

**The Gradualist Transition to Homeownership:  
Implications for Wealth Redistribution**

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China, after more than quarter century of reform, has joined the rank of Great Britain, the United States and other advanced market economies to become a nation of homeowners. This chapter examines in detail the ownership transformation in urban China, trying to identify the major gainers and losers in different phases of the reform. Data from three large-scale household surveys, two of which were conducted in 2001 in the cities of Beijing and Guangzhou, and the third was conducted in Guangzhou at the end of 2005, are employed to elicit the tenure switch trends in post-reform urban China. The chapter argues that the structure of inequalities in the socialist period has in fact strengthened under market transition in conjunction with the sale of reform housing and subsequent conferment of full ownership rights to the buyers.