



Round the world

MOSCOW Yeltsin's fury

President Boris Yeltsin routed conservatives who opposed many of his reform plans, but the legal status of land remains confused. Land was a key issue for the former communists in the Congress of People's Deputies. At an acrimonious two-week session, they fought a rearguard action to block Yeltsin's decree that permitted the sale of land.

Pro-Yeltsin deputies argued that private land ownership may be the only chance to save Russian agriculture. But the conservatives refused to pass a law allowing private ownership of land, a failure for which they were admonished by the president in his closing remarks on April 21.

Even so, the power remains with Yeltsin, who continues to rule by decree. Article 21 of Yeltsin's decree on fiscal policy makes provision for the taxation of land, which is to be administered by local governments. (Taxes on the use of natural resources will be payable to the Federal government.)

Yeltsin's decree on the taxation of personal property set the tax rate on real estate at 0.1% of assessed value. Article 3 exempts property from the tax if it is "ruined or destroyed" - suggesting that owners could remove the roofs of their properties and escape the tax (a device favoured by British industrialists who wished to avoid paying tax under the old rating system).

* Foreigners will soon be able to buy land in the republic of Belarus, where the Parliament has decided to privatise state property. Kazakhstan, however, has decided to retain land in state

ownership, with leases granted to users.

NEW YORK Free trade or Protection

THE SLUMP in world trade has heightened demands for protectionist measures. The *US News & World Report*, in its March 2 editorial, warned readers against using Japan as a scapegoat. Editor-in-Chief Mortimer B. Zuckerman wrote:

◆ "At the turn of the century we had the same complex about Britain, and the great economist Henry George had the right answer to the clamor then for higher tariffs: 'What protection teaches us is to do to ourselves in time of peace what our enemies seek to do to us [with blockades] in time of war.' That lesson ought to be burned into our souls..."

◆ Annual world income would be \$477 billion higher in the year 2,002, if all trade barriers were removed, according to a new study by the Paris-based Organisation for Economic Cooperation and Development.

SAIGON State ownership

IN A heated debate on a new constitution, staged by Vietnam's national assembly in April, it was decided that land should remain the property of the state, but that it can be allotted to individuals for long-term use.

Rents for offices and apartments for foreigners have doubled over the past year and have soared in Ho Chi Minh City. Civil servants of the communist regime have found a way to cash-in on the boom. They pay a few dollars a month in rents for villas which were appropriated after the USA was expelled from Saigon in

1975; they now sub-let the apartments to foreigners for \$2,000 to \$6,000.

"While real estate is going into a recession in the rest of the world, in Vietnam it's booming," Australian businessman Paul Fairhead is reported as stating.

LONDON Green Queen

Queen Elizabeth II, one of Britain's largest landowners, says: "The earth is a gift to us all, whoever we are, wherever we live. We all share the task of ensuring that our world will remain fit for life and capable of sustaining us and those who will come after us."

In her message to the 50-nation Commonwealth, she added: "The living world is a God-given heritage and we have to be more responsible in our stewardship of it. We must be careful, not selfish or greedy, about the way we exploit scarce natural resources and about the demands we make on the natural environment."

MADRID Radio rentals

The rental value of the airwaves is rising in response to rapid technological innovation. That is why government officials representing 160 countries met in Spain in February, to thrash out an agreement on how to allocate radio frequencies for a broad range of new mobile communication services.

The demands are from consumers who want to use low-cost wireless telephones that can be used anywhere in the world, to laptop computers that transmit data using satellites.

Companies around the world are demanding access to the airwaves, which means that existing services

may have to be displaced from those radio frequencies that can be easily used. Countries write their own rules for use of the radio spectrum within their borders, but many signals are difficult to contain within national boundaries.

TOKYO The Pacific slump

Prime Minister Kiichi Miyazawa tried to cool the rancour threatening relations with the USA, following disparaging remarks directed at American workers. Referring to the get-rich-quick land booms which disrupted both economies, he acknowledged that similar economic problems beset Japan:

"In one sense, there are many of these same elements present in what has been called Japan's bubble economy. After this bubble [burst], both [countries] now have a lot to clean up in the aftermath, and all of our people learned a lot from this. It is very important to build things of value with the sweat of our brows. When President Bush talks about education, I believe he is trying to reiterate the above kind of message."

WASHINGTON Bill Clinton lands in trouble



US presidential candidate Bill Clinton, the Democrat's frontrunner for the nomination, failed to make a fortune out of a land deal in the Ozark Mountains. He was involved in a speculation in which 200 acres were bought with the intention of reselling at a profit.

News in Brief