate, decreasing LTV, increasing tax tariff, resettlement, and giving landed house and apartment proportion) shows positive impacts for this sector. It can decrease land occupied rate, so it can increase efficiency land but not for investment of land. In the other hand, it also compete in income per capita and economic growth.

**Keywords:** Central Bank, Government, property sector, system dynamics

(halaman ini sengaja dikosongkan)

