

of gunpowder for another. With pressure on the dollar, an unhappy Democratic Congress at home, disillusioned mayors and city fathers throughout the country and wild trade unionists waiting in the wings, Mr. Nixon has a very difficult year ahead. If there is a moral here at all it must surely be that sooner or later economic error demands a very high price. In such situations, unfortunately, not only presidents suffer. In the end it is the ordinary people who pay and pay dearly through increases in taxes, higher prices and loss of ability to shape the world they are in.

## JAPAN

### *Land, the Foundation of Fortunes Ancient and Modern*

**J**APANESE big spenders are turning up all over the world. Many have wallets fattened by dealing in land in a cramped little nation surrounded by water.

They are buying up hotels and golf courses in Hawaii, Guam and south-east Asia. They are snapping up art works in Paris and London, out-bidding wealthy Americans and Europeans.

These displays of wealth abroad reflect the \$250 billion Gross National Product at home. This island nation has worked its way out of World War II disgrace and turned into a rich industrial society.

These performances, leaving Tokyo with \$18.4 billion in foreign reserves, have impressed the world with Japan's industrial might. But at home, land still remains the most precious commodity, and the most frequent source of personal fortune.

Half the nation's 105 million people are packed into a space slightly larger than Rhode Island. The resultant land shortage coupled with rapid industrialization has created a new breed of wealthy men. Land almost invariably is their prime source of wealth.

Hyoma Seki, the richest of them all, reported a 1972 personal income of roughly \$13 million before taxes, and combined family earning of \$20 million.

He made most of his and his family's money by dealing in real estate.

Seki, now sixty-two has since established seven companies, including a land development firm, with total assets estimated at \$500 million. He lives in a \$230,000 house and owns nine light planes, five cars and fifty bulldozers.

Ninety-four others out of Japan's 100 wealthiest men as reported last year by tax offices throughout the country drew most of their income through land transactions.

MARCH & APRIL, 1973

Ysuke Matsusaka of Hokkaido, the northern-most main island of Japan, reported an \$11-million income through sale of his land and management of a variety of businesses.

A forty-one-year-old Tokyo gardener joined the newly-rich club overnight when the government purchased part of his land for about \$3.7 million to construct a railway line.

Practically everywhere - from Hokkaido in the north to the southernmost island of Okinawa - landed farmers, land brokers or land developers have been turning hills, swamps and farm lands into a gold mine and replacing the old rich.

- *The Kansas City Star*, February 7

## AUSTRALIA

### *Back on Course*

**T**HE NEW Labour Government of Australia has made many changes in its first few months of office, and intends to make many more.

The Labour Party is opposed to further alienation of Crown lands, and intends that such land should be leased and not sold in future. Mr. Clyde Cameron, the new Minister of Labour, has proposed that when Crown land is leased, it should be the rent, rather than the premium that is auctioned. The initial rent would thus be set by the market, and thereafter should be reassessed annually.

Mr. Kep Enderby, Minister for the Capital Territory (Canberra), hopes to have enough blocks of land in the new suburbs of Canberra serviced and made available so that there will be no shortage reflected in the initial level of rents. If enough new suburbs were started on this basis - renting at full market rent - the value of land in the old suburbs would decline.

Mr. Tom Uren, Minister for Housing and Urban Development, is also in favour of the collection of ground rent for the community. It is the policy of the Labour Party to establish new towns, and if the leasehold system were restored in Canberra, it could be used for all the new towns.

There have also been discussions on the reintroduction of Federal Land Tax, abandoned some years ago. Other things being equal, it is better that land tax



be collected by only one authority, but if the States are not collecting it, it is better that the Federal government should.