

Marcos land reforms fail to satisfy

LAND distribution figured prominently in the New Society program in the Philippines.

President Ferdinand Marcos presented his reforms as radical, but after nearly two decades in power he has not been able to satisfy the aspirations of the peasant.

The distribution of income remains a cause for revolutionary discontent: for the President has not been able to staunch the flow of income to landowners.

Land taxation is one of the policies advocated by the United Nations for developing countries.

It has not been implemented by President Marcos, however, who is now under political attack for a scandal that was first revealed by the *Mercury News*, a San Jose (California) newspaper.

President Marcos and his associates are alleged to own \$766m worth of foreign property in New York, London, Rome and other places, according to an official complaint lodged by 57 Opposition MPs in Manila.

President Marcos has denied owning hidden wealth, and ordered an investigation into the allegations. The President and the First Lady are missing from a list of government officials who are to be questioned about their activities.

● Manila's foreign debt of £25.6bn is making foreign bankers nervous. They would be even more unhappy if it was proved that the President and his associates had been able to amass vast fortunes in Western countries.

FALSE MOVE IN JAPAN

MONOPOLY control of land in Tokyo's banking area has forced the city authorities to take action to open up the logjam in the supply of office space.

Mitsubishi Estate has owned almost all the land in the district of Marunouchi since the 1890s.

That date was a turning point in Japanese economic history. The government downgraded the tax on land values, a fiscal policy which had been used to help to transform the economy to an industrial one over the previous two decades.

While commercial property values



● Ferdinand Marcos receives a copy of *Land & Liberty* from one of his judges, Madam Justice Milagros German, who specialises in land disputes – but the President has not learned the lesson about the need for a new tax policy . . .

FAR EAST REPORT by Paul Knight

in Japan as a whole have just about matched the rate of inflation, prime land in central Tokyo has doubled in price in the last year.

Why? Because Mitsubishi regulates the supply of land on to the market: no office buildings have been sold in the banking district for eight years.

The average monthly rent in Marunouchi is reported to be ¥12,200 (\$5) per square metre, a rent that could be doubled if owners were free to get rid of sitting tenants.

Now the city authorities have decided to meet some of the pent-up demand:

● Land in outer Tokyo is being zoned, so that more offices can be built;

● Taller buildings will now be permitted;

● A bridge-and-tunnel plan to span Tokyo Bay is likely to be approved, encouraging construction at either end of the development.

Tokyo, however, is already one of

the most congested, sprawling urban conglomerations in the world. The government's new measures provoked by an irrational tenure-and-tax system that permits under-use of land and over-exploitation of monopoly power will exacerbate the social and economic conditions of the people who live and work in Tokyo.

LEE MIRACLE HITS SLUMP

SINGAPORE'S over-heated economy has slumped. Prime Minister Lee Kuan Yew presided over one of the oriental miracles, which found its expression in a 10-year real estate boom.

Rents and land prices roared into the stratosphere, but the double-digit growth has now come to an end: bankruptcies are up by more than a third since 1983, when tourism began to level off at about 3m visitors per year.

The over-supply of space has now had its impact on real estate prices, with some recorded drops of as much as 30%.

Hoteliers, even, have had to slash rates dramatically in a bid to attract custom. If rents come down far enough, investors could start to create jobs once again.