

well enough off to pay the inflated prices on the other. "The sum saved for the first down-payment on a house becomes outstripped almost overnight." In three years terraced houses costing \$S.26,000 sell at \$S.60,000. New terraced houses are costing \$S.120,000 - even those located further from the city.

Says the author of the article: "Ironically it was the Government who triggered off the present avalanche, which it has since, in a series of moves, tried to regulate.

"In the mid-60s, in order to encourage building construction, the Government introduced a number of incentives for hotel development including the waiver of certain development charges. . . . This led to a rush to build hotels The Government put the brakes on the hotel rush by withdrawing the development incentives in 1970.

"Other steps which the Government took to encourage building included a 20-year grace period during which property tax was levied at 12 per cent. instead of the normal 36 per cent. Early 1971 saw the withdrawal of this concession."

When will governments learn that any subsidy given to industrial development always finds its way into higher land prices simply because - if the policy works - it must increase the use of and demand for land.

PANAMA

Overdue Land Reform, but the "Power of Big Landlords Still Unaffected"

IN 1969 the military government of Panama began an agrarian reform, which, says Alan Riding, writing in the *Financial Times*, "seems to be working."

Where there are a number of peasant families living on a single large holding, the government expropriates the land and the Agrarian Reform Commission organises a peasant co-operative. The idea is to form a community, usually of twenty-five to thirty families, led by the most energetic and honest of the peasants, which can then be supplied with water, electricity, schools and health facilities. Credit is also available to the co-operatives from the ARC and from the government.

Cropping is reorganised and concentrated instead of being scattered over the individual family plots, and earnings are received by the treasurer. After paying off interest and debts, the balance is distributed among the members according to days worked.

At first the land is owned by the Agrarian Reform Commission, but once the co-operative is functioning the land is transferred to it by the government.

So far the Reform Commission has concentrated on the *precarismo*, the very poorest peasants, who occupy

land they do not own. Some of these were living illegally on state land, which has now been made over to them. Others were living on large private estates. Over 250 such estates, totalling 865,000 acres, have so far been expropriated, the owners being compensated with forty year bonds at one per cent.

So far some 15,000 out of 120,000 peasant families have benefited from the reform. Annual earnings have risen 2½-3 times, and should increase further.

The writer comments that "the power of the big land owners is still unaffected." When the *precarismos* have been dealt with, hopefully by about the end of 1972, the Reform Commission intends to extend its operations to the northern districts. This area covers 60 per cent of the country, and is more fertile than the south, but contains only 10 per cent of the population, which suggests that land ownership is extensive and monopoly strong. Maybe it will be in this stage of the reform programme that the crunch between government and land owners will come.

AUSTRALIA

Lost Land Rights

THE TREATMENT of aborigines by the Australian authorities has been raised at the United Nations by Dr. Elizabeth Eggleston, director of the Centre for Research for Aboriginal Affairs at Monash University, Melbourne, reports the *Christian Science Monitor*, December 4.

Dr. Eggleston, who obtained her doctorate with a thesis on "Aborigines and the Administration of Justice," found from research into court records that aborigines were treated more harshly than white Australians who had committed similar offences, and formed a disproportionate percentage of prisoners.

Dr. Eggleston also spent a year with aborigines in the field. Having been dispossessed of their tribal lands, aborigines live on government reservations, and their style of life has had to change. Living off the land is a thing of the past. Ranchers' cattle are drinking all the water, and causing soil erosion.

Dr. Eggleston is campaigning for the aborigines to be given compensation for their lost lands, or title to the reservations. "Title to land will give aborigines psychological security and play an important part in providing them with economic security," say Dr. Eggleston. "Landholding is a fact enabling indigenous peoples to retain the pride and dignity of independent citizens."

With the newly elected government of Australia there are high hopes of a better deal for the aborigines.