Rent control, seen by many economists as old-fashioned, has recently made a surprising comeback in one group of high-growth, dynamic economies – the Gulf. "But rent control can be benign, if: 1.) it is implemented so that its market-restraining effects are modest; 2.) it helps to defuse public protest about high rents; and 3.) it assists landlords and tenants by providing an agreed framework for contracts," he continues."Although the laws appear to be pro-tenant, the system is not entirely disadvantageous to landlords. Allowable rent increases are based on each province's CPI, allowing regional disparity," he continues.Asia has also followed the trend: China, Japan, Malaysia and Singapore have lifted rent controls since the early 2000s."Most of these conditions are not present in rent control measures in Qatar and UAE. If rent control persists in its current form, the property market boom might grind to a halt," Cruz notes.For the past two years to February 2008 rent increases were limited to 10% annually In adopting rent control the Gulf has moved in the opposite direction to the rest of the world.The Gulf measures have dismayed landlords, and alarmed property investors.Abu Dhabi has likewise capped 2008 rent hikes at only 5%.

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